STATE OF OKLAHOMA

2nd Session of the 53rd Legislature (2012)

COMMITTEE SUBSTITUTE
FOR ENGROSSED
HOUSE BILL 3079 By: Murphey and (Tibbs) of the House

and

David of the Senate

COMMITTEE SUBSTITUTE

[state agency consolidation - Office of Management and Enterprise Services - modifying references - effective date - emergency]

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

SECTION 1. AMENDATORY 1 O.S. 2011, Section 26, is amended to read as follows:

Section 26. There is hereby created in the State Treasury a revolving fund for the Oklahoma Abstractors Board to be designated the "Oklahoma Abstractors Board Revolving Fund". Beginning July 1, 2007, any monies collected pursuant to the Oklahoma Abstractors Law shall be deposited into the Oklahoma Abstractors Board Revolving Fund. Beginning January 1, 2008, any monies collected pursuant to the Oklahoma Abstractors Act shall be deposited into the Oklahoma Abstractors Board Revolving Fund. The fund shall be a continuing

fund, not subject to fiscal year limitations, and shall consist of all monies received by the Oklahoma Abstractors Board from any transfers, fees, bonds, penalties or fines paid to the Board pursuant to the Oklahoma Abstractors Act. All monies accruing to the credit of said fund are hereby appropriated and may be budgeted and expended by the Oklahoma Abstractors Board for the purpose of effectuating the purposes of the Oklahoma Abstractors Act and to pay all costs and expenses heretofore and hereafter incurred in connection therewith. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 2. AMENDATORY 2 O.S. 2011, Section 2-12, is amended to read as follows:

Section 2-12. A. For accounting purposes only, when any check has been received by the State Board of Agriculture, or the State Department of Agriculture, Food, and Forestry, and has remained unpaid for a period of more than five (5) years, and the Board determines that the check cannot be collected, the amount of the check shall not be included or carried as an asset of the Board or any of its funds.

B. If all appropriate collection remedies have been exhausted in the collection of any debt owed to the Department, the debt shall be considered uncollectable. A list of all uncollectable debts and

persons who owed the debts, shall be reported to the Oklahoma Legislature, the ~~Office of State Finance~~ Office of Management and Enterprise Services, and the Oklahoma Tax Commission no later than May 1 of each calendar year.

SECTION 3. AMENDATORY 2 O.S. 2011, Section 2-26, is amended to read as follows:

Section 2-26. A. The Agriculture Emergency Insect Control Special Fund is hereby created in the State Treasury for the ~~State~~ Oklahoma Department of Agriculture, Food, and Forestry. The fund consists of monies transferred to it from funds appropriated to the Department for this purpose. The fund shall be a continuing fund, not subject to fiscal year limitations, and shall be under the control and management of the administrative authority of the Department. Expenditures from the fund shall be pursuant to the laws of this state and rules promulgated by the State Board of Agriculture.

B. The fund shall be for emergency controls that lack legislative appropriation of emergency grasshopper and range caterpillar control within the state or for the general operations of the Department, and may be used for matching purposes for those programs in which the United States Department of Agriculture participates.

C. All expenditures shall be approved by the Board. Warrants for expenditures from the fund shall be based on claims signed by an

authorized employee of the Department and approved for payment by the Director of ~~State Finance~~ the Office of Management and Enterprise Services.

SECTION 4. AMENDATORY 2 O.S. 2011, Section 5-3.3, is amended to read as follows:

Section 5-3.3 A. There is hereby created within the State Treasury a fund for the State Board of Agriculture to be designated the "Oklahoma Agriculture Enhancement and Diversification Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies received by the State Board of Agriculture to implement and maintain the Oklahoma Agriculture Enhancement and Diversification Program.

B. The Oklahoma Agriculture Enhancement and Diversification Fund shall consist of:

1. Money received by the State Department of Agriculture in the form of gifts, grants, appropriations, reimbursements, donations, industry contributions, funds allocated by federal agencies for marketing, research and agricultural development programs and such other monies specifically designated for the Oklahoma Agriculture Enhancement and Diversification Program. All monies accruing to the credit of the fund are hereby appropriated and may be budgeted and expended by the State Board of Agriculture for the Oklahoma Agriculture Enhancement and Diversification Program; and

2. Interest attributable to investment of money in the fund.

C. All donations or other proceeds received by the Department pursuant to the provisions of this section shall be deposited with the State Treasurer to be credited to the Oklahoma Agriculture Enhancement and Diversification Fund. Expenditures from the fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

D. The monies deposited in the fund shall at no time become part of the general budget of the Department or any other state agency. Except for any administration costs incurred in development and implementation of the Oklahoma Agriculture Enhancement and Diversification Program, no monies from the fund shall be transferred for any purpose to any other state agency or to any account of the State Board of Agriculture or the Department or be used for the purpose of contracting with any other state agency or reimbursing any other state agency for any expense.

SECTION 5. AMENDATORY 2 O.S. 2011, Section 5-11, is amended to read as follows:

Section 5-11. A. As part of the "Made in Oklahoma" and "Grown in Oklahoma" programs established within the ~~State~~ Oklahoma Department of Agriculture, Food, and Forestry, the Department, in cooperation with the ~~Department of Central Services~~ Office of Management and Enterprise Services and the State Purchasing

Director, shall develop and expand new markets and identify the needs of state agencies, institutions, universities, and other entities of state, municipalities, counties, and other political subdivisions of this state and federal agencies and institutions for Oklahoma-made and Oklahoma-grown agricultural products.

B. The Department shall serve as a communication link between the producers of Oklahoma agricultural products and the ~~Department of Central Services~~ Office of Management and Enterprise Services and the State Purchasing Director or directly between the producers and the state, local, and federal entities for determining and satisfying the needs of the state, local, and federal entities for agricultural products. Special emphasis shall be given by the program for the development of opportunities for distribution and sale of surplus and oversupply of perishable products.

C. The Department, the ~~Department of Central Services~~ Office of Management and Enterprise Services, and the State Purchasing Director shall provide an expeditious process for the sale to and purchase of Oklahoma grown and produced agricultural products by state, local, and federal entities.

D. The Department shall inform producers of the identified needs of agricultural products by the state, local, and federal entities and shall assist the producers in contract procedures with or through the ~~Department of Central Services~~ Office of Management and Enterprise Services and the State Purchasing Director or

directly with the state, local, or federal entity needing the agricultural products.

SECTION 6. AMENDATORY 2 O.S. 2011, Section 6-405, is amended to read as follows:

Section 6-405. A. When it is determined by the State Board of Agriculture that it is necessary to eradicate any dangerous, infectious or communicable disease among domestic animals in the state, the presence of which constitutes an emergency declared pursuant to the Animal Disease Outbreak Temporary Emergency Act or declared by the United States Department of Agriculture, the Board may take reasonable and necessary steps to suppress and eradicate the disease. The Board may cooperate with the Animal and Plant Health Inspection Service (APHIS) of the United States Department of Agriculture, federally recognized Indian tribes, state or local government agencies, or any other private or public entity in the suppression and eradication of the disease.

B. When an emergency has been declared, the Board or the State Veterinarian may order:

1. Animals destroyed which are infected with the disease, exposed to the disease, or are highly susceptible to exposure to the disease because of proximity to diseased animals affected by the disease;

2. Personal property to be destroyed in order to remove the infection;

3. The cleaning and disinfection of any premises, exposed to the disease, or are highly susceptible to exposure to the disease because of proximity to diseased animals affected by the disease; and

4. Any act and incur any other expense reasonably necessary to destroy or suppress the disease.

C. The Governor, at the request of the Board, may take any other emergency action necessary to ensure the health of the public and the state livestock industry.

D. 1. The Board may:

a. accept on behalf of the state, the regulations adopted by the Animal and Plant Health Inspection Service of the United States Department of Agriculture pertaining to the disease authorized under an act of Congress, or the portion of the regulations deemed necessary, suitable, or applicable, and

b. cooperate with the Animal and Plant Health Inspection Service of the United States Department of Agriculture, in the enforcement of such regulations.

2. Alternatively, the Board may follow the procedure only as to quarantine, inspection, condemnation, appraisal, compensation, destruction, burial of animals, disinfection, or other acts the Board considers reasonably necessary for the destruction or suppression of the disease as adopted by the Board.

E. 1. For the purpose of determining compensation as provided by subsection F of this section, appraisals of animals or personal property destroyed pursuant to the Animal Disease Outbreak Temporary Emergency Act must be made by a Board-approved appraiser or by an appraisal committee consisting of an appraiser representing the Board, an appraiser representing the Animal and Plant Health Inspection Service of the United States Department of Agriculture, and an appraiser representing the owner. When, in the judgment of the Board or the State Veterinarian, the animals to be killed or personal property to be destroyed poses a disease threat, appraisals may be conducted after the animals are killed based on documents, testimony, or other relevant evidence.

2. Appraisals must be:

a. in writing and signed by the appraisers or appraisal committee, and

b. made at the fair market value of all animals and personal property appraised, unless otherwise provided by applicable federal law or regulation when compensation is paid by federal funds.

F. Upon destruction of animals or personal property, burial or other disposition of the carcasses of the animals, and the completion of the cleaning and disinfection of the premises in accordance with the provisions of the Animal Disease Outbreak Temporary Emergency Act, the Board or its authorized agent shall

certify the appraisal to the Director of ~~State Finance~~ the Office of Management and Enterprise Services. If funds are available for this purpose, the Director shall then file a claim with the State Treasurer for a warrant in the amount payable to the owner, excluding any compensation received by the owner from other sources.

G. A person who believes that the Board's certified appraisal is not sufficient may apply for a temporary restraining order or injunctive relief from the appropriate district court.

H. 1. No person or other legal entity may initiate any proceeding to collect a debt from the owner relating to animals or personal property destroyed pursuant to this section, until the owner has received compensation under paragraph F of this section.

2. If a person or other legal entity refuses to comply with this subsection after being informed that the owner qualifies for relief pursuant to the Animal Disease Outbreak Temporary Emergency Act, the owner may apply to the district court in the county in which the owner resides for a court order directing the person or other legal entity to comply with this subsection and to reimburse the owner for reasonable attorney fees incurred in obtaining the court order.

3. The provisions of this subsection shall not affect the validity of a mortgage foreclosure, contract for deed cancellation or other proceeding involving the title to real property, unless the owner records in the office of the county clerk where the real

property is located, prior to completion of the proceeding to collect the debt, a certified copy of the court order determining that the owner qualifies for relief pursuant to the Animal Disease Outbreak Temporary Emergency Act, and the legal description of the real property.

4. a. For purposes of proceedings involving title to real property pursuant to paragraph 3 of this subsection, the court order must provide that the order expires ninety (90) days after the date of application for the court order, unless the court extends the court order prior to that date for good cause shown.

b. A certified copy of any extension of the court order must be filed in the office of the county clerk in order to affect the validity of a proceeding affecting the title to real property.

5. For purposes of this subsection:

a. "completion of a proceeding to collect a debt" means, in the case of a mortgage foreclosure or of a foreclosure of any other lien on real property, the filing or recording of the sheriff's certificate of sale, and, in the case of a contract for deed cancellation, the end of the cancellation period provided in that law, and

b. "proceeding to collect a debt" includes foreclosure, repossession, garnishment, levy, contract for deed cancellation, an action to obtain a court judgment, a proceeding to collect real estate taxes or special assessments, eviction, and any other in-court and out-of-court proceedings to collect a debt. The term shall not include sending bills or other routine communications to the owner.

SECTION 7. AMENDATORY 2 O.S. 2011, Section 7-416, is amended to read as follows:

Section 7-416. There is hereby created in the State Treasury a revolving fund to be known as the "Milk and Milk Products Inspection Revolving Fund". The fund shall be a continuing fund not subject to fiscal year limitations and is appropriated and may be budgeted and expended by the Commissioner of Agriculture for the purpose of administering and enforcing the Oklahoma Milk and Milk Products Act. Expenditures from the fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 8. AMENDATORY 2 O.S. 2011, Section 10-9.6, is amended to read as follows:

Section 10-9.6 A. There is hereby created in the State Treasury a revolving fund for the ~~State~~ Oklahoma Department of

Agriculture, Food, and Forestry to be designated the "Poultry Waste Education Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies donated to the fund, and any other monies deposited in the fund pursuant to law.

B. All monies accruing to the credit of the fund are hereby appropriated and may be budgeted and expended by the ~~State~~ Oklahoma Department of Agriculture, Food, and Forestry to contract with Oklahoma State University to provide the educational courses required by the Oklahoma Poultry Waste Applicators Certification Act.

C. Expenditures from the fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 9. AMENDATORY 2 O.S. 2011, Section 10-9.24, is amended to read as follows:

Section 10-9.24 There is hereby created in the State Treasury a revolving fund for the ~~State~~ Oklahoma Department of Agriculture, Food, and Forestry to be designated the "Agriculture Regulation Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of fees and fines assessed on concentrated animal feeding operations, registered poultry feeding operations, and any other monies deposited in this

fund pursuant to law. All monies accruing to the credit of the fund are hereby appropriated and may be budgeted and expended by the ~~State~~ Oklahoma Department of Agriculture, Food, and Forestry for the regulation, enforcement, and administration of the ~~State~~ Oklahoma Department of Agriculture, Food, and Forestry Water Quality Division. Expenditures from the fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 10. AMENDATORY 2 O.S. 2011, Section 15-60.3, is amended to read as follows:

Section 15-60.3 A. There is hereby created within the State Treasury a fund for the State Board of Agriculture to be designated the "Oklahoma County Fair Enhancement Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies received by the State Board of Agriculture to implement and maintain the Oklahoma County Fair Enhancement Program.

B. The Oklahoma County Fair Enhancement Fund shall consist of:

1. Money received by the ~~State~~ Oklahoma Department of Agriculture, Food, and Forestry in the form of gifts, grants, appropriations, reimbursements, donations, industry contributions, and such other monies specifically designated for the Oklahoma County Fair Enhancement Program. All monies accruing to the credit of the fund are hereby appropriated and may be budgeted and expended

by the State Board of Agriculture for the Oklahoma County Fair Enhancement Program; and

2. Interest attributable to investment of money in the fund.

C. All donations or other proceeds received by the Department pursuant to the provisions of this section shall be deposited with the State Treasurer to be credited to the Oklahoma County Fair Enhancement Fund. Expenditures from the fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

D. The monies deposited in the fund shall at no time become part of the general budget of the Department or any other state agency. Except for any administration costs incurred in development and implementation of the Oklahoma County Fair Enhancement Program, no monies from the fund shall be transferred for any purpose to any other state agency or to any account of the State Board of Agriculture or the Department or be used for the purpose of contracting with any other state agency or reimbursing any other state agency for any expense.

SECTION 11. AMENDATORY 2 O.S. 2011, Section 16-8, is amended to read as follows:

Section 16-8. A. The Forestry Division, in connection with the enforcement of the Oklahoma Forestry Code, shall have the following powers, authority, and duties:

1. To enforce the provisions of this code and other forest and forest protection laws of this state;

2. To prevent, detect, extinguish, and investigate wildfires in this state;

3. To provide wildfire fighting crews, who shall be under the control and direction of forest rangers and other designated agents of the Division;

4. To appoint district foresters, assistant district foresters, investigators, rangers, and other employees;

5. To use the resources of the Division on state-owned parks and other state-administered lands to prevent and suppress fires and to establish fire fighting crews who shall be authorized to suppress fires on state lands;

6. To be reimbursed on an actual cost basis for all services provided to state parks and other lands administered by the State of Oklahoma;

7. To investigate cases of forest timber theft;

8. To make available for sale surplus state vehicles directly to rural fire departments or municipal fire departments, in cities or towns under ten thousand (10,000) population. State vehicles may be offered for sale only after approval is given in writing by the ~~Department of Central Services~~ Office of Management and Enterprise Services and an evaluation is made of each vehicle and a price set by the ~~Department of Central Services~~ Office of Management and

Enterprise Services. The Forestry Division may only receive the amount authorized by the ~~Department of Central Services~~ Office of Management and Enterprise Services for the sale of the vehicle;

9. To purchase equipment from the Rural Fire Defense Equipment Revolving Fund's inventory, when advantageous to the state, and to reimburse the Revolving Fund; and

10. To plan and conduct prescribed burning at the request and expense of landowners on public or private lands for the purpose of controlling Eastern Red Cedar and other invasive species, for hazardous fuel reduction, wildlife habitat manipulation, ecosystem restoration, or achieving silvicultural objectives. Forestry Division employees shall be protected under The Governmental Tort Claims Act and shall not be personally liable beyond the limits established therein for activities pursuant to this paragraph unless gross negligence is established in a competent court of law.

B. Forest rangers, and the fire fighting crews under their control and direction, may enter upon any lands for the purpose of preventing and suppressing wildfires and to enforce the provisions of the Oklahoma Forestry Code and other wildfire and forest protection laws of this state.

C. Forest rangers, employees of the Division, and all persons under contract or agreement with the Division to assist in fire fighting operations, as well as persons called upon by forest rangers or other authorized employees of the Division to assist in

fire fighting under the direction or supervision of employees of the Division, may, in the performance of their duties, set backfires, dig trenches, cut firelines, and carry on all customary activities in the fighting of wildfires without incurring liability to any person.

D. 1. The Director may appoint, subject to the approval of the Board, special officers who shall have the power and authority to arrest. The special officers shall have power and authority throughout the state, under the direction and control of the Division, to enforce the criminal provisions contained in the Oklahoma Forestry Code, other laws relating to forests and wildfires, and the Oklahoma Agricultural Code.

2. The special officers shall have power and authority to make arrests with or without warrants for violations of the criminal provisions of the Oklahoma Forestry Code, other laws relating to forests and wildfires, and the Oklahoma Agricultural Code to the same extent and under the same limitations and duties as peace officers under the provisions of Title 22, Chapter 3 of the Oklahoma Statutes.

3. In connection with the enforcement of the criminal provisions, the special officers and other state investigators or law enforcement officers may go upon all premises when necessary for the enforcement of laws. All special officers shall be ex officio forest rangers and shall be under the control and direction of the

Division; except, the Director may at any time, for cause, remove any powers and authority of arrest conferred. Special officers shall have the same right and authority to carry arms as the sheriffs of this state. The compensation of special officers shall be fixed and paid by the Division from its funds.

SECTION 12. AMENDATORY 2 O.S. 2011, Section 16-11, is amended to read as follows:

Section 16-11. A. There is created within the State Treasury a cost-share fund for the State Board of Agriculture to be designated the "Forestry Cost-Share Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies received by the Board to implement and maintain the forestry cost-share program.

B. The Forestry Cost-Share Fund shall consist of:

1. Money received by the ~~State~~ Oklahoma Department of Agriculture, Food, and Forestry in the form of gifts, grants, reimbursements, donations, forest industry contributions, funds allocated by federal agencies for landowner forestry cost-share programs, and other monies specifically designated for the forestry cost-share program. All monies accruing to the credit of the fund are appropriated and may be budgeted and expended by the Board for the forestry cost-share program; and

2. Interest attributable to investment of money in the Forestry Cost-Share Fund.

C. All donations or other proceeds received by the Department pursuant to the provisions of this section shall be deposited with the State Treasurer to be credited to the Forestry Cost-Share Fund. Expenditures from the fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

D. The monies deposited in the Forestry Cost-Share Fund shall at no time become part of the general budget of the Department or any other state agency. Except for any administration costs incurred in development and implementation of the forestry cost-share program, no monies from the Fund shall be transferred for any purpose to any other state agency or any account of the Board or Department or be used for the purpose of contracting with any other state agency or reimbursing any other state agency for any expense.

SECTION 13. AMENDATORY 2 O.S. 2011, Section 16-83, is amended to read as follows:

Section 16-83. There is hereby created in the State Treasury a revolving fund for the Oklahoma Department of Agriculture, Food, and Forestry to be designated the "Rural Fire Equipment Grant Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies received by the Oklahoma Department of Agriculture, Food, and Forestry and designated for deposit thereto. All monies accruing to the credit

of said fund are hereby appropriated and may be budgeted and expended by the Oklahoma Department of Agriculture, Food, and Forestry for the purpose of purchasing and repairing equipment used by rural fire departments for firefighting efforts. The Oklahoma Department of Agriculture, Food, and Forestry shall work with the Rural Fire Coordinators to establish suitable criteria for application and approval of grants awarded to rural fire departments from said fund. Priority of grants awarded from said fund shall be given to rural fire departments which suffered damaged equipment from wildfire suppression efforts related to drought-related fires and fire control. The activities associated with the duties of said fund shall be known as the "Rural Fire Equipment Grant Program". Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 14. AMENDATORY 2 O.S. 2011, Section 18-40, is amended to read as follows:

Section 18-40. The Oklahoma Beef Council shall not be subject to the ~~laws of this state dealing with the~~:

1. ~~Office of Personnel Management~~ Oklahoma Personnel Act; or

2. Competitive Bidding Act administered by the ~~Department of Central Services~~ Office of Management and Enterprise Services.

SECTION 15. AMENDATORY 2 O.S. 2011, Section 18-42, is amended to read as follows:

Section 18-42. There is hereby created in the State Treasury a revolving fund for the Oklahoma Beef Council to be designated the "Oklahoma Beef Council Revolving Fund". The Fund shall be a continuing fund, not subject to fiscal year limitations and shall consist of all monies received by the Oklahoma Beef Council from assessments received and collected pursuant to the Oklahoma Beef Improvement and Market Development Act, donations, grants, contributions and gifts from any public or private source. The Council may expend funds as provided for by law. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 16. AMENDATORY 2 O.S. 2011, Section 18-243, is amended to read as follows:

Section 18-243. A. Pursuant to the Oklahoma Sorghum Resources Act, the Oklahoma Sorghum Commission shall have the power and duty to:

1. Elect Commission officers to provide leadership and organization;

2. Call and conduct meetings as necessary in carrying out the provisions of the Oklahoma Sorghum Resources Act;

3. Formulate basic objectives and the general policies and programs of the State of Oklahoma respecting the discovery, promotion, and development of markets and industries for the utilization of sorghum;

4. Approve financial matters;

5. Maintain and enforce provisions of the Oklahoma Sorghum Resources Act;

6. Promulgate rules as are necessary to promptly and effectively administer the provisions of the Oklahoma Sorghum Resources Act;

7. Conduct assessment referenda pursuant to the Oklahoma Sorghum Resources Act;

8. Conduct programs consistent with the Oklahoma Sorghum Resources Act;

9. Develop bylaws for the due and orderly administration of the affairs of the Commission and for its responsibilities specified pursuant to the provisions of the Oklahoma Sorghum Resources Act;

10. Advise, consult, and cooperate with agencies of this state and its political subdivisions, other states, the federal government, and with affected groups;

11. Collect and disseminate information relating to sorghum production;

12. Contract with agencies of this state and its political subdivisions, other states, the federal government, and other

organizations or persons to comply and fulfill its mission pursuant to the provisions of the Oklahoma Sorghum Resources Act;

13. Hold public hearings for any purposes consistent with the provisions of the Oklahoma Sorghum Resources Act;

14. Identify and coordinate industry-wide programs for sorghum, sorghum resources, sorghum market development, sorghum promotion, and education relating to sorghum;

15. Seek information from sorghum producers and users for purposes of planning and prioritizing expenditures of Commission funds;

16. Protect or represent the best interests of the industry; conduct production, utilization, and policy research that affects the sorghum industry and benefits producers' profitability; disseminate reliable information; cooperate with agencies of this state and other states and governmental entities to implement joint programs; receive gifts and grants; and implement, or cause to be implemented, programs to increase the commercial value of Oklahoma sorghum; and

17. Take any other actions deemed necessary by the Commission to implement the provisions of the Oklahoma Sorghum Resources Act.

B. In addition, the Commission shall:

1. Make available for inspections during an annual independent audit each fiscal year by a competent accountant or auditor, all books, records of account, and minutes of proceedings maintained by

the Commission. The Commission shall provide to the ~~State~~ Oklahoma Department of Agriculture, Food, and Forestry a copy of the annual audit performed pursuant to this section;

2. Not later than forty-five (45) days after the last day of the fiscal year, submit to the President of the State Board of Agriculture a report itemizing all income and expenditures and describing all activities of the Commission during the fiscal year;

3. Provide surety bonds in amounts determined by the ~~Department of Central Services~~ Office of Management and Enterprise Services for any members who handle funds for the Commission; and

4. Receive, hold in trust, and disburse all assessments and other funds collected pursuant to the Oklahoma Sorghum Resources Act as trust funds of the Commission.

C. Any funds received by the Commission pursuant to the provisions of the Oklahoma Sorghum Resources Act shall not be used, directly or indirectly, or as a result of contract or agreement, with other persons or organizations in supporting or opposing political candidates or political office holders, either state or national.

D. 1. Except for instances of gross negligence, individual criminal actions, or acts of dishonesty, the Commission and employees of the Commission are not individually liable to a sorghum producer or other person for actions or omissions taken pursuant to this act that are:

a. errors in judgment, or

b. mistakes.

2. A member of the Commission is not individually liable for an act or omission of another member of the Commission.

SECTION 17. AMENDATORY 2 O.S. 2011, Section 18-273, is amended to read as follows:

Section 18-273. A. Pursuant to the Oklahoma Oilseed Resources Act, the Oklahoma Oilseed Commission shall have the power and duty to:

1. Elect Commission officers to provide leadership and organization;

2. Call and conduct meetings as necessary in carrying out the provisions of the Oklahoma Oilseed Resources Act;

3. Appoint subcommittees for each oilseed represented such as canola and any other oilseeds to formulate basic objectives and the general policies and programs of the State of Oklahoma respecting the discovery, promotion, and development of markets and industries for the utilization of oilseed;

4. Approve financial matters;

5. Maintain and enforce provisions of the Oklahoma Oilseed Resources Act;

6. Promulgate rules as are necessary to promptly and effectively administer the provisions of the Oklahoma Oilseed Resources Act;

7. Conduct assessment referenda pursuant to the Oklahoma Oilseed Resources Act;

8. Conduct programs consistent with the Oklahoma Oilseed Resources Act;

9. Develop bylaws for the due and orderly administration of the affairs of the Commission and for its responsibilities specified pursuant to the provisions of the Oklahoma Oilseed Resources Act;

10. Advise, consult, and cooperate with agencies of this state and its political subdivisions, other states, the federal government, and with affected groups;

11. Collect and disseminate information relating to oilseed production;

12. Contract with agencies of this state and its political subdivisions, other states, the federal government, and other organizations or persons to comply and fulfill its mission pursuant to the provisions of the Oklahoma Oilseed Resources Act;

13. Hold public hearings for any purposes consistent with the provisions of the Oklahoma Oilseed Resources Act;

14. Identify and coordinate industry-wide programs for oilseed, oilseed resources, oilseed market development, oilseed promotion, and education relating to oilseed;

15. Seek information from oilseed producers and users for purposes of planning and prioritizing expenditures of Commission funds;

16. Protect or represent the best interests of the industry; conduct production, utilization, and policy research that affects the oilseed industry and benefits the profitability of producers; disseminate reliable information; cooperate with agencies of this state and other states and governmental entities to implement joint programs; receive gifts and grants; and implement, or cause to be implemented, programs to increase the commercial value of Oklahoma oilseed; and

17. Take any other actions deemed necessary by the Commission to implement the provisions of the Oklahoma Oilseed Resources Act.

B. In addition, the Commission shall:

1. Make available for inspections during an annual independent audit each fiscal year by a competent accountant or auditor, all books, records of account, and minutes of proceedings maintained by the Commission. The Commission shall provide to the Oklahoma Department of Agriculture, Food, and Forestry a copy of the annual audit performed pursuant to this section;

2. Not later than forty-five (45) days after the last day of the fiscal year, submit to the President of the State Board of Agriculture a report itemizing all income and expenditures and describing all activities of the Commission during the fiscal year;

3. Provide surety bonds in amounts determined by the ~~Department of Central Services~~ Office of Management and Enterprise Services for any members who handle funds for the Commission; and

4. Receive, hold in trust, and disburse all assessments and other funds collected pursuant to the Oklahoma Oilseed Resources Act as trust funds of the Commission.

C. Any funds received by the Commission pursuant to the provisions of the Oklahoma Oilseed Resources Act shall not be used, directly or indirectly, or as a result of contract or agreement with other persons or organizations, in supporting or opposing political candidates or political office holders, either state or national.

D. 1. Except for instances of gross negligence, individual criminal actions, or acts of dishonesty, the Commission and employees of the Commission are not individually liable to an oilseed producer or other person for actions or omissions taken pursuant to this act that are:

a. errors in judgment, or

b. mistakes.

2. A member of the Commission is not individually liable for an act or omission of another member of the Commission.

SECTION 18. AMENDATORY 2 O.S. 2011, Section 18-314, is amended to read as follows:

Section 18-314. All monies received by the Oklahoma Wheat Utilization, Research and Market Development Commission from the fees assessed pursuant to the Oklahoma Wheat Resources Act shall be deposited in the State Treasury to the credit of the Commission's Revolving Fund, and shall be disbursed by order of the Commission

upon warrants issued by the State Treasurer against claims submitted to the Director of ~~State Finance~~ the Office of Management and Enterprise Services for ~~audit~~ approval and payment.

SECTION 19. AMENDATORY 2 O.S. 2011, Section 18-407, is amended to read as follows:

Section 18-407. There is hereby created in the State Treasury a revolving fund for the Eastern Red Cedar Registry Board to be designated the "Eastern Red Cedar Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies received by the State Board of Agriculture for the Eastern Red Cedar Registry Board from the state income tax checkoff as provided for in Section ~~9~~ 18-408 of this ~~act~~ title, the special license plate issued pursuant to Section 1135.5 of Title 47 of the Oklahoma Statutes, any state-appropriated funds, federal funds, donations, grants, contributions, and gifts from any public or private source. All monies accruing to the credit of said fund are hereby appropriated and may be budgeted and expended by the State Board of Agriculture as directed by the Eastern Red Cedar Registry Board for the purposes set forth in the Eastern Red Cedar Registry Board Act. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services for approval and payment.

SECTION 20. AMENDATORY 3 O.S. 2011, Section 84, is amended to read as follows:

Section 84. A. There is hereby created the Oklahoma Aeronautics Commission, which shall be the successor to the Oklahoma Aviation Commission created by Section 81 et seq. of this title. The Oklahoma Aeronautics Commission shall consist of seven (7) members, who shall be appointed by the Governor and who shall continue in office, as designated by the Governor at the time of appointment, through the last day of the second, third, fourth, fifth, sixth, and seventh calendar years, respectively, following the passage of this act, with the initial seventh member remaining in office until the end of the calendar year 1979. The successors of the members initially appointed shall be appointed for terms of six (6) years in the same manner as the members originally appointed under this act, except that any person appointed to fill a vacancy shall be appointed only for the remainder of such term. Each member shall serve until the appointment and qualification of a successor. One member shall be appointed from each congressional district and any remaining members shall be appointed from the state at large. However, when congressional districts are redrawn each member appointed prior to July 1 of the year in which such modification becomes effective shall complete the current term of office and appointments made after July 1 of the year in which such modification becomes effective shall be based on the redrawn

districts. Appointments made after July 1 of the year in which such modification becomes effective shall be from any redrawn districts which are not represented by a board member until such time as each of the modified congressional districts are represented by a board member. No appointments may be made after July 1 of the year in which such modification becomes effective if such appointment would result in more than two members serving from the same modified district. To qualify for appointment to the Commission, an appointee shall have the following minimum qualifications:

1. A citizen and bona fide resident of the state;

2. Three (3) years' experience in aeronautical activities, such as general aviation, agricultural aviation, airport management, or air carrier operation.

Members of the Commission shall receive no salary but shall be entitled to be reimbursed for necessary travel expenses pursuant to the State Travel Reimbursement Act. The members of the Commission may be removed by the Governor for inefficiency, neglect of duty, or malfeasance in office in the manner provided by law for the removal of officers not subject to impeachment.

B. 1. A Director of Aeronautics shall be appointed by the Commission, who shall serve at the pleasure of the Commission. The Director shall be appointed with due regard to such person's fitness, by aeronautical education and by knowledge of and recent practical experience in aeronautics for the efficient dispatch of

the powers and duties duly vested in and imposed upon the Director. The Director shall devote full time to the duties of the office and shall not be actively engaged or employed in any other business, vocation, or employment, nor shall the Director have any pecuniary interest in or any stock in or bonds of any civil aeronautics enterprise. The Director shall be reimbursed for all traveling and other expenses incurred in the discharge of the official duties of the Director, subject to general statutory limitations on such expenses as contained in the State Travel Reimbursement Act.

2. The Director shall be the executive officer of the Commission and under its supervision shall administer the provisions of this act and rules, regulations, and orders established thereunder and all other laws of the state relative to aeronautics. The Director shall attend all meetings of the Commission, but shall have no vote. The Director shall be in charge of the offices of the Commission and responsible to the Commission for the preparation of reports and the collection and dissemination of data and other public information relating to aeronautics. The Director is hereby empowered to execute all contracts entered into by the Commission.

3. The Commission may, by written order filed in its office, delegate to the Director any of the powers or duties vested in or imposed upon it by this act. Such delegated powers and duties may be exercised by the Director in the name of the Commission.

4. The Director shall appoint, subject to the approval of the Commission, such experts, field and office assistants, clerks, and other employees as may be required and authorized for the proper discharge of the functions of the Commission.

C. The Commission shall, within thirty (30) days after its appointment, organize, adopt a seal, and make such rules and regulations for its administration, not inconsistent herewith, nor inconsistent with, or contrary to, any act of the Congress of the United States or regulations promulgated or standards established pursuant thereto, as it may deem expedient and from time to time amend such rules and regulations. At such organizational meeting it shall elect from among its members a chair, a vice chair, and a secretary, to serve for one (1) year, and annually thereafter shall elect such officers, all to serve until their successors are appointed and qualified. The Commission shall schedule meetings at a convenient time and place as they become necessary. Four (4) members shall constitute a quorum, and no action shall be taken by less than a majority of the Commission. Special meetings may be called as provided by the rules and regulations of the Commission. Regular meetings shall be held at the established offices of the Commission, but, whenever the convenience of the public or of the parties may be promoted, or delay or expense may be prevented, the Commission may hold meetings, hearings, or proceedings at any other place designated by it. The Commission shall report in writing to

the Governor on or about January 31 of each year. The report shall contain a summary of the proceedings of the Commission during the preceding fiscal year, a detailed and itemized statement of all revenue and of all expenditures made by or in behalf of the Commission, such other information as it may deem necessary or useful, and any additional information which may be requested by the Governor.

D. Suitable office space shall be provided by the ~~Department of Central Services~~ Office of Management and Enterprise Services for the Commission in the City of Oklahoma City, and the Commission may incur the necessary expense for office rent, furniture, stationery, printing, incidental expenses, and other necessary expenses needed for the administration of this act.

SECTION 21. AMENDATORY 3 O.S. 2011, Section 91, is amended to read as follows:

Section 91. There is hereby created in the State Treasury a revolving fund for the Oklahoma Aeronautics Commission to be designated as the Oklahoma Aeronautics Commission Revolving Fund. The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of a monthly allocation by the Oklahoma Tax Commission of Three Thousand Dollars ($3,000.00) from the motor fuel excise tax levied and collected pursuant to the provisions of Title 68 of the Oklahoma Statutes, such amount being a part of the estimated amount of tax paid on gasoline consumed by

engines to propel aircraft in Oklahoma, sale of surplus property, fees and receipts collected pursuant to the Oklahoma Open Records Act, donations, gifts, bequests, contribution, devices, interagency reimbursements, federal funds unless otherwise provided by federal law or regulation, sale of leases and aircraft registration fees and taxes, or any other source. All monies accruing to said fund are hereby appropriated and may be budgeted and expended by the Oklahoma Aeronautics Commission for airport construction and rehabilitation programs and general operations of the agency. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 22. AMENDATORY 3A O.S. 2011, Section 204.1B, is amended to read as follows:

Section 204.1B There is hereby created in the State Treasury a revolving fund for the Oklahoma Horse Racing Commission, to be designated the "Equine Drug Testing Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies received by the Oklahoma Horse Racing Commission, from appropriations made to the Commission for deposit in the fund and monies paid by organization licensees to the Commission pursuant to assessments made by the Commission for equine drug testing. All monies accruing to the credit of said fund are

hereby appropriated and may be budgeted and expended by the Oklahoma Horse Racing Commission for the purpose specified in paragraph 14 of subsection A of Section 204 of ~~Title 3A of the Oklahoma Statutes~~ this title. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 23. AMENDATORY 3A O.S. 2011, Section 208.3a, is amended to read as follows:

Section 208.3a A. There is hereby created in the State Treasury a revolving fund for the Oklahoma Horse Racing Commission, to be designated the "Oklahoma Breeding Development Administration Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies received by the Commission from transfers made pursuant to paragraph 6 of subsection B of Section 208.3 of this title. All monies accruing to the credit of said fund are hereby appropriated and may be budgeted and expended by the Commission for the purpose of administering the Oklahoma Breeding Development Program, or additions to purses of Oklahoma-bred races, and for no other purpose. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

B. Monies received by and expenditures from said fund shall be subject to an annual audit pursuant to paragraph 6 of subsection B and subsection E of Section 208.3 of this title.

At the close of each fiscal year any unencumbered, unobligated, and unexpended monies in the Oklahoma Breeding Development Administration Revolving Fund shall be transferred to the Oklahoma Breeding Development Fund Special Account.

SECTION 24. AMENDATORY 3A O.S. 2011, Section 281, is amended to read as follows:

Section 281. This section sets forth the provisions of the Model Tribal Gaming Compact.

MODEL TRIBAL GAMING COMPACT

Between the [Name of Tribe]

and the STATE OF OKLAHOMA

This Compact is made and entered into by and between the [Name of Tribe], a federally recognized Indian tribe ("tribe"), and the State of Oklahoma ("state"), with respect to the operation of covered games (as defined herein) on the tribe's Indian lands as defined by the Indian Gaming Regulatory Act, 25 U.S.C., Section 2703(4).

Part 1. TITLE

This document shall be referred to as the "[Name of Tribe] and State of Oklahoma Gaming Compact".

Part 2. RECITALS

1. The tribe is a federally recognized tribal government possessing sovereign powers and rights of self-government.

2. The State of Oklahoma is a state of the United States of America possessing the sovereign powers and rights of a state.

3. The state and the tribe maintain a government-to-government relationship, and this Compact will help to foster mutual respect and understanding among Indians and non-Indians.

4. The United States Supreme Court has long recognized the right of an Indian tribe to regulate activity on lands within its jurisdiction.

5. The tribe desires to offer the play of covered games, as defined in paragraphs 5, 10, 11 and 12 of Part 3 of this Compact, as a means of generating revenues for purposes authorized by the Indian Gaming Regulatory Act, 25 U.S.C., Section 2701, et seq., including without limitation the support of tribal governmental programs, such as health care, housing, sewer and water projects, police, corrections, fire, judicial services, highway and bridge construction, general assistance for tribal elders, day care for the children, economic development, educational opportunities and other typical and valuable governmental services and programs for tribal members.

6. The state recognizes that the positive effects of this Compact will extend beyond the tribe's lands to the tribe's neighbors and surrounding communities and will generally benefit all

of Oklahoma. These positive effects and benefits may include not only those described in paragraph 5 of this Part, but also may include increased tourism and related economic development activities.

7. The tribe and the state jointly wish to protect their citizens from any criminal involvement in the gaming operations regulated under this Compact.

Part 3. DEFINITIONS

As used in this Compact:

1. "Adjusted gross revenues" means the total receipts received from the play of all covered games minus all prize payouts;

2. "Annual oversight assessment" means the assessment described in subsection B of Part 11 of this Compact;

3. "Central computer" means a computer to which player terminals are linked to allow competition in electronic bonanza-style bingo games;

4. "Compact" means this Tribal Gaming Compact between the state and the tribe, entered into pursuant to ~~Sections 21 and 22~~ Section 280 of ~~the State-Tribal Gaming Act~~ this title;

5. "Covered game" means the following games conducted in accordance with the standards, as applicable, set forth in Sections ~~11~~ 270 through ~~18~~ 277 of ~~the State-Tribal Gaming Act~~ this title: an electronic bonanza-style bingo game, an electronic amusement game, an electronic instant bingo game, nonhouse-banked card games; any

other game, if the operation of such game by a tribe would require a compact and if such game has been: (i) approved by the Oklahoma Horse Racing Commission for use by an organizational licensee, (ii) approved by state legislation for use by any person or entity, or (iii) approved by amendment of the State-Tribal Gaming Act; and upon election by the tribe by written supplement to this Compact, any Class II game in use by the tribe, provided that no exclusivity payments shall be required for the operation of such Class II game;

6. "Covered game employee" means any individual employed by the enterprise or a third party providing management services to the enterprise, whose responsibilities include the rendering of services with respect to the operation, maintenance or management of covered games. The term "covered game employee" includes, but is not limited to, the following: managers and assistant managers; accounting personnel; surveillance and security personnel; cashiers, supervisors, and floor personnel; cage personnel; and any other person whose employment duties require or authorize access to areas of the facility related to the conduct of covered games or the maintenance or storage of covered game components. This shall not include upper level tribal employees or tribe's elected officials so long as such individuals are not directly involved in the operation, maintenance, or management of covered game components. The enterprise may, at its discretion, include other persons employed at

or in connection with the enterprise within the definition of covered game employee;

7. "Documents" means books, records, electronic, magnetic and computer media documents and other writings and materials, copies thereof, and information contained therein;

8. "Effective date" means the date on which the last of the conditions set forth in subsection A of Part 15 of this Compact have been met;

9. "Electronic accounting system" means an electronic system that provides a secure means to receive, store and access data and record critical functions and activities, as set forth in the State-Tribal Gaming Act;

10. "Electronic amusement game" means a game that is played in an electronic environment in which a player's performance and opportunity for success can be improved by skill that conforms to the standards set forth in the State-Tribal Gaming Act;

11. "Electronic bonanza-style bingo game" means a game played in an electronic environment in which some or all of the numbers or symbols are drawn or electronically determined before the electronic bingo cards for that game are sold that conforms to the standards set forth in the State-Tribal Gaming Act;

12. "Electronic instant bingo game" means a game played in an electronic environment in which a player wins if his or her electronic instant bingo card contains a combination of numbers or

symbols that was designated in advance of the game as a winning combination. There may be multiple winning combinations in each game and multiple winning cards that conform to the standards set forth in the State-Tribal Gaming Act;

13. "Enterprise" means the tribe or the tribal agency or section of tribal management with direct responsibility for the conduct of covered games, the tribal business enterprise that conducts covered games, or a person, corporation or other entity that has entered into a management contract with the tribe to conduct covered games, in accordance with IGRA. The names, addresses and identifying information of any covered game employees shall be forwarded to the SCA at least annually. In any event, the tribe shall have the ultimate responsibility for ensuring that the tribe or enterprise fulfills the responsibilities under this Compact. For purposes of enforcement, the tribe is deemed to have made all promises for the enterprise;

14. "Facility" means any building of the tribe in which the covered games authorized by this Compact are conducted by the enterprise, located on Indian lands as defined by IGRA. The tribe shall have the ultimate responsibility for ensuring that a facility conforms to the Compact as required herein;

15. "Game play credits" means a method of representing value obtained from the exchange of cash or cash equivalents, or earned as

a prize, in connection with electronic gaming. Game play credits may be redeemed for cash or a cash equivalent;

16. "Player terminals" means electronic or electromechanical terminals housed in cabinets with input devices and video screens or electromechanical displays on which players play electronic bonanza-style bingo games, electronic instant bingo games or electronic amusement games;

17. "Independent testing laboratory" means a laboratory of national reputation that is demonstrably competent and qualified to scientifically test and evaluate devices for compliance with this Compact and to otherwise perform the functions assigned to it in this Compact. An independent testing laboratory shall not be owned or controlled by the tribe, the enterprise, an organizational licensee as defined in the State-Tribal Gaming Act, the state, or any manufacturer, supplier or operator of gaming devices. The selection of an independent testing laboratory for any purpose under this Compact shall be made from a list of one or more laboratories mutually agreed upon by the parties; provided that the parties hereby agree that any laboratory upon which the National Indian Gaming Commission has relied for such testing may be utilized for testing required by this Compact;

18. "IGRA" means the Indian Gaming Regulatory Act, Pub. L. 100-497, Oct. 17, 1988, 102 Stat. 2467, codified at 25 U.S.C., Section 2701 et seq. and 18 U.S.C., Sections 1166 to 1168;

19. "Nonhouse-banked card games" means any card game in which the tribe has no interest in the outcome of the game, including games played in tournament formats and games in which the tribe collects a fee from the player for participating, and all bets are placed in a common pool or pot from which all player winnings, prizes and direct costs are paid. As provided herein, administrative fees may be charged by the tribe against any common pool in an amount equal to any fee paid the state; provided that the tribe may seed the pool as it determines necessary from time to time;

20. "Patron" means any person who is on the premises of a gaming facility, for the purpose of playing covered games authorized by this Compact;

21. "Principal" means, with respect to any entity, its sole proprietor or any partner, trustee, beneficiary or shareholder holding five percent (5%) or more of its beneficial or controlling ownership, either directly or indirectly, or any officer, director, principal management employee, or key employee thereof;

22. "Rules and regulations" means the rules and regulations promulgated by the Tribal Compliance Agency for implementation of this Compact;

23. "Standards" means the descriptions and specifications of electronic amusement games, electronic bonanza-style bingo games and electronic instant bingo games or components thereof as set forth in

Sections ~~11~~ 270 through ~~18~~ 277 of ~~the State-Tribal Gaming Act~~ this title as enacted in 2004 or as amended pursuant to paragraph 27 of this Part or subsection D of Part 13 of this Compact, including technical specifications for component parts, requirements for cashless transaction systems, software tools for security and audit purposes, and procedures for operation of such games;

24. "State" means the State of Oklahoma;

25. "State Compliance Agency" ("SCA") means the state agency that has the authority to carry out the state's oversight responsibilities under this Compact, which shall be the ~~Office of State Finance~~ Office of Management and Enterprise Services or its successor agency. Nothing herein shall supplant the role or duties of the Oklahoma State Bureau of Investigation under state law. The Oklahoma Horse Racing Commission and the Oklahoma Tax Commission shall have no role in regulating or oversight of any gaming conducted by a tribe;

26. "Tribal Compliance Agency" ("TCA") means the tribal governmental agency that has the authority to carry out the tribe's regulatory and oversight responsibilities under this Compact. Unless and until otherwise designated by the tribe, the TCA shall be the [Name of Tribe] Gaming Commission. No covered game employee may be a member or employee of the TCA. The tribe shall have the ultimate responsibility for ensuring that the TCA fulfills its responsibilities under this Compact. The members of the TCA shall

be subject to background investigations and licensed to the extent required by any tribal or federal law, and in accordance with subsection B of Part 7 of this Compact. The tribe shall ensure that all TCA officers and agents are qualified for such position and receive ongoing training to obtain and maintain skills that are sufficient to carry out their responsibilities in accordance with industry standards;

27. "State-Tribal Gaming Act" means the legislation in which this Model Tribal Gaming Compact is set forth and, at the tribe's option, amendments or successor statutes thereto;

28. "Tribal law enforcement agency" means a police or security force established and maintained by the tribe pursuant to the tribe's powers of self-government to carry out law enforcement duties at or in connection with a facility; and

29. "Tribe" means the [Name of Nation].

Part 4. AUTHORIZATION OF COVERED GAMES

A. The tribe and state agree that the tribe is authorized to operate covered games only in accordance with this Compact. However, nothing in this Compact shall limit the tribe's right to operate any game that is Class II under IGRA and no Class II games shall be subject to the exclusivity payments set forth in Part 11 of this Compact. In the case of electronic bonanza-style bingo games, there have been disagreements between tribes and federal regulators as to whether or not such games are Class II. Without conceding

that such games are Class III, the tribe has agreed to compact with the state to operate the specific type of electronic bonanza-style bingo game described in this Compact to remove any legal uncertainty as to the tribe's right to lawfully operate the game. Should the electronic bonanza-style bingo game or the electronic instant bingo game described in this act be determined to be Class II by the NIGC or a federal court, then the tribe shall have the option to operate such games outside of this Compact; provided, any obligations pursuant to subsection F of Part 11 of this Compact shall not be affected thereby.

B. A tribe shall not operate an electronic bonanza-style bingo game, an electronic instant bingo game or an electronic amusement game pursuant to this Compact until such game has been certified by an independent testing laboratory and the TCA as meeting the standards set out in the State-Tribal Gaming Act for electronic bonanza-style bingo games, electronic instant bingo games or electronic amusement games, as applicable or any standards contained in the Oklahoma Horse Racing Commission rules issued pursuant to subsection B of Section ~~9 the State-Tribal Gaming Act~~ 268 of this title that modify the standards for such games that may be conducted by organizational licensees. Provided, the tribe may rely on any certification of an electronic bonanza-style bingo game, an electronic instant bingo, or electronic amusement games by the Oklahoma Horse Racing Commission which was obtained by an

organization licensee pursuant to the State-Tribal Gaming Act to establish certification compliance under this Compact. The tribe may also rely on any certification of an electronic bonanza-style bingo game, electronic instant bingo or an electronic amusement game by the TCA obtained by another tribe which has entered into the model compact to establish certification compliance under this Compact.

Part 5. RULES AND REGULATIONS; MINIMUM REQUIREMENTS FOR OPERATIONS

A. Regulations. At all times during the Term of this Compact, the tribe shall be responsible for all duties which are assigned to it, the enterprise, the facility, and the TCA under this Compact. The tribe shall promulgate any rules and regulations necessary to implement this Compact, which at a minimum shall expressly include or incorporate by reference all provisions of Part 5 and the procedural requirements of Part 6 of this Compact. Nothing in this Compact shall be construed to affect the tribe's right to amend its rules and regulations, provided that any such amendment shall be in conformity with this Compact. The SCA may propose additional rules and regulations related to implementation of this Compact to the TCA at any time, and the TCA shall give good faith consideration to such suggestions and shall notify the SCA of its response or action with respect thereto.

B. Compliance; Internal Control Standards. All enterprises and facilities shall comply with, and all covered games approved under the procedures set forth in this Compact shall be operated in accordance with the requirements set forth in this Compact, including, but not limited to, those set forth in subsections C and D of this Part. In addition, all enterprises and facilities shall comply with tribal internal control standards that provide a level of control that equals or exceeds those set forth in the National Indian Gaming Commission's Minimum Internal Control Standards (25 C.F.R., Part 542).

C. Records. In addition to other records required to be maintained herein, the enterprise or tribe shall maintain the following records related to implementation of this Compact in permanent form and as written or entered, whether manually or by computer, and which shall be maintained by the enterprise and made available for inspection by the SCA for no less than three (3) years from the date generated:

1. A log recording all surveillance activities in the monitoring room of the facility, including, but not limited to, surveillance records kept in the normal course of enterprise operations and in accordance with industry standards; provided, notwithstanding anything to the contrary herein, surveillance records may, at the discretion of the enterprise, be destroyed if no incident has been reported within one (1) year following the date

such records were made. Records, as used in this Compact, shall include video tapes and any other storage media;

2. Payout from the conduct of all covered games;

3. Maintenance logs for all covered games gaming equipment used by the enterprise;

4. Security logs as kept in the normal course of conducting and maintaining security at the facility, which at a minimum shall conform to industry practices for such reports. The security logs shall document any unusual or nonstandard activities, occurrences or events at or related to the facility or in connection with the enterprise. Each incident, without regard to materiality, shall be assigned a sequential number for each such report. At a minimum, the security logs shall consist of the following information, which shall be recorded in a reasonable fashion noting:

a. the assigned number of the incident,

b. the date of the incident,

c. the time of the incident,

d. the location of the incident,

e. the nature of the incident,

f. the identity, including identification information, of any persons involved in the incident and any known witnesses to the incident, and

g. the tribal compliance officer making the report and any other persons contributing to its preparation;

5. Books and records on all covered game activities of the enterprise shall be maintained in accordance with generally accepted accounting principles (GAAP); and

6. All documents generated in accordance with this Compact.

D. Use of Net Revenues. Net revenues that the tribe receives from covered games are to be used for any one or more of those purposes permitted under IGRA:

1. To fund tribal government operations or programs;

2. To provide for the general welfare of the tribe and its members;

3. To promote tribal economic development;

4. To donate to charitable organizations; or

5. To help fund operations of local government agencies.

E. 1. The tribe's rules and regulations shall require the enterprise at a minimum to bar persons based on their prior conduct at the facility or who, because of their criminal history or association with criminal offenders, pose a threat to the integrity of the conduct of covered games.

2. The TCA shall establish a list of the persons barred from the facility.

3. The enterprise shall employ its best efforts to exclude persons on such list from entry into its facility; provided, neither persons who are barred but gain access to the facility, nor any

other person, shall have any claim against the state, the tribe or the enterprise or any other person for failing to enforce such bar.

4. Patrons who believe they may be playing covered games on a compulsive basis may request that their names be placed on the list. All covered game employees shall receive training on identifying players who have a problem with compulsive playing and shall be instructed to ask them to leave. Signs and other materials shall be readily available to direct such compulsive players to agencies where they may receive counseling.

F. Audits. 1. Consistent with 25 C.F.R., Section 571.12, Audit Standards, the TCA shall ensure that an annual independent financial audit of the enterprise's conduct of covered games subject to this Compact is secured. The audit shall, at a minimum, examine revenues and expenses in connection with the conduct of covered games in accordance with generally accepted auditing standards and shall include, but not be limited to, those matters necessary to verify the determination of adjusted gross revenues and the basis of the payments made to the state pursuant to Part 11 of this Compact.

2. The auditor selected by the TCA shall be a firm of known and demonstrable experience, expertise and stature in conducting audits of this kind and scope.

3. The audit shall be concluded within five (5) months following the close of each calendar year, provided that extensions may be requested by the tribe and shall not be refused by the state

where the circumstances justifying the extension request are beyond the tribe's control.

4. The audit of the conduct of covered games may be conducted as part of or in conjunction with the audit of the enterprise, but if so conducted shall be separately stated for the reporting purposes required herein.

5. The audit shall conform to generally accepted auditing standards. As part of the audit report, the auditor shall certify to the TCA that, in the course of the audit, the auditor discovered no matters within the scope of the audit which were determined or believed to be in violation of any provision of this Compact.

6. The enterprise shall assume all costs in connection with the audit.

7. The audit report for the conduct of covered games shall be submitted to the SCA within thirty (30) days of completion. The auditor's work papers concerning covered games shall be made available to the SCA upon request.

8. Representatives of the SCA may, upon request, meet with the auditors to discuss the work papers, the audit or any matters in connection therewith; provided, such discussions are limited to covered games information and pursue legitimate state covered games interests.

G. Rules for Play of and Prizes for Covered Games. Summaries of the rules for playing covered games and winning prizes shall be

visibly displayed in the facility. Complete sets of rules shall be available in pamphlet form in the facility.

H. Supervisory Line of Authority. The enterprise shall provide the TCA and SCA with a chart of the supervisory lines of authority with respect to those directly responsible for the conduct of covered games, and shall promptly notify those agencies of any material changes thereto.

I. Sale of Alcoholic Beverages. The sale and service of alcoholic beverages in a facility shall be in compliance with state, federal and tribal law in regard to the licensing and sale of such beverages.

J. Age Restrictions. No person who would not be eligible to be a patron of a pari-mutuel system of wagering pursuant to the provisions of subsection B of Section 208.4 of ~~Title 3A of the Oklahoma Statutes~~ this title shall be admitted into any area in a facility where covered games are played, nor be permitted to operate, or obtain a prize from or in connection with the operation of, any covered game, directly or indirectly.

K. Destruction of Documents. Enterprise books, records and other materials documenting the conduct of covered games shall be destroyed only in accordance with rules and regulations adopted by the TCA, which at a minimum shall provide as follows:

1. Material that might be utilized in connection with a potential tort claim pursuant to Part 6 of this Compact, including,

but not limited to, incident reports, surveillance records, statements, and the like, shall be maintained at least one (1) year beyond the time which a claim can be made under Part 6 of this Compact or, if a tort claim is made, beyond the final disposition of such claim;

2. Material that might be utilized in connection with a prize claim, including but not limited to incident reports, surveillance records, statements, and the like, shall be maintained at least one hundred eighty (180) days beyond the time which a claim can be made under Part 6 of this Compact or, if a prize claim is made, beyond the final disposition of such claim; and

3. Notwithstanding anything herein to the contrary, all enterprise books and records with respect to the conduct of covered games or the operation of the enterprise, including, but not limited to, all interim and final financial and audit reports and materials related thereto which have been generated in the ordinary course of business, shall be maintained for the minimum period of three (3) years.

L. Location. The tribe may establish and operate enterprises and facilities that operate covered games only on its Indian lands as defined by IGRA. The tribe shall notify the SCA of the operation of any new facility following the effective date of this Compact. Nothing herein shall be construed as expanding or otherwise altering the term "Indian lands", as that term is defined in the IGRA, nor

shall anything herein be construed as altering the federal process governing the tribal acquisition of "Indian lands" for gaming purposes.

M. Records of Covered Games. The TCA shall keep a record of, and shall report at least quarterly to the SCA, the number of covered games in each facility, by the name or type of each and its identifying number.

PART 6. TORT CLAIMS; PRIZE CLAIMS; LIMITED CONSENT TO SUIT

A. Tort Claims. The enterprise shall ensure that patrons of a facility are afforded due process in seeking and receiving just and reasonable compensation for a tort claim for personal injury or property damage against the enterprise arising out of incidents occurring at a facility, hereinafter "tort claim", as follows:

1. During the term of this Compact, the enterprise shall maintain public liability insurance for the express purposes of covering and satisfying tort claims. The insurance shall have liability limits of not less than Two Hundred Fifty Thousand Dollars ($250,000.00) for any one person and Two Million Dollars ($2,000,000.00) for any one occurrence for personal injury, and One Million Dollars ($1,000,000.00) for any one occurrence for property damage, hereinafter the "limit of liability", or the corresponding limits under the Governmental Tort Claims Act, whichever is greater. No tort claim shall be paid, or be the subject of any award, in excess of the limit of liability;

2. The tribe consents to suit on a limited basis with respect to tort claims subject to the limitations set forth in this subsection and subsection C of this Part. No consents to suit with respect to tort claims, or as to any other claims against the tribe shall be deemed to have been made under this Compact, except as provided in subsections B and C of this Part;

3. The enterprise's insurance policy shall include an endorsement providing that the insurer may not invoke tribal sovereign immunity in connection with any claim made within the limit of liability if the claim complies with the limited consent provisions of subsection C of this Part. Copies of all such insurance policies shall be forwarded to the SCA;

4. Any patron having a tort claim shall file a written tort claim notice by delivery to the enterprise or the TCA. The date the tort claim notice is filed with the enterprise or the TCA shall be deemed the official date of filing the tort claim notice. The tort claim notice shall be filed within one (1) year of the date of the event which allegedly caused the claimed loss. Failure to file the tort claim notice during such period of time shall forever bar such tort claim; provided that a tort claim notice filed with the enterprise or the TCA more than ninety (90) days, but within one (1) year, after the event shall be deemed to be timely filed, but any judgment thereon shall be reduced by ten percent (10%).

5. If the tort claim notice is filed with the TCA, the TCA shall forward a copy of the tort claim to the enterprise and the SCA within forty-eight (48) hours of filing, and if the tort claim notice is filed with the enterprise, the enterprise shall forward a copy of the tort claim to the TCA and the SCA within forty-eight (48) hours of filing;

6. The tort claim notice shall state the date, time, place and circumstances of the incident upon which the tort claim is based, the identity of any persons known to have information regarding the incident, including employees or others involved in or who witnessed the incident, the amount of compensation and the basis for said relief; the name, address and telephone number of the claimant, and the name, address and telephone number of any representative authorized to act or settle the claim on behalf of the claimant;

7. All tort claim notices shall be signed by the claimant. The rules and regulations may additionally require that the tort claim notices be signed under oath. The rules and regulations may also require that as a condition of prosecuting tort claims, the claimant shall appear to be interviewed or deposed at least once under reasonable circumstances, which shall include the attendance of the claimant's legal counsel if requested; provided that the enterprise shall afford claimant at least thirty (30) days' written notice of the interview or deposition; and provided further that the claimant's failure to appear without cause for any interview or

deposition properly noticed pursuant to this paragraph shall be deemed a voluntary withdrawal of the tort claim;

8. The enterprise shall promptly review, investigate, and make a determination regarding the tort claim. Any portion of a tort claim which is unresolved shall be deemed denied if the enterprise fails to notify the claimant in writing of its approval within ninety (90) days of the filing date, unless the parties by written agreement extend the date by which a denial shall be deemed issued if no other action is taken. Each extension shall be for no more than ninety (90) days, but there shall be no limit on the number of written agreements for extensions~~,~~; provided, that no written agreement for extension shall be valid unless signed by the claimant and an authorized representative of the enterprise. The claimant and the enterprise may continue attempts to settle a claim beyond an extended date; provided, settlement negotiations shall not extend the date of denial in the absence of a written agreement for extension as required by this paragraph;

9. A judicial proceeding for any cause arising from a tort claim may be maintained in accordance with and subject to the limitations of subsection C of this Part only if the following requirements have been met:

a. the claimant has followed all procedures required by this Part, including, without limitation, the delivery

of a valid and timely written tort claim notice to the enterprise,

b. the enterprise has denied the tort claim, and

c. the claimant has filed the judicial proceeding no later than the one-hundred-eightieth day after denial of the claim by the enterprise; provided, that neither the claimant nor the enterprise may agree to extend the time to commence a judicial proceeding; and

10. Notices explaining the procedure and time limitations with respect to making a tort claim shall be prominently posted in the facility. Such notices shall explain the method and places for making a tort claim, that this procedure is the exclusive method of making a tort claim, and that claims that do not follow these procedures shall be forever barred. The enterprise shall make pamphlets containing the requirements in this subsection readily available to all patrons of the facility and shall provide such pamphlets to a claimant within five (5) days of the filing of a claim.

B. Prize Claims. The enterprise shall ensure that patrons of a facility are afforded due process in seeking and receiving just and reasonable compensation arising from a patron's dispute, in connection with his or her play of any covered game, the amount of any prize which has been awarded, the failure to be awarded a prize,

or the right to receive a refund or other compensation, hereafter "prize claim", as follows:

1. The tribe consents to suit on a limited basis with respect to prize claims against the enterprise only as set forth in subsection C of this Part; no consents to suit with respect to prize claims, or as to any other claims against the tribe shall be deemed to have been made under this Compact, except as provided in subsections A and C of this Part;

2. The maximum amount of any prize claim shall be the amount of the prize which the claimant establishes he or she was entitled to be awarded, hereafter "prize limit";

3. Any patron having a prize claim shall file a written prize claim notice by delivery to the enterprise or the TCA. The date the prize claim is filed with the enterprise or the TCA shall be deemed the official date of filing the prize claim notice. The prize claim notice shall be filed within ten (10) days of the event which is the basis of the claim. Failure to file the prize claim notice during such period of time shall forever bar such prize claim;

4. If the prize claim notice is filed with the TCA, the TCA shall forward a copy of the prize claim to the enterprise and the SCA within forty-eight (48) hours of its filing; and if the prize claim notice is filed with the enterprise, the enterprise shall forward a copy of the tort claim to the TCA and the SCA within forty-eight (48) hours of filing;

5. The written prize claim notice shall state the date, time, place and circumstances of the incident upon which the prize claim is based, the identity of any persons known to have information regarding the incident, including employees or others involved in or who witnessed the incident, the amount demanded and the basis for said amount, the name, address and telephone number of the claimant, and the name, address and telephone number of any representative authorized to act or settle the claim on behalf of the claimant;

6. All notices of prize claims shall be signed by the claimant. The rules and regulations may additionally require that the prize claim notices be signed under oath;

7. The enterprise shall promptly review, investigate and make a determination regarding the prize claim. Claimants shall cooperate in providing information, including personal sworn statements and agreeing to be interviewed, as the enterprise shall reasonably request. The claimant is permitted to have counsel present during any such interview;

8. If the prize claim is not resolved within seventy-two (72) hours from the time of filing the claim in accordance with paragraph 5 of this subsection, the TCA shall immediately notify the SCA in writing that the claim has not been resolved;

9. In the event the claim is resolved, the TCA shall not be obligated to report that fact to the SCA, but shall make TCA reports available for review;

10. Any portion of a prize claim which is unresolved shall be deemed denied if the enterprise fails to notify the claimant in writing of its approval within thirty (30) days of the filing date, unless the parties agree by written agreement to extend the date. Each extension shall be for no more than thirty (30) days, but there shall be no limit on the number of written agreements for extensions; provided, that no written agreements for extension shall be valid unless signed by the claimant and an authorized representative of the TCA. The claimant and the enterprise may continue attempts to settle a claim beyond an extended date; provided, settlement negotiations shall not extend the date of denial in the absence of a written extension required by this paragraph;

11. A judicial proceeding for any cause arising from a prize claim may be maintained in accordance with and subject to the limitations of subsection C of this Part only if the following requirements have been met:

a. the claimant has followed all procedures required by this Part, including without limitation, the delivery of a valid and timely written prize claim notice to the enterprise,

b. the enterprise has denied the prize claim, and

c. the claimant has filed the judicial proceeding no later than one hundred eighty (180) days after denial

of the claim by the enterprise; provided that neither the claimant nor the enterprise may extend the time to commence a judicial proceeding; and

12. Notices explaining the procedure and time limitations with respect to making a prize claim shall be prominently posted in the facility. Such notices shall explain the method and places for making claims, that this procedure is the exclusive method of making a prize claim, and that claims that do not follow this procedure shall be forever barred. The enterprise shall make pamphlets containing the requirements in this subsection readily available to all patrons of the facility and shall provide such pamphlets to a claimant by the TCA within five (5) days of the filing date of a claim.

C. Limited Consent to Suit for Tort Claims and Prize Claims. The tribe consents to suit against the enterprise in a court of competent jurisdiction with respect to a tort claim or prize claim if all requirements of paragraph 9 of subsection A or all requirements of paragraph 11 of subsection B of this Part have been met; provided that such consent shall be subject to the following additional conditions and limitations:

1. For tort claims, consent to suit is granted only to the extent such claim or any award or judgment rendered thereon does not exceed the limit of liability. Under no circumstances shall any consent to suit be effective as to any award which exceeds such

applicable amounts. This consent shall only extend to the patron actually claiming to have been injured. A tort claim shall not be assignable. In the event any assignment of the tort claim is made in violation of this Compact, or any person other than the patron claiming the injury becomes a party to any action hereunder, this consent shall be deemed revoked for all purposes. Notwithstanding the foregoing, consent to suit shall not be revoked if an action on a tort claim is filed by (i) a court appointed representative of a claimant's estate, (ii) an indispensable party, or (iii) a health provider or other party subrogated to the claimant's rights by virtue of any insurance policy; provided, that nothing herein is intended to, or shall constitute a consent to suit against the enterprise as to such party except to the extent such party's claim is:

a. in lieu of and identical to the claim that would have been made by the claimant directly but for the appointment of said representative or indispensable party, and participation of such other party is in lieu of and not in addition to pursuit of the claim by the patron, and

b. the claim of such other party would have been subject to a consent to suit hereunder if it had been made by the claimant directly; and

2. For prize claims, consent is granted only to the extent such claim does not exceed the prize limit. Under no circumstances shall any award exceed the prize limit. This consent shall only extend to the patron actually claiming to have engaged in the play of a covered game on which the claim is based. Prize claims shall not be assignable. In the event any assignment of the prize claim is made, or any person other than the claimant entitled to make the claim becomes a party to any action hereunder, this consent shall be deemed revoked for all purposes. Notwithstanding the foregoing, consent to suit shall not be revoked if an action on a prize claim is filed by (i) a court-appointed representative of a claimant's estate, or (ii) an indispensable party, provided that nothing herein is intended to, or shall constitute a consent to suit against the enterprise as to such party except to the extent such party's claim is:

a. in lieu of and identical to the claim that would have been made by the claimant directly but for the appointment of said representative or indispensable party, and participation of such other party is in lieu of and not in addition to pursuit of the claim by the patron, and

b. the claim of such other party would have been subject to a consent to suit hereunder if it had been made by the claimant directly.

D. Remedies in the Event of No or Inadequate Insurance for Tort Claim. In the event a tort claim is made and there is no, or inadequate, insurance in effect as required under this Compact, the enterprise shall be deemed to be in default hereunder unless, within ten (10) days of a demand by the SCA or a claimant to do so, the enterprise has posted in an irrevocable escrow account at a state or federally chartered bank which is not owned or controlled by the tribe, sufficient cash, a bond or other security sufficient to cover any award that might be made within the limits set forth in paragraph 1 of subsection A of this Part, and informs the claimant and the state of:

1. The posting of the cash or bond;

2. The means by which the deposit can be independently verified as to the amount and the fact that it is irrevocable until the matter is finally resolved;

3. The right of the claimant to have this claim satisfied from the deposit if the claimant is successful on the claim; and

4. The notice and hearing opportunities in accordance with the tribe's tort law, if any, otherwise in accordance with principles of due process, which will be afforded to the claimant so that the intent of this Compact to provide claimants with a meaningful opportunity to seek a just remedy under fair conditions will be fulfilled.

Part 7. ENFORCEMENT OF COMPACT PROVISIONS

A. The tribe and TCA shall be responsible for regulating activities pursuant to this Compact. As part of its responsibilities, the tribe shall require the enterprise do the following:

1. Operate the conduct of covered games in compliance with this Compact, including, but not limited to, the standards and the tribe's rules and regulations;

2. Take reasonable measures to assure the physical safety of enterprise patrons and personnel, prevent illegal activity at the facility, and protect any rights of patrons under the Indian Civil Rights Act, 25 U.S.C., Sec. 1302-1303;

3. Promptly notify appropriate law enforcement authorities of persons who may be involved in illegal acts in accordance with applicable law;

4. Assure that the construction and maintenance of the facility meets or exceeds federal and tribal standards for comparable buildings; and

5. Prepare adequate emergency access plans to ensure the health and safety of all covered game patrons. Upon the finalization of emergency access plans, the TCA or enterprise shall forward copies of such plans to the SCA.

B. All licenses for members and employees of the TCA shall be issued according to the same standards and terms applicable to facility employees. The TCA shall employ qualified compliance

officers under the authority of the TCA. The compliance officers shall be independent of the enterprise, and shall be supervised and accountable only to the TCA. A TCA compliance officer shall be available to the facility during all hours of operation upon reasonable notice, and shall have immediate access to any and all areas of the facility for the purpose of ensuring compliance with the provisions of this Compact. The TCA shall investigate any such suspected or reported violation of this Compact and shall require the enterprise to correct such violations. The TCA shall officially enter into its files timely written reports of investigations and any action taken thereon, and shall forward copies of such reports to the SCA within fifteen (15) days of such filing. Any such violations shall be reported immediately to the TCA, and the TCA shall immediately forward the same to the SCA. In addition, the TCA shall promptly report to the SCA any such violations which it independently discovers.

C. In order to develop and foster a positive and effective relationship in the enforcement of the provisions of this Compact, representatives of the TCA and the SCA shall meet, not less than on an annual basis, to review past practices and examine methods to improve the regulatory scheme created by this Compact. The meetings shall take place at a location mutually agreed to by the TCA and the SCA. The SCA, prior to or during such meetings, shall disclose to the TCA any concerns, suspected activities, or pending matters

reasonably believed to possibly constitute violations of this Compact by any person, organization or entity, if such disclosure will not compromise the interest sought to be protected.

Part 8. STATE MONITORING OF COMPACT

A. The SCA shall, pursuant to the provisions of this Compact, have the authority to monitor the conduct of covered games to ensure that the covered games are conducted in compliance with the provisions of this Compact. In order to properly monitor the conduct of covered games, agents of the SCA shall have reasonable access to all areas of the facility related to the conduct of covered games as provided herein:

1. Access to the facility by the SCA shall be during the facility's normal operating hours only; provided that to the extent such inspections are limited to areas of the facility where the public is normally permitted, SCA agents may inspect the facility without giving prior notice to the enterprise;

2. Any suspected or claimed violations of this Compact or of law shall be directed in writing to the TCA; SCA agents shall not interfere with the functioning of the enterprise; and

3. Before SCA agents enter any nonpublic area of the facility, they shall provide proper photographic identification to the TCA. SCA agents shall be accompanied in nonpublic areas of the facility by a TCA agent. A one-hour notice by SCA to the TCA may be required

to assure that a TCA officer is available to accompany SCA agents at all times.

B. Subject to the provisions herein, agents of the SCA shall have the right to review and copy documents of the enterprise related to its conduct of covered games. The review and copying of such documents shall be during normal business hours or hours otherwise at tribe's discretion. However, the SCA shall not be permitted to copy those portions of any documents of the enterprise related to its conduct of covered games that contain business or marketing strategies or other proprietary and confidential information of the enterprise, including, but not limited to, customer lists, business plans, advertising programs, marketing studies, and customer demographics or profiles. No documents of the enterprise related to its conduct of covered games or copies thereof shall be released to the public by the state under any circumstances. All such documents shall be deemed confidential documents owned by the tribe and shall not be subject to public release by the state.

C. At the completion of any SCA inspection or investigation, the SCA shall forward a written report thereof to the TCA. The TCA shall be apprised on a timely basis of all pertinent, nonconfidential information regarding any violation of federal, state, or tribal laws, the rules or regulations, or this Compact. Nothing herein prevents the SCA from contacting tribal or federal

law enforcement authorities for suspected criminal wrongdoing involving the TCA. TCA may interview SCA inspectors upon reasonable notice and examine work papers and SCA in the same fashion that SCA inspectors may examine auditors' notes and make auditor inquiry unless providing such information to the TCA will compromise the interests sought to be protected. If the SCA determines that providing the information to the TCA will compromise the interests sought to be protected, then the SCA shall provide such information to the tribe in accordance with Part 13 of this Compact.

D. Nothing in this Compact shall be deemed to authorize the state to regulate the tribe's government, including the TCA, or to interfere in any way with the tribe's selection of its governmental officers, including members of the TCA; provided, however, the SCA and the tribe, upon request of the tribe, shall jointly employ, at the tribe's expense, an independent firm to perform on behalf of the SCA the duties set forth in subsections A and B of this Part.

Part 9. JURISDICTION

This Compact shall not alter tribal, federal or state civil adjudicatory or criminal jurisdiction.

Part 10. LICENSING

A. 1. Except as provided in paragraph ~~4~~ 6 of Part 3 of this Compact, no covered game employee shall be employed at a facility or by an enterprise unless such person is licensed in accordance with this Compact. In addition to the provisions of this Part which are

applicable to the licensing of all covered game employees, the requirements of 25 C.F.R., Part 556, Background Investigations for Primary Management Officials and Key Employees, and 25 C.F.R., Part 558, Gaming Licenses for Key Employees and Primary Management Officials, apply to Key Employees and Primary Management Officials of the facility and enterprise.

2. All prospective covered game employees shall apply to the TCA for a license. Licenses shall be issued for periods of no more than two (2) years, after which they may be renewed only following review and update of the information upon which the license was based; provided, the TCA may extend the period in which the license is valid for a reasonable time pending the outcome of any investigation being conducted in connection with the renewal of such license. In the event the SCA contends that any such extension is unreasonable, it may seek resolution of that issue pursuant to Part 11 of this Compact.

3. The application process shall require the TCA to obtain sufficient information and identification from the applicant to permit a background investigation to determine if a license should be issued in accordance with this Part and the rules and regulations. The TCA shall obtain information about a prospective covered game employee that includes:

a. full name, including any aliases by which applicant has ever been known,

b. social security number,

c. date and place of birth,

d. residential addresses for the past five (5) years,

e. employment history for the past five (5) years,

f. driver license number,

g. all licenses issued and disciplinary charges filed, whether or not discipline was imposed, by any state or tribal regulatory authority,

h. all criminal arrests and proceedings, except for minor traffic offenses, to which the applicant has been a party,

i. a set of fingerprints,

j. a current photograph,

k. military service history, and

l. any other information the TCA determines is necessary to conduct a thorough background investigation.

4. Upon obtaining the required initial information from a prospective covered game employee, the TCA shall forward a copy of such information to the SCA, along with any determinations made with respect to the issuance or denial of a temporary or permanent license. The SCA may conduct its own background investigation of the applicant at SCA expense, shall notify the TCA of such investigation within a reasonable time from initiation of the investigation, and shall provide a written report to the TCA of the

outcome of such investigation within a reasonable time from the receipt of a request from the TCA for such information. SCA inspector field notes and the SCA inspector shall be available upon reasonable notice for TCA review and inquiry.

5. The TCA may issue a temporary license for a period not to exceed ninety (90) days, and the enterprise may employ on a probationary basis, any prospective covered game employee who represents in writing that he or she meets the standards set forth in this Part, provided the TCA or enterprise is not in possession of information to the contrary. The temporary license shall expire at the end of the ninety-day period or upon issuance or denial of a permanent license, whichever event occurs first. Provided that the temporary license period may be extended at the discretion of the TCA so long as good faith efforts are being made by the applicant to provide required information, or the TCA is continuing to conduct its investigation or is waiting on information from others, and provided further that in the course of such temporary or extended temporary licensing period, no information has come to the attention of the TCA which, in the absence of countervailing information then in the record, would otherwise require denial of license. A permanent license shall be issued or denied within a reasonable time following the completion of the applicant's background investigation.

6. In covered gaming the tribe shall not employ and shall terminate, and the TCA shall not license and shall revoke a license previously issued to, any covered game employee who:

a. has been convicted of any felony or an offense related to any covered games or other gaming activity,

b. has knowingly and willfully provided false material, statements or information on his or her employment application, or

c. is a person whose prior activities, criminal record, or reputation, habits, and associations pose a threat to the public interest or to the effective regulation and control of the conduct of covered games, or create or enhance the dangers of unsuitable, unfair, or illegal practices, methods, and activities in the conduct of covered games or the carrying on of the business and financial arrangements incidental thereto.

7. The SCA may object to the employment of any individual by the enterprise based upon the criteria set forth in paragraph 6 of subsection A of this Part. Such objection shall be in writing setting forth the basis of the objection. The SCA inspector's work papers, notes and exhibits which formed the SCA conclusion shall be available upon reasonable notice for TCA review. The enterprise

shall have discretion to employ an individual over the objection of the SCA.

8. The TCA shall have the discretion to initiate or continue a background investigation of any licensee or license applicant and to take appropriate action with respect to the issuance or continued validity of any license at any time, including suspending or revoking such license.

9. The TCA shall require all covered game employees to wear, in plain view, identification cards issued by the TCA which include a photograph of the employee, his or her first name, a four-digit identification number unique to the license issued to the employee, a tribal seal or signature verifying official issuance of the card, and a date of expiration, which shall not extend beyond such employee's license expiration date.

B. 1. Any person or entity who, directly or indirectly, provides or is likely to provide at least Twenty-five Thousand Dollars ($25,000.00) in goods or services to the enterprise in any twelve-month period, or who has received at least Twenty-five Thousand Dollars ($25,000.00) for goods or services provided to the enterprise in any consecutive twelve-month period within the immediately preceding twenty-four-month period, or any person or entity who provides through sale, lease, rental or otherwise covered games, or parts, maintenance or service in connection therewith to the tribe or the enterprise at any time and in any amount, shall be

licensed by the TCA prior to the provision thereof. Provided, that attorneys or certified public accountants and their firms shall be exempt from the licensing requirement herein to the extent that they are providing services covered by their professional licenses.

2. Background investigations and licensing shall follow the same process and apply the same criteria as for covered game employees set forth in paragraph 6 of subsection A of this Part.

3. In the case of a license application of any entity, all principals thereof shall be subjected to the same background investigation required for the licensing of a covered game employee, but no license as such need be issued; provided, no license shall be issued to the entity if the TCA determines that one or more of its principals will be persons who would not be qualified to receive a license if they applied as covered game employees.

4. Nothing herein shall prohibit the TCA from processing and issuing a license to a principal in his or her own name.

5. Licenses issued under this subsection shall be reviewed at least every two (2) years for continuing compliance, and shall be promptly revoked if the licensee is determined to be in violation of the standards set forth in paragraph 6 of subsection A of this Part. In connection with such a review, the TCA shall require the person or entity to update all information provided in the previous application.

6. The enterprise shall not enter into, or continue to make payments pursuant to, any contract or agreement for the provision of goods or services with any person or entity who does not meet the requirements of this Part including, but not limited to, any person or entity whose application to the TCA for a license has been denied, or whose license has expired or been suspended or revoked.

7. Pursuant to 25 C.F.R., Part 533, all management contracts must be approved by the Chair of the National Indian Gaming Commission. The SCA shall be notified promptly after any such approval.

8. In addition to any licensing criteria set forth above, if any person or entity seeking licensing under this subsection is to receive any fee or other payment based on the revenues or profits of the enterprise, the TCA may take into account whether or not such fee or other payment is fair in light of market conditions and practices.

C. 1. Subject to the exceptions set forth in paragraph 4 of this subsection, any person or entity extending financing, directly or indirectly, to the facility or enterprise in excess of Fifty Thousand Dollars ($50,000.00) in any twelve-month period shall be licensed prior to providing such financing. Principals thereof shall be subjected to background investigations and determinations in accordance with the procedures and standards set forth in subsection A of this Part. Licenses issued under this section shall

be reviewed at least every two (2) years for continuing compliance, and shall be promptly revoked if the licensee is determined to be in violation of the standards set forth in paragraph 6 of subsection A of this Part. In connection with such a review, the TCA shall require the person or entity to update all information provided in the previous application.

2. The SCA shall be notified of all financing and loan transactions with respect to covered games or supplies in which the amount exceeds Fifty Thousand Dollars ($50,000.00) in any twelve-month period, and shall be entitled to review copies of all agreements and documents in connection therewith.

3. A supplier of goods or services who provides financing exclusively in connection with the sale or lease of covered games equipment or supplies shall be licensed solely in accordance with licensing procedures applicable, if at all, to such suppliers herein.

4. Financing provided by a federally regulated or state-regulated bank, savings and loan, or trust, or other federally or state-regulated lending institution; any agency of the federal, state, tribal or local government; or any person or entity, including, but not limited to, an institutional investor who, alone or in conjunction with others, lends money through publicly or commercially traded bonds or other commercially traded instruments, including but not limited to the holders of such bonds or

instruments or their assignees or transferees, or which bonds or commercially traded instruments are underwritten by any entity whose shares are publicly traded or which underwriter, at the time of the underwriting, has assets in excess of One Hundred Million Dollars ($100,000,000.00), shall be exempt from the licensing and background investigation requirements in subsection B of this Part or this subsection.

D. In the event the SCA objects to a lender, vendor or any other person or entity within subsection B or C of this Part seeking to do business with the enterprise, or to the continued holding of a license by such person or entity, it may notify the TCA of its objection. The notice shall set forth the basis of the objection with sufficient particularity to enable the TCA to investigate the basis of the objection. The SCA inspector and SCA inspector field notes shall be available for TCA review and inquiry. Within a reasonable time after such notification, the TCA shall report to the SCA on the outcome of its investigation and of any action taken or decision not to take action.

Part 11. EXCLUSIVITY AND FEES

A. The parties acknowledge and recognize that this Compact provides tribes with substantial exclusivity and, consistent with the goals of IGRA, special opportunities for tribal economic opportunity through gaming within the external boundaries of Oklahoma in respect to the covered games. In consideration thereof,

so long as the state does not change its laws after the effective date of this Compact to permit the operation of any additional form of gaming by any such organization licensee, or change its laws to permit any additional electronic or machine gaming within Oklahoma, the tribe agrees to pay the following fees:

1. The tribe covenants and agrees to pay to the state a fee derived from covered game revenues calculated as set forth in paragraph 2 of this subsection. Such fee shall be paid no later than the twentieth day of the month for revenues received by the tribe in the preceding month; and

2. The fee shall be:

a. four percent (4%) of the first Ten Million Dollars ($10,000,000.00) of adjusted gross revenues received by a tribe in a calendar year from the play of electronic amusement games, electronic bonanza-style bingo games and electronic instant bingo games,

b. five percent (5%) of the next Ten Million Dollars ($10,000,000.00) of adjusted gross revenues received by a tribe in a calendar year from the play of electronic amusement games, electronic bonanza-style bingo games and electronic instant bingo games,

c. six percent (6%) of all subsequent adjusted gross revenues received by a tribe in a calendar year from the play of electronic amusement games, electronic

bonanza-style bingo games and electronic instant bingo games, and

d. ten percent (10%) of the monthly net win of the common pool(s) or pot(s) from which prizes are paid for nonhouse-banked card games. The tribe is entitled to keep an amount equal to state payments from the common pool(s) or pot(s) as part of its cost of operating the games.

Payments of such fees shall be made to the Treasurer of the State of Oklahoma. Nothing herein shall require the allocation of such fees to particular state purposes, including, but not limited to, the actual costs of performing the state's regulatory responsibilities hereunder.

B. Annual oversight assessment. In addition to the fee provided for in subsection A of this Part, the state shall be entitled to payment for its costs incurred in connection with the oversight of covered games to the extent provided herein, "annual oversight assessment". The annual oversight assessment, which shall be Thirty-five Thousand Dollars ($35,000.00), shall be determined and paid in advance on a fiscal year basis for each twelve (12) months ending on June 30 of each year.

C. Upon the effective date of this Compact, the tribe shall deposit with the SCA the sum of Fifty Thousand Dollars ($50,000.00) ("start-up assessment"). The purpose of the start-up assessment

shall be to assist the state in initiating its administrative and oversight responsibilities hereunder and shall be a one-time payment to the state for such purposes.

D. Nothing in this Compact shall be deemed to authorize the state to impose any tax, fee, charge or assessment upon the tribe or enterprise except as expressly authorized pursuant to this Compact; provided that, to the extent that the tribe is required under federal law to report prizes awarded, the tribe agrees to copy such reports to the SCA.

E. In consideration for the covenants and agreements contained herein, the state agrees that it will not, during the term of this Compact, permit the nontribal operation of any machines or devices to play covered games or electronic or mechanical gaming devices otherwise presently prohibited by law within the state in excess of the number and outside of the designated locations authorized by the State-Tribal Gaming Act. The state recognizes the importance of this provision to the tribe and agrees, in the event of a breach of this provision by the state, to require any nontribal entity which operates any such devices or machines in excess of such number or outside of the designated location to remit to the state at least quarterly no less than fifty percent (50%) of any increase in the entities' adjusted gross revenues following the addition of such excess machines. The state further agrees to remit at least quarterly to eligible tribes, as liquidated damages, a sum equal to

fifty percent (50%) of any increase in the entities' adjusted gross revenues following the addition of such excess machines. For purposes of this Part, "eligible tribes" means those tribes which have entered into this Compact and are operating gaming pursuant to this Compact within forty-five (45) miles of an entity which is operating covered game machines in excess of the number authorized by, or outside of the location designated by, the State-Tribal Gaming Act. Such liquidated damages shall be allocated pro rata to eligible tribes based on the number of covered game machines operated by each Eligible Tribe in the time period when such adjusted gross revenues were generated.

F. In consideration for the covenants and agreements contained herein, the tribe agrees that in the event it has currently or locates in the future a facility within a radius of twenty (20) miles from a recipient licensee as that term is defined in subsection K of Section ~~4~~ 263 of ~~the State-Tribal Gaming Act~~ this title that it shall comply with the requirements of subsection K of Section ~~4~~ 263 of ~~the State-Tribal Gaming Act~~ this title.

Part 12. DISPUTE RESOLUTION

In the event that either party to this Compact believes that the other party has failed to comply with any requirement of this Compact, or in the event of any dispute hereunder, including, but not limited to, a dispute over the proper interpretation of the

terms and conditions of this Compact, the following procedures may be invoked:

1. The goal of the parties shall be to resolve all disputes amicably and voluntarily whenever possible. A party asserting noncompliance or seeking an interpretation of this Compact first shall serve written notice on the other party. The notice shall identify the specific Compact provision alleged to have been violated or in dispute and shall specify in detail the asserting party's contention and any factual basis for the claim. Representatives of the tribe and state shall meet within thirty (30) days of receipt of notice in an effort to resolve the dispute;

2. Subject to the limitation set forth in paragraph 3 of this Part, either party may refer a dispute arising under this Compact to arbitration under the rules of the American Arbitration Association (AAA), subject to enforcement or pursuant to review as provided by paragraph 3 of this Part by a federal district court. The remedies available through arbitration are limited to enforcement of the provisions of this Compact. The parties consent to the jurisdiction of such arbitration forum and court for such limited purposes and no other, and each waives immunity with respect thereto. One arbitrator shall be chosen by the parties from a list of qualified arbitrators to be provided by the AAA. If the parties cannot agree on an arbitrator, then the arbitrator shall be named by the AAA. The expenses of arbitration shall be borne equally by the parties.

A party asserting noncompliance or seeking an interpretation of this Compact under this section shall be deemed to have certified that to the best of the party's knowledge, information, and belief formed after reasonable inquiry, the claim of noncompliance or the request for interpretation of this Compact is warranted and made in good faith and not for any improper purpose, such as to harass or to cause unnecessary delay or the needless incurring of the cost of resolving the dispute. If the dispute is found to have been initiated in violation of this Part, the Arbitrator, upon request or upon his or her own initiative, shall impose upon the violating party an appropriate sanction, which may include an award to the other party of its reasonable expenses incurred in having to participate in the arbitration; and

3. Notwithstanding any provision of law, either party to the Compact may bring an action against the other in a federal district court for the de novo review of any arbitration award under paragraph 2 of this Part. The decision of the court shall be subject to appeal. Each of the parties hereto waives immunity and consents to suit therein for such limited purposes, and agrees not to raise the Eleventh Amendment to the United States Constitution or comparable defense to the validity of such waiver.

Nothing herein shall be construed to authorize a money judgment other than for damages for failure to comply with an arbitration decision requiring the payment of monies.

Part 13. CONSTRUCTION OF COMPACT; FEDERAL APPROVAL

A. Each provision, section, and subsection of this Compact shall stand separate and independent of every other provision, section, or subsection. In the event that a federal district court shall find any provision, section, or subsection of this Compact to be invalid, the remaining provisions, sections, and subsections of this Compact shall remain in full force and effect, unless the invalidated provision, section or subsection is material.

B. Each party hereto agrees to defend the validity of this Compact and the legislation in which it is embodied. This Compact shall constitute a binding agreement between the parties and shall survive any repeal or amendment of the State-Tribal Gaming Act.

C. The parties shall cooperate in seeking approval of this Compact from an appropriate federal agency as a tribal-state compact under the Indian Gaming Regulatory Act.

D. The standards for electronic bonanza-style bingo games, electronic instant bingo games and electronic amusement games established in the State-Tribal Gaming Act as enacted in 2004, and, at the election of the tribe, any standards contained in the Oklahoma ~~Horseracing~~ Horse Racing Commission rules issued pursuant to subsection B of Section ~~9~~ 268 of ~~the State-Tribal Gaming Act~~ this title are hereby incorporated in this Compact and shall survive any repeal of the State-Tribal Gaming Act, or any games authorized thereunder. In the event that any of said standards are changed by

amendment of the State-Tribal Gaming Act, the tribe shall have the option to incorporate said changes into this Compact by delivery of written notice of said changes to the Governor and the SCA.

Part 14. NOTICES

All notices required under this Compact shall be given by certified mail, return receipt requested, commercial overnight courier service, or personal delivery, to the following persons:

Governor

Chair, State-Tribal Relations Committee

Attorney General

[Principal Chief, Governor or Chair]

[Name of Tribe]

[Address]

With copies to:

_____

_____

Part 15. DURATION AND NEGOTIATION

A. This Compact shall become effective upon the last date of the satisfaction of the following requirements:

1. Due execution on behalf of the tribe, including obtaining all tribal resolutions and completing other tribal procedures as may be necessary to render the tribe's execution effective;

2. Approval of this Compact by the Secretary of the Interior as a tribal-state compact within the meaning of IGRA and publication in

the Federal Register or satisfaction of any other requirement of federal law; and

3. Payment of the start-up assessment provided for in subsection C of Part 11 of this Compact.

B. This Compact shall have a term which will expire on January 1, 2020, and at that time, if organization licensees or others are authorized to conduct electronic gaming in any form other than pari-mutuel wagering on live horse racing pursuant to any governmental action of the state or court order following the effective date of this Compact, the Compact shall automatically renew for successive additional fifteen-year terms; provided that, within one hundred eighty (180) days of the expiration of this Compact or any renewal thereof, either the tribe or the state, acting through its Governor, may request to renegotiate the terms of subsections A and E of Part 11 of this Compact.

C. This Compact shall remain in full force and effect until the sooner of expiration of the term or until the Compact is terminated by mutual consent of the parties.

D. This Compact may be terminated by state upon thirty (30) days' prior written notice to the tribe in the event of either (1) a material breach by the tribe of the terms of a tobacco Compact with the state as evidenced by a final determination of material breach from the dispute resolution forum agreed upon therein, including exhaustion of all available appellate remedies therefrom, or (2) the

tribe's failure to comply with the provisions of Section 346 et seq. of Title 68 of the Oklahoma Statutes, provided that the tribe may cure either default within the thirty-day notice period, or within such additional period as may be reasonably required to cure the default, in order to preserve continuation of this Compact.

The state hereby agrees that this subsection is severable from this Compact and shall automatically be severed from this Compact in the event that the United States Department of the Interior determines that these provisions exceed the state's authority under IGRA.

Part 16. AUTHORITY TO EXECUTE

This Compact, as an enactment of the people of Oklahoma, is deemed approved by the State of Oklahoma. No further action by the state or any state official is necessary for this Compact to take effect upon approval by the Secretary of the Interior and publication in the Federal Register. The undersigned tribal official(s) represents that he or she is duly authorized and has the authority to execute this Compact on behalf of the tribe for whom he or she is signing.

APPROVED:

[Name of Tribe]

_____ Date _____

[CHIEF EXECUTIVE OFFICER]

SECTION 25. AMENDATORY 3A O.S. 2011, Section 282, is amended to read as follows:

Section 282. A. The Oklahoma Horse Racing Commission is authorized to charge an application fee of Fifty Thousand Dollars ($50,000.00) to each organization licensee which desires to conduct gaming pursuant to the State-Tribal Gaming Act or which receives any funds as a "recipient licensee" as that term is defined by the State Tribal Gaming Act and desires to conduct pari-mutuel wagering in this state. Such fee must be paid prior to any organization licensee being authorized by the Oklahoma Horse Racing Commission to conduct gaming pursuant to the State-Tribal Gaming Act.

B. In addition to the application fee authorized in subsection A of this section and the fees authorized in subsection G of this section, the Oklahoma Horse Racing Commission is hereby authorized to assess a fee upon each organization licensee authorized by the State-Tribal Gaming Act to conduct gaming authorized by the State-Tribal Gaming Act to provide adequate funding to the Oklahoma Horse Racing Commission for the regulation of such gaming in this state.

C. The assessment authorized by subsection B shall be proportional to the number of player terminals an organization licensee is licensed to operate pursuant to the State-Tribal Gaming Act.

D. The Commission may provide that each licensee shall pay any assessment levied pursuant to subsection B of this section on a

quarterly, semi-annual or annual basis. Notice of the assessment shall be sent by certified mail, return receipt requested, to each licensee. Each licensee shall pay the amount assessed to the Commission for deposit to the Oklahoma Horse Racing Commission Gaming Regulation Revolving Fund created in subsection E of this section. The Commission shall establish the dates by which such assessment shall be due.

E. The application fee authorized in subsection A of this section and any assessment authorized in subsection B of this section and any fee authorized in subsection G of this section collected by the Commission shall be deposited in the "Oklahoma Horse Racing Commission Gaming Regulation Revolving Fund" hereby created. The fund shall be a continuing fund not subject to fiscal year limitations and shall consist of the monies received by the Commission from any assessment and fee levied pursuant to the provisions of this section and any other monies designated for deposit thereto. All monies accruing to the credit of the fund are hereby appropriated and may be budgeted and expended by the Commission to pay the costs, both direct and indirect, of the Commission incurred to regulate gaming conducted by an organization licensee pursuant to the State-Tribal Gaming Act. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State~~

~~Finance~~ the Office of Management and Enterprise Services for approval and payment.

F. The Legislature shall establish budgetary limits for the regulation of such gaming by the Commission. For the fiscal year ending June 30, 2005, the total of all assessments levied pursuant to subsection B of this section shall not exceed Two Hundred Fifty Thousand Dollars ($250,000.00). For subsequent fiscal years, the total of all assessments levied pursuant to this section shall not exceed the amount of the total budgetary limits minus the amount of any monies appropriated by the Legislature for such purpose.

G. The Oklahoma Horse Racing Commission shall issue occupation gaming licenses and charge to the applicants therefore the related license application fees, investigative fees and fingerprint fees authorized in this subsection. An occupation gaming license is any of the following gaming licenses issued by the Commission.

Manufacturer License	$10,000.00
Distributor License	$5,000.00
Manufacturer/Distributor License	$10,000.00
Independent Testing Laboratory License	$5,000.00
Vendor License	$500.00
Key Executive License	$250.00
Gaming Employee License	$50.00
Manufacturer, Distributor, or Manufacturer/ Distributor Employee License	$50.00

Vendor Employee License $50.00

Background Investigative fee for the following occupation gaming license categories:

Manufacturer, Distributor, Manufacturer/Distributor, Independent Testing Laboratory, Racetrack Gaming Operator, Key Executive $50.00 per hour plus expenses

Background Investigative fee for the following occupation gaming license categories:

Gaming Employee, Vendor Employee $50.00

Fingerprint fees shall be charged as required by the Oklahoma State Bureau of Investigation and the Federal Bureau of Investigation.

SECTION 26. AMENDATORY 3A O.S. 2011, Section 616, is amended to read as follows:

Section 616. A. There is hereby created in the State Treasury a revolving fund for the Oklahoma State Athletic Commission to be designated the "Oklahoma State Athletic Commission Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies received from fees, administrative fines, reimbursements, bond proceeds, and sale of materials, and shall include grants and gifts, pursuant to the Oklahoma State Athletic Commission Act. All monies accruing to the credit of said fund are hereby appropriated and may be budgeted and expended by the State Department of Health as directed by the Commission for the purpose of implementing the provisions of the

Oklahoma State Athletic Commission Act. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

B. The "Professional Boxing Licensing Revolving Fund" created for the Department of Health is hereby abolished. On July 1, 2008, any unencumbered funds remaining in the Professional Boxing Licensing Revolving Fund shall be transferred to the credit of the Oklahoma State Athletic Commission Revolving Fund. Any unexpended funds remaining in the Professional Boxing Licensing Revolving Fund after November 1, 2008, shall be transferred to the credit of the Oklahoma State Athletic Commission Revolving Fund.

SECTION 27. AMENDATORY 3A O.S. 2011, Section 713, is amended to read as follows:

Section 713. A. All gross proceeds shall be the property of the Oklahoma Lottery Commission. From its gross proceeds, the Commission shall pay the operating expenses of the Commission. At least forty-five percent (45%) of gross proceeds shall be made available as prize money. However, the provisions of this subsection shall be deemed not to create any lien, entitlement, cause of action, or other private right, and any rights of holders of tickets or shares shall be determined by the Commission in setting the terms of its lottery or lotteries. For each fiscal

year, net proceeds shall equal at least thirty-five percent (35%) of the gross proceeds. However, for the purpose of repaying indebtedness issued pursuant to Section 732 of this title, for the first two (2) full fiscal years and any partial first fiscal year of the Commission, net proceeds need only equal at least thirty percent (30%) of the gross proceeds. All of the net proceeds shall be transferred to the Oklahoma Education Lottery Trust Fund as provided in subsection B of this section.

B. There is hereby created in the State Treasury a fund to be designated the "Oklahoma Education Lottery Trust Fund". Except as otherwise provided in subsections H and I of this section, on or before the fifteenth day of each calendar quarter, the Commission shall transfer to the State Treasurer, for credit to the Oklahoma Education Lottery Trust Fund, the amount of all net proceeds accruing during the preceding calendar quarter. Expenditures from the fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

Upon their deposit into the State Treasury, any monies representing a deposit of net proceeds shall then become the unencumbered property of this state, and neither the Commission nor the board of trustees shall have the power to agree or undertake otherwise. The monies shall be invested by the State Treasurer in

accordance with state investment practices. All earnings attributable to such investments shall likewise be the unencumbered property of the state and shall accrue to the credit of the fund.

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

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

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

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

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

a. tuition grants, loans and scholarships to citizens of this state to enable such citizens to attend colleges and universities located within this state, regardless of whether such colleges and universities are owned or operated by the Oklahoma State Regents for Higher Education, or to attend institutions operated under the authority of the Oklahoma Department of Career and Technology Education; provided such tuition grants, loans and scholarships shall not be made to a citizen of this state to attend a college or university which

is not accredited by the Oklahoma State Regents for Higher Education,

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

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

d. technology for public elementary school district, independent school district, state higher education, and career and technology education facilities, which shall include but not be limited to costs of providing to teachers at accredited public institutions who teach levels kindergarten through twelfth grade, personnel at technology centers under the authority of the Oklahoma State Department of Career and Technology Education, and professors and instructors within the Oklahoma State System of Higher Education, the necessary training in the use and application of computers and advanced electronic instructional technology to implement interactive learning environments in the classroom and to access the state-

wide distance learning network and costs associated with repairing and maintaining advanced electronic instructional technology,

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

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

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

4. Five percent (5%) to the Teachers' Retirement System Dedicated Revenue Revolving Fund.

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

E. In order to ensure that the funds from the trust fund are used to enhance and not supplant funding for education, the State Board of Equalization shall examine and investigate appropriations from the trust fund each year. At the meeting of the State Board of Equalization held within five (5) days after the monthly apportionment in February of each year, the State Board of Equalization shall issue a finding and report which shall state whether appropriations from the trust fund were used to enhance or supplant education funding. If the State Board of Equalization finds that education funding was supplanted by funds from the trust fund, the Board shall specify the amount by which education funding was supplanted. In this event, the Legislature shall not make any appropriations for the ensuing fiscal year until an appropriation in that amount is made to replenish the trust fund.

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

G. There is hereby created in the State Treasury a revolving fund to be designated the "Oklahoma Education Lottery Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies received by the Commission. The Commission shall make payments of net proceeds from

the fund to the Oklahoma Education Lottery Trust Fund on or before the fifteenth day of each calendar quarter as provided in subsection B of this section. All monies accruing to the credit of the Oklahoma Education Lottery Revolving Fund are hereby appropriated and may be budgeted and expended for the payment of net proceeds, prizes, commissions to retailers, administrative expenses and all other expenses arising out of the operation of the education lottery, subject to the limitations provided in the Oklahoma Education Lottery Act. Expenditures from the fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

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

H. When appropriations from the Oklahoma Education Lottery Trust Fund are made to common education pursuant to the provisions of paragraph 1 of subsection C of this section, the appropriations shall be made available on a monthly basis. In addition to the provisions of subsection B of this section, the following process shall be used to insure that the appropriations are made available to common education in a timely manner:

1. Beginning in July of the fiscal year in which appropriations are made to common education from the Oklahoma Education Lottery Trust Fund, the Commission, on or before the ninth day of each month, shall transfer to the State Treasurer, for credit to the Oklahoma Education Lottery Trust Fund, the amount of net proceeds accruing during the preceding month equal to the amount of total monthly collections due to common education as required by paragraph 1 of subsection C of this section;

2. The Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services shall allocate the transfers provided for in paragraph 1 of this subsection to the State Department of Education on a monthly basis, not to exceed one-twelfth (1/12) of the annual apportionment for the fiscal year; and

3. The total amount of transfers to the Oklahoma Education Lottery Trust Fund of net lottery proceeds made pursuant to this subsection shall not exceed the total appropriations made to common education from the Oklahoma Education Lottery Trust Fund for the specific fiscal year.

I. When appropriations from the Oklahoma Education Lottery Trust Fund are made to The Oklahoma State System of Higher Education, the appropriations shall be made available to the System on a monthly basis. In addition to the provisions of subsection B of this section, the following process shall be used to insure that

the appropriations are made available to The Oklahoma State System of Higher Education in a timely manner:

1. Beginning in July of the fiscal year in which appropriations are made to The Oklahoma State System of Higher Education from the Oklahoma Education Lottery Trust Fund, the Commission, on or before the ninth day of each month, shall transfer to the State Treasurer, for credit to the Oklahoma Education Lottery Trust Fund, the amount of net proceeds accruing during the preceding month equal to the amount of total monthly collections due to the Oklahoma State Regents for Higher Education as required by paragraph 2 of subsection C of this section;

2. The Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services shall allocate the transfers provided for in paragraph 1 of this subsection to the Oklahoma State Regents for Higher Education on a monthly basis, not to exceed one-twelfth (1/12) of the annual apportionment for the fiscal year; and

3. The total amount of transfers to the Oklahoma Education Lottery Trust Fund of net lottery proceeds made pursuant to this subsection shall not exceed the total appropriations made to The Oklahoma State System for Higher Education from the Oklahoma Education Lottery Trust Fund for the specific fiscal year.

SECTION 28. AMENDATORY 3A O.S. 2011, Section 719, is amended to read as follows:

Section 719. A. There is hereby created in the State Treasury a revolving fund for the Oklahoma Lottery Commission to be designated the "Fidelity Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations. All monies accruing to the credit of the fund are hereby appropriated and may be budgeted and expended by the Commission as provided in this section. Expenditures from the fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment. The Commission shall assess each retailer an annual fee not to exceed One Hundred Dollars ($100.00) per sales location, to be deposited to the Fidelity Revolving Fund. The monies in the fund shall be invested by the State Treasurer in accordance with state investment practices. All earnings attributable to such investments shall likewise accrue to the credit of the fund. Monies deposited to the fund shall be used to contract with the Oklahoma State Bureau of Investigation and the State Auditor and Inspector for the investigations, reviews and audits provided for herein. Any full-time employees retained by the Oklahoma State Bureau of Investigation or the State Auditor and Inspector for the purpose of performing duties pursuant to such contracts shall not be counted against any limits on full-time employees for such agencies. Monies deposited to the fund may also be used to cover losses the Commission experiences due to

nonfeasance, misfeasance, or malfeasance of a lottery retailer. In addition, the funds may be used to purchase blanket bonds covering the Commission against losses from all retailers. At the end of each fiscal year, the Commission shall pay to the Oklahoma Education Lottery Trust Fund any amount in the Fidelity Revolving Fund which exceeds the budgeted expenses from the fund for the next fiscal year plus Five Hundred Thousand Dollars ($500,000.00), and such funds shall be commingled with and treated as net proceeds from the lottery.

B. A reserve account may be established as a general operating expense to cover amounts deemed uncollectible. The Commission shall establish procedures for minimizing any losses that may be experienced for the foregoing reason and shall exercise and exhaust all available options in such procedures prior to amounts being written off to this account.

C. Except as otherwise provided in subsection D of this section, the Commission shall require all retailers to post an appropriate bond, as determined by the Commission, using an insurance company acceptable to the Commission.

D. 1. In its discretion, in lieu of the bond required in subsection C of this section, the Commission may allow a retailer to deposit and maintain with the Commission securities that are interest bearing or accruing. Securities eligible under this paragraph shall be limited to:

a. certificates of deposit issued by solvent banks or savings associations organized and existing under the laws of this state or under the laws of the United States,

b. United States bonds, notes, and bills for which the full faith and credit of the United States is pledged for the payment of principal and interest, and

c. federal agency securities issued by an agency or instrumentality of the United States government.

2. The securities shall be held in trust in the name of the Oklahoma Lottery Commission.

SECTION 29. AMENDATORY 3A O.S. 2011, Section 733, is amended to read as follows:

Section 733. To ensure the financial integrity of the lottery, the Oklahoma Lottery Commission through its board of trustees shall:

1. Submit quarterly and annual reports to the Governor, State Auditor and Inspector, Oklahoma State Bureau of Investigation, Attorney General, and the oversight committee created by Section ~~35~~ 734 of this ~~act~~ title, disclosing the total lottery revenues, prize disbursements, operating expenses, and administrative expenses of the Commission during the reporting period. The annual report shall additionally describe the organizational structure of the Commission and summarize the functions performed by each organizational division within the Commission;

2. Adopt a system of internal audits;

3. Maintain weekly or more frequent records of lottery transactions, including the distribution of tickets or shares to retailers, revenues received, claims for prizes, prizes paid, prizes forfeited, and other financial transactions of the Commission;

4. Contract with a certified public accountant or firm for an annual financial audit of the Commission. The certified public accountant or firm shall have no financial interest in any vendor with whom the Commission is under contract. The certified public accountant or firm shall present an audit report not later than seven (7) months after the end of the fiscal year. The certified public accountant or firm shall evaluate the internal auditing controls in effect during the audit period. The cost of this annual financial audit shall be an operating expense of the Commission. The State Auditor and Inspector may at any time conduct an audit of any phase of the operations of the Commission at the expense of the Commission and shall receive a copy of the annual independent financial audit. A copy of any audit performed by the certified public accountant or firm or the State Auditor and Inspector shall be transmitted to the Governor, the President Pro Tempore of the Senate, and the Speaker of the House of Representatives, the State Auditor and Inspector, and the cochairs of the oversight committee created in Section ~~35~~ 734 of this ~~act~~ title;

5. Submit to the ~~Office of State Finance~~ Office of Management and Enterprise Services and the State Auditor and Inspector by June 30 of each year a copy of the annual operating budget for the Commission for the next fiscal year. This annual operating budget shall be approved by the board and be on such forms as prescribed by the ~~Office of State Finance~~ Office of Management and Enterprise Services; and

6. For informational purposes only, submit to the ~~Office of State Finance~~ Office of Management and Enterprise Services on September 1 of each year a proposed operating budget for the Commission for the succeeding fiscal year. The budget proposal shall also be accompanied by an estimate of the net proceeds to be deposited into the Oklahoma Education Lottery Trust Fund during the succeeding fiscal year. The budget shall be on such forms as prescribed by the ~~Office of State Finance~~ Office of Management and Enterprise Services.

SECTION 30. AMENDATORY 6 O.S. 2011, Section 211.1, is amended to read as follows:

Section 211.1 There is hereby created in the State Treasury a revolving fund for the Oklahoma State Banking Department. The revolving fund shall consist of all fees and assessments paid to or collected by the Department, including all monies received by the Commissioner under Sections 104, 204, 303, 415, 501.1 and 501.2 of this title and Section 381.16 of Title 18 of the Oklahoma Statutes

and those payments required to be deposited in the revolving fund pursuant to Sections 211, 1103, 1206, 2001.2, 2008, 2107 and 2113 of this title, Section 381.15 of Title 18 of the Oklahoma Statutes, and Section ~~166~~ 7106 of Title ~~8~~ 36 of the Oklahoma Statutes. The revolving fund shall be a continuing fund, not subject to fiscal year limitations. Expenditures from the fund shall be made pursuant to the laws of this state and the statutes relating to the Department, and without legislative appropriation. Warrants for expenditures from the fund shall be drawn by the State Treasurer, based on claims signed by an authorized employee or employees of the Department and approved for payment by the Director of ~~State Finance~~ the Office of Management and Enterprise Services.

SECTION 31. AMENDATORY 7 O.S. 2011, Section 22, is amended to read as follows:

Section 22. There is hereby created in the State Treasury a revolving fund to be known as the Adult Blind Market Revolving Fund of the Oklahoma Public Welfare Commission to be administered by and under the direction of the Oklahoma Public Welfare Commission. Said fund shall consist of all appropriations made for such purpose and all net earnings or profits derived from its use as authorized by law. Said fund shall be used for the purpose of creating, establishing and maintaining a market for the product of blind workers of Oklahoma and may be used to purchase such products for resale, and for no other purpose. Expenditures from said fund shall

be made upon warrants issued by the State Treasurer against claims submitted to the Director of ~~State Finance~~ the Office of Management and Enterprise Services for ~~audit~~ approval and payment.

SECTION 32. AMENDATORY 10 O.S. 2011, Section 175.12, is amended to read as follows:

Section 175.12 (a) The Children's Hospital of Oklahoma, including its clinics and laboratories, is hereby designated as a service institution for the physically handicapped children of this state, which also serves as a teaching and training hospital for the School of Medicine of the University of Oklahoma. Payment for services by the Commission to the Children's Hospital of Oklahoma shall be based on the actual per diem cost of patient care exclusive of professional instructional expense. In the event that the Commission and Board of Regents of the University of Oklahoma cannot agree on a per diem charge for patients of the Commission, the Director of ~~State Finance~~ the Office of Management and Enterprise Services, with the approval of the Governor, is hereby authorized to establish a rate of pay which shall prevail. The Children's Hospital of Oklahoma shall grant the Commission a priority in the assignment of hospital services, which are to be distributed as equitably as is possible among the counties of this state.

(b) The Commission shall be obligated, insofar as practicable, to use the available facilities of the Children's Hospital of Oklahoma to a degree that will enable the University of Oklahoma

School of Medicine to maintain its proper patient ratio for accreditation; Provided, that this provision shall not cause undue hardship to a patient.

SECTION 33. AMENDATORY 10 O.S. 2011, Section 410.1, is amended to read as follows:

Section 410.1 There is established in the State Treasury a revolving fund to be known as the "Quality of Care Development Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all fines collected by the Department of Human Services pursuant to Section 407 of ~~Title 10 of the Oklahoma Statutes~~ this title and shall, in addition to any other monies made available for such purpose, be available to the Director solely to support the continued improvement of the child care facilities in this state. Expenditures from the fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 34. AMENDATORY 10 O.S. 2011, Section 601.6b, is amended to read as follows:

Section 601.6b A. On or before July 1 of each year, the Oklahoma Commission on Children and Youth shall transmit to the Director of ~~State Finance~~ the Office of Management and Enterprise Services and to the director of each affected agency a copy of the

State Plan for Services to Children and Youth for the next fiscal year.

B. The Office of Planning and Coordination shall on or before January 1 of each year provide a written report to the Legislature on its expenditures to community partnership boards.

C. The Office of Planning and Coordination, with the assistance of the ~~Office of State Finance~~ Office of Management and Enterprise Services and affected agencies, may assemble topic-specific reports regarding services to children, youth, and families to include program descriptions, past and current expenditures, future budget requests, and a description of program outcomes as directed by the Legislature or the Commission.

SECTION 35. AMENDATORY 10 O.S. 2011, Section 601.10, is amended to read as follows:

Section 601.10 There is hereby created in the State Treasury a revolving fund for the Oklahoma Commission on Children and Youth, to be designated the "Oklahoma Commission on Children and Youth Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies received by the Oklahoma Commission on Children and Youth, from contracts with other state agencies or institutions, and not excluding any other source of revenue. All monies accruing to the credit of said fund are hereby appropriated and may be budgeted and expended by the Director of the Oklahoma Commission on Children and Youth for the

purpose of paying for operating expenses of the Oklahoma Commission on Children and Youth. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 36. AMENDATORY 10 O.S. 2011, Section 630.2, is amended to read as follows:

Section 630.2 A. Entities which shall jointly design and implement the coordinated database system shall include, but not be limited to:

1. The Oklahoma Commission on Children and Youth;

2. The Department of Human Services;

3. The State Department of Health;

4. The Department of Mental Health and Substance Abuse Services;

5. The Oklahoma Health Care Authority;

6. The State Department of Education;

7. The ~~Office of State Finance~~ Office of Management and Enterprise Services;

8. The Office of Juvenile Affairs;

9. The State Department of Rehabilitation Services;

10. The Oklahoma Department of Commerce; and

11. Consumer representatives.

B. 1. The Oklahoma Commission on Children and Youth shall serve as the lead agency in initiating the collaborative process among entities identified in subsection A of this section in order to design and implement the system required by the Coordinated Database System for Children Act. The Commission shall be responsible for convening meetings and providing meeting space, administrative staff and other necessary support services. The Commission shall schedule meetings in conjunction with the Coordination of Services for Older Oklahomans Task Force.

2. The remaining agencies listed in subsection A of this section shall be responsible for providing information, staff and other assistance as necessary to design and implement the system required by the Coordinated Database System for Children Act.

C. On or before February 1, 1998, the agencies listed in subsection A of this section shall jointly submit to the Governor, the Speaker of the House of Representatives, the President Pro Tempore of the Senate, and the chairs of the appropriate legislative committees, a report which shall include, but not be limited to:

1. A statement of progress regarding the design and implementation of the system required by the Coordinated Database System for Children Act; and

2. Identification of any statutory changes and funding necessary to implement the system.

SECTION 37. AMENDATORY 10 O.S. 2011, Section 1430.42, is amended to read as follows:

Section 1430.42 A. There is hereby created the Advantage Waiver and Developmental Disability Services Rate Review Committee. The Committee shall:

1. Review the reimbursement rates provided for in the Advantage and Home- and Community-Based Waivers and all other reimbursement rates to providers of services to the aged and developmentally disabled and administered by the Aging Services Division and Developmental Disability Services Division of the Department of Human Services;

2. Calculate reimbursement rates which provide a level of care to the aged and developmentally disabled of the state enabling them, to the greatest extent possible, to function, live, and work in their own homes or a community-based setting; and

3. Make a recommendation in the report of the Committee regarding an increase in funding specifically dedicated to providing services to persons not currently receiving services but who have formally requested those services from the Department of Human Services.

B. In no event shall the recommendations of the Committee be binding on the Oklahoma State Legislature, Governor, or Department of Human Services. Recommendations shall be advisory only and may not be used as evidence in any court of law or legal proceeding.

C. The Committee shall convene no later than July 15, 2007, and shall meet no fewer than three times every odd year. By September 1, 2007, and every odd year thereafter, the Committee shall submit to the Governor, Legislature, Department of Human Services and the ~~Office of State Finance~~ Office of Management and Enterprise Services a report containing the following:

1. A description of the rates reviewed by the Committee as well as an explanation of their purpose;

2. A recommended rate calculated by the Committee for the rates;

3. A description of how the individual rates were calculated including a list of the factors and variables considered when calculating the rates;

4. A specific recommendation of funding for providing services to persons not currently receiving services from the Department of Human Services but who have requested those services pursuant to the policy of the Developmental Disability Services Division. To the best of its ability, the Committee shall indicate the number of persons it believes could be served by the recommended increase in funding;

5. A calculation of the total dollars required from the State Treasury to fund the recommended rates at the current level of services provided by the Department of Human Services; and

6. A calculation of the total dollars leveraged, if any, from the federal government through the Advantage and Home- and Community-Based Waivers or any other relevant source, if the recommended rates were enacted.

D. The Committee shall convene every odd year and shall be charged with the same responsibilities and duties as provided in subsection C of this section.

E. The members of the Committee shall serve four-year terms and may be reappointed to the Committee by the appointing authorities as provided in subsection F of this section.

F. The members of the Committee shall be appointed as follows:

1. The Governor shall appoint three members of the Committee as follows:

a. a parent or legal guardian of a developmentally disabled child currently receiving services from the Developmental Disability Services Division of the Department of Human Services,

b. a parent or legal guardian of a developmentally disabled child not currently receiving services from the Developmental Disability Services Division of the Department of Human Services but who has applied for the services pursuant to Department of Human Services policy, and

c. a person or legal guardian of a person receiving services under the Advantage Waiver;

2. The Speaker of the Oklahoma House of Representatives shall appoint five members of the Committee as follows:

a. a provider of services to the developmentally disabled who has contracted with the Developmental Disability Services Division of the Department of Human Services to provide such services and who employs more than fifty-five persons,

b. a provider of services to the developmentally disabled who has contracted with the Developmental Disability Services Division of the Department of Human Services to provide such services and who employs fewer than fifty-five persons,

c. a provider of services to the aged under the Advantage Waiver who employs more than fifty-five persons,

d. a provider of services to the aged under the Advantage Waiver who employs fewer than fifty-five persons, and

e. one member of the House of Representatives;

3. The President Pro Tempore of the Oklahoma State Senate shall appoint four members of the Committee as follows:

a. an independent auditor of providers of services to the developmentally disabled who has contracted to provide

the services with the Developmental Disability Services Division of the Department of Human Services,

b. a Certified Public Accountant who has particular expertise in the day-to-day financial operations of businesses that provide services to the developmentally disabled which contracts with the Developmental Disability Services Division of the Department of Human Services,

c. a Certified Public Accountant who has particular expertise in the day-to-day financial operations of businesses that provide services to the aged under the Advantage Waiver, and

d. one member of the Senate;

4. The Director of the Aging Services Division of the Department of Human Services or a designee;

5. The Director of the Developmental Disability Services Division of the Department of Human Services or a designee;

6. The Director of the Oklahoma Health Care Authority or a designee; and

7. The Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services or a designee.

G. The Department of Human Services shall provide necessary staffing for the Committee as required.

H. At the first meeting, the Committee shall elect a chair and cochair from among the members of the Committee. The chair shall be responsible for setting the agenda for the Committee meetings, determining the meeting dates after consultation with the members of the Committee, and ensuring that the final report of the Committee is submitted as required by subsection C of this section. In the absence of the chair, the cochair of the Committee shall be responsible for convening the meetings.

SECTION 38. AMENDATORY 10A O.S. 2011, Section 1-9-103, is amended to read as follows:

Section 1-9-103. A. 1. There is hereby created in the Department of Human Services a revolving fund to be designated the "Child Abuse Multidisciplinary Account".

2. The account shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies received by the Department pursuant to the provisions of this section and Section 1-9-104 of this title.

3. All monies accruing to the credit of the fund are hereby appropriated and shall be budgeted and expended by the Department for the purposes provided in Sections 1-9-102 and 1-9-104 of this title.

4. Expenditures from the account shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by

law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

B. The account shall be administered by the Department for the benefit of children of Oklahoma and made available to eligible:

1. Coordinated multidisciplinary child abuse teams;

2. Nonurban child advocacy centers;

3. Mid-level nonurban child advocacy centers; and

4. Urban child advocacy centers.

C. 1. The Child Abuse Multidisciplinary Account shall consist of:

a. all monies received by the Department pursuant to the provisions of Section 1-9-104 of this title,

b. interest attributable to investment of money in the Account, and

c. money received by the Department in the form of gifts, grants, reimbursements, or from any other source intended to be used for the purposes specified or collected pursuant to the provisions of this section and Section 1-9-102 of this title.

2. The monies deposited in the Child Abuse Multidisciplinary Account shall at no time become monies of the state and shall not become part of the general budget of the Department or any other state agency. Except as otherwise authorized by this section, no monies from the Account shall be transferred for any purpose to any

other state agency or any account of the Department or be used for the purpose of contracting with any other state agency or reimbursing any other state agency for any expense.

SECTION 39. AMENDATORY 10A O.S. 2011, Section 1-9-109, is amended to read as follows:

Section 1-9-109. The Department of Human Services shall maintain a performance-based incentive compensation program for employees exclusively working as child welfare specialists. All full-time child welfare specialists shall be eligible to participate in the performance-based incentive compensation program. Eligibility factors shall include, but not be limited to, child welfare specialists who have met or exceeded the suggested federal child welfare outcomes, received "exceeds standards" employee evaluations, as defined by the ~~Office of Personnel Management~~ Office of Management and Enterprise Services, completed Department-sponsored field training, and obtained an advanced higher education degree in social work or closely related field. The eligibility of a child welfare specialist shall not be based upon the level of seniority that has been obtained by the child welfare specialist. The Oklahoma Commission for Human Services shall promulgate rules as necessary to implement the provisions of this section.

SECTION 40. AMENDATORY 10A O.S. 2011, Section 2-2-806, is amended to read as follows:

Section 2-2-806. A. The Office of Juvenile Affairs shall initiate a separate request for proposals for the construction of a suitable facility to house juveniles within its custody to replace a facility with capacity in excess of one hundred twenty-five (125) available secure beds. The Board of Juvenile Affairs is authorized to enter into a lease-purchase agreement for the construction or acquisition of such facility, pursuant to the provisions of law.

B. The Office of Juvenile Affairs shall initiate a separate request for proposals for the razing of property needed to construct the facility specified in subsection A of this section. The Board is authorized to enter into a contract for the razing of property, pursuant to the provisions of law.

C. The Office of Juvenile Affairs shall initiate a separate request for proposals for the management and operation of the facility specified in subsection A of this section. The Board is authorized to enter into a contract for the management and operation of such facility, pursuant to the provisions of law.

D. It is the intent of the Legislature that the lease-purchase agreement specified in subsection A of this section provide that, upon conclusion of the lease-purchase term, the title will transfer to the Office of Juvenile Affairs.

E. The Board is authorized to promulgate rules and establish procedures necessary to implement the provisions of this act.

F. The ~~Department of Central Services~~ Office of Management and Enterprise Services shall work in conjunction with the Office of Juvenile Affairs to implement the provisions of this act.

SECTION 41. AMENDATORY 10A O.S. 2011, Section 2-7-202, is amended to read as follows:

Section 2-7-202. A. There is hereby created the Office of Juvenile Affairs which shall be responsible for programs and services for juveniles alleged or adjudicated to be delinquent or in need of supervision. Within the Office of Juvenile Affairs there is hereby created:

1. The Division of Institutional Services which shall be responsible for the institutions operated by or contracted for by the Office of Juvenile Affairs;

2. The Division of Community-based Youth Services which shall be responsible for contracting with, monitoring, evaluation and support of community-based Youth Services Agencies;

3. The Division of Juvenile and Treatment Services which shall be responsible for intake, probation and parole services, supervision and placement of juveniles and the contracting for, monitoring and evaluation of residential and treatment programs other than institutions and community-based Youth Services Agencies; and

4. Such other divisions specifically established by the Executive Director of the Office of Juvenile Affairs, with the approval of the Board.

The Executive Director of the Office of Juvenile Affairs, with the approval of the Board, shall appoint a Director of the Division of Institutional Services, a Director of the Division of Community-based Youth Services, and a Director of the Division of Juvenile and Treatment Services to serve as the administrative head of each division, respectively. The Division Directors shall have at least six (6) years of experience in the same or similar programs or facilities as they are to supervise and a baccalaureate degree or higher level of education.

B. Suitable office space shall be provided by the ~~Department of Central Services~~ Office of Management and Enterprise Services to the Office of Juvenile Affairs, to the extent necessary for the Office to implement its jurisdictional duties provided by the Oklahoma Juvenile Code, and the Office may incur necessary expenses for office rent.

C. Effective July 1, 1995, the Office of Juvenile Affairs shall be a Merit System agency and all employees of the Office of Juvenile Affairs shall be classified employees who are subject to the Oklahoma Personnel Act and the Merit System of Personnel Administration, except as otherwise provided by law.

D. Effective July 1, 1995, within its jurisdictional areas of responsibility, the Office of Juvenile Affairs, acting through the Executive Director, or persons authorized by law, rule or designated by the Executive Director to perform such acts, shall have the power and duty to:

1. Advise, consult, cooperate and enter into agreements with agencies of the state, municipalities and counties, other states and the federal government, and other persons;

2. Enter into agreements for, accept, administer and use, disburse and administer grants of money, personnel and property from the federal government or any department or agency thereof, or from any state or state agency, or from any other source, to promote and carry on in this state any program within its jurisdictional area of responsibility;

3. Require the establishment and maintenance of records and reports;

4. Establish a system of training for personnel in order to assure uniform statewide application of law and rules;

5. Enforce the provisions of the Oklahoma Juvenile Code and rules promulgated thereunder and orders issued pursuant thereto;

6. Charge and receive fees pursuant to fee schedules promulgated by the Board of Juvenile Affairs;

7. Conduct studies, research and planning of programs and functions, pursuant to the authority granted by the Oklahoma Juvenile Code;

8. Enter into interagency agreements;

9. Provide administrative and support services to the Board of Juvenile Affairs as necessary to assist the Board in the performance of their duties;

10. Establish and maintain such facilities and institutions as are necessary or convenient for the operation of programs for children under the jurisdiction of the Office of Juvenile Affairs;

11. Lease, from time to time, any real property which the Board of Juvenile Affairs shall determine advisable to more fully carry into effect the operation of the Office of Juvenile Affairs in accordance with applicable state statutes. All such leases for real property shall be subject to the provisions of Section 63 of Title 74 of the Oklahoma Statutes;

12. Purchase or lease any equipment, supplies or materials pursuant to The Oklahoma Central Purchasing Act;

13. Contract for professional services;

14. Acquire, construct, extend, and operate any and all facilities of all kinds which in the judgment of the Executive Director and the approval of the Legislature shall be necessary or convenient to carry out the duties of the Office of Juvenile Affairs, as authorized by law; and

15. Exercise all incidental powers which are necessary and proper to implement and administer the purposes of the Oklahoma Juvenile Code.

E. The Office of Juvenile Affairs shall maintain a fair, simple and expeditious system for resolution of grievances of all persons committed to the Office of Juvenile Affairs regarding the substance or application of any written or unwritten policy, rule of the Board of Juvenile Affairs or of an agent or contractor of the Office of Juvenile Affairs or any decision, behavior or action by an employee, agent or contractor or by any other person committed to the Office of Juvenile Affairs.

SECTION 42. AMENDATORY 10A O.S. 2011, Section 2-7-306, is amended to read as follows:

Section 2-7-306. A. Funds specifically appropriated to the Office of Juvenile Affairs for designated Youth Services Agency programs for both the Office of Juvenile Affairs and the Department of Human Services shall be made available through contracts negotiated by the Office of Juvenile Affairs, to organizations designated by the Board of Juvenile Affairs as "Youth Services Agencies". All core community-based programs and services to be performed by a Youth Services Agency during a contract period shall be included in one contract or contract extension for that period. Designations of Youth Services Agencies by the Board shall be granted based on community needs, as indicated in the State Plan for

Youth Services Agencies which shall be adopted by rule by the Board. The State Plan for Youth Services Agencies shall be adopted in accordance with criteria approved by the Board of Juvenile Affairs after full consideration of any recommendations of the Department of Human Services and the Oklahoma Association of Youth Services. The criteria and plan adopted by the Board shall designate community-based Youth Services Agency Service Areas that will serve as the primary catchment area for each Youth Services Agency. Until the criteria is established by the Board, the criteria established by the Commission for Human Services shall remain in effect. The criteria for designation of Youth Services Agencies shall include but shall not be limited to:

1. Capability to deliver all or part of the compensable services enumerated in Section 2-7-303 of this title, if the Youth Services Agency is to provide such services;

2. Capability to deliver all or part of the compensable children's services that the Department of Human Services is authorized to provide for by contract with a private agency, if the Youth Services Agency is to provide such services;

3. Adequate and qualified staff who are available as needed, within a reasonable time after being contacted for services in each county served by the agency;

4. Adequate services in the Youth Services Agency Area served by the agency;

5. Financial viability;

6. A documented need for the local services to be offered as determined by a local needs assessment for the Youth Services Agency Service Area that shall be reviewed and approved or modified by the Board and included in the State Plan for Youth Services Agencies; and

7. Any negative impact on the ability to provide services or the financial viability of an existing Youth Services Agency.

As used in this section, "financial viability" means the ability of a Youth Services Agency to continue to achieve its operating objectives and fulfill its mission over the long term. When determining the financial viability of a Youth Services Agency, the Office of Juvenile Affairs shall develop an analysis that takes into consideration the three (3) previous fiscal years' financial audits, if available; the previous fiscal year program audits, if available; the current fiscal year financial position; and one-year future revenue and expenditure projection.

B. The criteria for designation of Youth Services Agencies also may include:

1. Successful completion of an initial peer review by the Oklahoma Association of Youth Services or another Oklahoma nonprofit corporation whose membership consists solely of Youth Services Agencies and of whom at least a majority of Youth Services Agencies are members; and

2. Such other criteria as the Board of Juvenile Affairs determines appropriate.

C. Each Youth Services Agency receiving, by grant or contract from the Department of Human Services on June 30, 1995, state funds specifically appropriated for community-based youth services programs, is hereby automatically designated a "Youth Services Agency".

D. The Board of Juvenile Affairs, on recommendation of the Office of Juvenile Affairs, may terminate the designation of a Youth Services Agency that:

1. Is seriously deficient in the administration of its program;

2. Loses financial viability; or

3. Fails to successfully complete the annual peer review process by the Oklahoma Association of Youth Services or another Oklahoma nonprofit corporation whose membership consists solely of Youth Services Agencies and of whom at least a majority of Youth Services Agencies are members.

Before the Board of Juvenile Affairs terminates the designation of a Youth Services Agency, the Office of Juvenile Affairs shall complete a report documenting its reasons for the termination. The report shall be submitted to the Board for review. The report shall contain an analysis of the program administration, financial viability and most recent peer review report of the Youth Services Agency. The Office of Juvenile Affairs shall also develop a plan to

ensure that services provided by the Youth Services Agency whose designation is being terminated shall continue to be provided by another Youth Services Agency or agencies. In developing the plan, the Office of Juvenile Affairs shall give full consideration to any recommendations of the Oklahoma Association of Youth Services. The plan shall be submitted to the Board as part of the report documenting the reasons for termination of the Youth Services Agency by the Office of Juvenile Affairs.

Any applicant organization denied designation as a Youth Services Agency or any Youth Services Agency whose designation as a Youth Services Agency is being terminated, is entitled to an individual proceeding as provided in Article II of the Administrative Procedures Act.

E. No Youth Services Agency shall be eligible to receive funding until the beginning of the fiscal year after it receives its designation as a Youth Services Agency unless it is replacing a Youth Services Agency whose designation has been terminated. No Youth Services Agency shall receive funding for the first time if such funding will result in lowering the contract amount from the previous fiscal year for any existing Youth Services Agency.

F. The Office of Juvenile Affairs shall be the sole administrator of Youth Services Agency contracts. Any contracting procedure shall include a procedure for converting all contracts to a system of payment which will be structured in a manner that will

allow for the receipt of all available federal funds. Provided, the Office of Juvenile Affairs shall make no requirement that would require a juvenile to be inappropriately diagnosed for the purpose of receiving federal reimbursement for services.

G. The Office of Juvenile Affairs and the Department of Human Services shall enter into a cooperative agreement that establishes procedures to ensure the continuation of services provided for in paragraph 2 of subsection A of this section by Youth Services Agencies. The Office of Juvenile Affairs shall consult with the Department of Human Services when assessing the capability of a Youth Services Agency to deliver services pursuant to paragraph 2 of subsection A of this section.

H. Funds for the support of Youth Services Agencies shall be authorized by the Office of Juvenile Affairs only on the basis of cost reimbursement performance contracts or fee-for-service contracts. If a Youth Services Agency provides some services on a fee-for-services basis and some services on a cost reimbursement basis, no cost which has been included as part of the rate for services provided on a fee-for-service basis shall be reimbursable under the cost reimbursement portion of the contract. Fees charged for annual peer reviews shall be reimbursable.

I. The Board may establish a fixed and uniform rate for any community-based prevention service, including services to individuals, groups, and community relations directed toward the

larger community, so long as the segment of the larger community or target audience of persons to benefit is identified and the specific prevention activities to be performed are described in the rate.

J. Beginning in fiscal year 2007 and thereafter, contracts for the support of Youth Services Agencies shall be negotiated in the following manner:

1. The local board of the Youth Services Agency, based upon its knowledge and assessment of the needs of the community, shall prepare and present to the Office of Juvenile Affairs a proposal to provide community-based services to juveniles and families in the youth services service area in which it is located. The proposal shall be specific in terms of its program objectives and goals and the services the Youth Services Agency proposes to render;

2. Upon receipt of the proposal of the Youth Services Agency, the Office of Juvenile Affairs shall determine if the proposal meets the criteria adopted by the Board of Juvenile Affairs in the State Plan for Youth Services Agencies and, within the resources available, meets the need for community-based services in the youth services service area. If no State Plan for Youth Services exists, the proposal shall be deemed to meet the need for community-based services in the youth services area;

3. Contracts shall require performance of a specific service or services to be performed. Where the services cannot be broken down into units, specifically measurable and reviewable services shall be

stated. Contracts may contain requirements of performance based upon measurable quality outcome indicators. Documentation required for monitoring and evaluation of the contract shall be consistent with the terms of the contract, shall be in accordance with generally accepted governmental accounting practices, and so far as possible, sufficient for the Office of Juvenile Affairs to monitor the performance of the contract without being overly burdensome to the Youth Services Agency. The documentation to be required is the proper subject of negotiation as part of the contracts, and the parties may rely on the ~~Department of Central Services~~ Office of Management and Enterprise Services for assistance if they are unable to reach agreement;

4. The Office of Juvenile Affairs and the Youth Services Agency shall negotiate the final terms and enter into the contract. Youth Services Agencies may authorize the Oklahoma Association of Youth Services or another Oklahoma nonprofit corporation, whose membership consists solely of Youth Services Agencies and of whom at least a majority of Youth Services Agencies are members, to negotiate on their behalf; and

5. The Office of Juvenile Affairs and a Youth Services Agency may agree to extend their fiscal year 2006 contracts for a period not to exceed one (1) year in order to implement the provisions of this subsection. The amount of money in the contracts may be

amended to reflect any change in the money appropriated for fiscal year 2007 for community-based service agencies.

K. Contracts with Youth Services Agencies for community-based services shall be for a period of twelve (12) months, beginning at the first of each fiscal year, and renewable on an annual basis. Contracts shall be considered during the third and fourth quarter of the fiscal year for contracting the following year. Consideration for renewal shall include a review of the performance of the current contract including the annual peer review. If the Office of Juvenile Affairs determines the contractual relationship shall be renewed, it shall be in a new contract for the upcoming fiscal year and may or may not contain the same terms, conditions, form and format as the previous contract. Any change from the contract of the previous year that is proposed by the Youth Services Agency or the Office of Juvenile Affairs shall be the subject of negotiation at the request of either party.

L. The Oklahoma Association of Youth Services, or another Oklahoma nonprofit corporation whose membership consists solely of Youth Services Agencies and of whom at least a majority of Youth Services Agencies are members may provide technical assistance to the Youth Services Agencies in the preparation and presentation of their proposals or negotiations as requested by a Youth Services Agency.

M. The Office of Juvenile Affairs is authorized to contract with the Oklahoma Association of Youth Services or another Oklahoma nonprofit corporation whose membership consists solely of Youth Services Agencies and of whom at least a majority of Youth Services Agencies are members for evaluation, training and program materials and for statewide office support, including rental of office space and general technical assistance for Youth Services Agencies with which the Office of Juvenile Affairs has contracts.

SECTION 43. AMENDATORY 10A O.S. 2011, Section 2-7-401, is amended to read as follows:

Section 2-7-401. A. There is hereby created in the State Treasury a revolving fund for the Office of Juvenile Affairs to be designated the "Juvenile Detention Improvement Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies appropriated to the Juvenile Detention Improvement Revolving Fund and monies which may otherwise be available to the Office of Juvenile Affairs for use as provided for in this section.

B. All monies appropriated to the fund shall be budgeted and expended by the Office of Juvenile Affairs for the purpose of providing funds to counties to renovate existing juvenile detention facilities, to construct new juvenile detention facilities, to operate juvenile detention facilities and otherwise provide for secure juvenile detention services and alternatives to secure

detention as necessary and appropriate, in accordance with state-approved juvenile detention standards and the State Plan for the Establishment of Juvenile Detention Services provided for in Section 2-3-103 of this title. The participation of local resources shall be a requirement for the receipt by counties of said funds and the Department shall establish a system of rates for the reimbursement of secure detention costs to counties. The methodology for the establishment of said rates may include, but not be limited to, consideration of detention costs, the size of the facility, services provided and geographic location. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

1. The rate of reimbursement of approved operating cost shall be eighty-five percent (85%) for the Office of Juvenile Affairs and fifteen percent (15%) for the county.

2. The rate of reimbursement of approved operating cost shall be fifty percent (50%) for the Office of Juvenile Affairs and fifty percent (50%) for any county that has failed to establish the beds required by the provisions of subsection A of Section 2-7-608 of this title.

3. The Office of Juvenile Affairs shall approve only those applications for funds to renovate an existing juvenile detention

facility or any other existing facility or to construct a new juvenile detention facility which contain proposed plans that are in compliance with state-approved juvenile detention standards.

4. The Office of Juvenile Affairs shall approve only those applications or contracts for funds to operate juvenile detention facilities or otherwise provide for secure juvenile detention services and alternatives to secure detention which are in compliance with or which are designed to achieve compliance with the State Plan for the Establishment of Juvenile Detention Services provided for in Section 2-3-103 of this title.

5. The Office of Juvenile Affairs shall, from appropriated state monies or from available federal grants, provide for payment pursuant to contract for transportation personnel and vehicle-related costs and reimburse for eligible travel costs for counties utilizing the juvenile detention facilities identified in the "State Plan for the Establishment of Juvenile Detention Services" in accordance with the provisions of the State Travel Reimbursement Act and in accordance with Section 2-3-103 of this title.

SECTION 44. AMENDATORY 10A O.S. 2011, Section 2-7-606, is amended to read as follows:

Section 2-7-606. A. The Office of Juvenile Affairs shall have the supervision, management, operation and control of the institution for children located at Tecumseh, formerly known and

designated as Girls' Town and now known as Central Oklahoma Juvenile Center, and all property, equipment and supplies related thereto.

B. The Central Oklahoma Juvenile Center shall maintain facilities and bed-space capacity for programs that are consistent with providing statewide juvenile justice and delinquency prevention services.

C. It shall be the duty of the State Fire Marshal and the State Commissioner of ~~Public~~ Health, to cause regular, periodic, not less than quarterly, unannounced inspections of said institution, utilizing adequately trained and qualified inspection personnel, to determine and evaluate conditions and programs being maintained and carried on at said institution in their respective areas of agency jurisdiction. Such inspections shall include, but not be limited to, the following: compliance with minimum fire, life and health safety standards; compliance with minimum standards governing general sanitation of the institution, with particular emphasis upon food storage, preparation, serving and transportation, respectively. Reports of such inspections will be made in writing, itemizing and identifying any deficiencies and recommending corrective measures, and shall be filed with the Board of Juvenile Affairs, the Executive Director of the Office of Juvenile Affairs, the Attorney General, the Speaker of the House of Representatives, the President Pro Tempore of the Senate, the Office of Juvenile System Oversight and the Oklahoma Commission on Children and Youth. The Office of

Juvenile Affairs shall file copies of the reports of the inspections and recommendations of the accrediting agencies listed in subsection D of this section with the Office of Juvenile System Oversight.

D. The Office of Juvenile Affairs is authorized and directed to establish, subject to the limits of funds available therefor, a diversity of placement alternatives for children committed to the custody of the Office including, but not limited to, foster family homes, foster family group homes, and group homes. All child care services and facilities operated by the Office shall be accredited by the American Correctional Association, the Joint Commission on Accreditation of Hospitals or the Child Welfare League of America, as appropriate for the service or facility. The Office may directly contract for accreditation fees, training or training conferences with the organization accrediting the service or facility as required by this subsection.

SECTION 45. AMENDATORY 11 O.S. 2011, Section 24-115, is amended to read as follows:

Section 24-115. Within ninety (90) days following the closing of each fiscal year, the Authority shall cause to be prepared certified financial statements which shall be filed with the State Auditor and Inspector and with the Director of ~~State Finance~~ the Office of Management and Enterprise Services in accordance with the requirements for financial statement audits in Section 212A of Title 74 of the Oklahoma Statutes.

SECTION 46. AMENDATORY 11 O.S. 2011, Section 49-100.3, is amended to read as follows:

Section 49-100.3 A. There shall be an Oklahoma Firefighters Pension and Retirement Board which shall be composed of thirteen (13) members as follows:

1. Five members shall be the Board of Trustees of the Oklahoma Firefighters Association;

2. One member shall be the President of the Professional Fire Fighters of Oklahoma or his designee. The designee shall be a member of the Professional Fire Fighters of Oklahoma;

3. One member shall be the President of the Oklahoma State Retired Fire Fighters Association or his designee. The designee shall be a member of the Oklahoma State Retired Fire Fighters Association;

4. One member shall be appointed by the Speaker of the House of Representatives;

5. One member shall be appointed by the President Pro Tempore of the Senate;

6. Two members shall be appointed by the President of the Oklahoma Municipal League;

7. One member shall be the State Insurance Commissioner or his designee; and

8. One member shall be the Director of ~~State Finance~~ the Office of Management and Enterprise Services or his designee.

B. 1. The terms of office of the members appointed to the State Board by the President of the Oklahoma Municipal League who are members of the State Board on the operative date of this act shall expire on July 1, 1989. The members appointed to fill the positions that expire on July 1, 1989, shall serve initial terms of office as follows:

a. the term of office of one of the members appointed by the President of the Oklahoma Municipal League shall expire on July 1, 1990; and

b. the term of office of one of the members appointed by the President of the Oklahoma Municipal League shall expire on July 1, 1992.

Thereafter, the terms of office of the members of the State Board appointed by the President of the Oklahoma Municipal League shall be four (4) years.

2. The term of office of the member appointed to the State Board by the Speaker of the House of Representatives and the term of office of the member appointed to the State Board by the President Pro Tempore of the Senate who are members of the State Board on the operative date of this act shall expire on January 3, 1989. The members thereafter appointed shall serve terms of office of four (4) years.

3. Vacancies shall be filled for the unexpired term of office in the same manner as the original appointment was made.

C. Those members appointed to the State Board by the President of the Oklahoma Municipal League, the Speaker of the House of Representatives and the President Pro Tempore of the Senate or who are designees of an ex officio member of the State Board shall:

1. Have demonstrated professional experience in investment or funds management, public funds management, public or private pension fund management or retirement system management; or

2. Have demonstrated experience in the banking profession and have demonstrated professional experience in investment or funds management; or

3. Be licensed to practice law in this state and have demonstrated professional experience in commercial matters; or

4. Be licensed by the Oklahoma ~~State Board of Public~~ Accountancy Board to practice in this state as a public accountant or a certified public accountant.

The appointing authorities, in making appointments that conform to the requirements of this subsection, shall give due consideration to balancing the appointments among the criteria specified in paragraphs 1 through 4 of this subsection.

D. No member of the State Board shall be a lobbyist registered in this state as provided by law.

E. Notwithstanding any of the provisions of this section to the contrary, any person serving as an appointed member of the State

Board on the operative date of this act shall be eligible for reappointment when the term of office of the member expires.

F. The State Board shall elect one of its members as Chairman at its annual meeting. The Chairman shall preside over meetings of the State Board and perform such other duties as may be required by the State Board. The State Board shall also elect another member to serve as Vice Chairman, and the Vice Chairman shall perform duties of Chairman in the absence of the latter or upon the Chairman's inability or refusal to act.

G. Prior to February 6, 1995, the State Board shall be prevented from making any payment or granting any benefit, with the exception of disability benefits for which provisions are otherwise made in Section 49-100.1 et seq. of this title, the actuarial liability for which has not been included in such Board's annual actuarial report prior to May 1, 1994.

H. The State Board shall adopt a cost of living adjustment actuarial assumption in its annual actuarial valuation report.

SECTION 47. AMENDATORY 11 O.S. 2011, Section 49-100.5, is amended to read as follows:

Section 49-100.5 A. The principal office of the System shall be in Oklahoma City, Oklahoma. Offices shall be assigned to the System by the ~~Department of Central Services~~ Office of Management and Enterprise Services. Upon the failure or inability of the ~~Department of Central Services~~ Office of Management and Enterprise

Services to provide adequate facilities, the State Board is hereby authorized to contract for necessary office space in suitable quarters.

B. The State Board shall keep a record of all of its proceedings, which shall be open for inspection at all reasonable hours. A report including such information as the operation of the System for the past fiscal year, including income, disbursements, and the financial condition of the System at the end of each fiscal year and showing the valuation of its assets, investments, and liabilities, shall be delivered to the Governor after the end of each fiscal year but prior to October 1 of the next fiscal year and made available to the firefighters and participating municipalities.

C. The State Auditor and Inspector shall make an annual audit of the accounts of the System. The audit shall be filed as soon after the close of the fiscal year as practicable, in accordance with the requirements for financial statement audits in Section 212A of Title 74 of the Oklahoma Statutes.

SECTION 48. AMENDATORY 11 O.S. 2011, Section 49-100.8, is amended to read as follows:

Section 49-100.8 The State Board shall certify to the Director of ~~State Finance~~ the Office of Management and Enterprise Services, the Speaker of the House of Representatives, and the President Pro Tempore of the Senate, on or before July 15 of each year, an actuarially determined estimate of the rate of contribution which

will be required, together with all accumulated contributions and other assets of the System to pay by level-dollar payments all liabilities which shall exist or accrue pursuant to the provisions of the System, including amortization of the unfunded accrued liability over a period of not to exceed thirty (30) years beginning July 1, 2003.

SECTION 49. AMENDATORY 11 O.S. 2011, Section 50-103.1, is amended to read as follows:

Section 50-103.1 A. There shall be an Oklahoma Police Pension and Retirement Board which shall be composed of thirteen (13) members as follows:

1. Seven members shall be elected as follows:

a. One member shall be elected to represent State Board District 1. State Board District 1 shall include that area of the state, except for any area comprising Oklahoma City, that is north of Interstate Highway 40 and west of Interstate Highway 35;

b. One member shall be elected to represent State Board District 2. State Board District 2 shall include that area of the state, except for any area comprising Oklahoma City, that is south of Interstate Highway 40 and west of Interstate Highway 35;

c. One member shall be elected to represent State Board District 3. State Board District 3 shall include that

area of the state, except for any area comprising Oklahoma City or Tulsa, that is north of Interstate Highway 40 and east of Interstate Highway 35;

d. One member shall be elected to represent State Board District 4. State Board District 4 shall include that area of the state, except for any area comprising Oklahoma City, that is south of Interstate Highway 40 and east of Interstate Highway 35;

e. One member shall be elected to represent State Board District 5. State Board District 5 shall include that area of the state comprising the City of Tulsa;

f. One member shall be elected to represent State Board District 6. State Board District 6 shall include that area of the state comprising the City of Oklahoma City; and

g. One member shall be elected to represent State Board District 7. State Board District 7 shall include the entire area of the state.

The members elected to represent State Board Districts 1 through 6 shall be active members of the System and work for a participating municipality whose police department is physically located within the State Board District. The member elected to represent State Board District 7 shall be a retired member of the System. Elections for the State Board Districts shall be held within six (6) months of

the date of the expiration of the term of office of a member or of the date a vacancy occurs on such dates that are set by the State Board. The initial term of office for State Board Districts 2, 5 and 7 shall begin on July 1, 1989. The initial term of office for State Board Districts 3 and 6 shall begin on July 1, 1990. The initial term of office for State Board Districts 1 and 4 shall begin on July 1, 1991. The term of office of the elected members shall be three (3) years. Only members of the System working for a participating municipality whose police department is physically located within the respective State Board Districts may participate in the election process for State Board Districts 1 through 6. Only retired members of the System may participate in the election process for State Board District 7.

2. One member shall be appointed by the Speaker of the House of Representatives;

3. One member shall be appointed by the President Pro Tempore of the Senate;

4. One member shall be appointed by the Governor;

5. One member shall be appointed by the President of the Oklahoma Municipal League;

6. One member shall be the State Insurance Commissioner or the Commissioner's designee; and

7. One member shall be the Director of ~~State Finance~~ the Office of Management and Enterprise Services or the Director's designee.

B. 1. The term of office of the member appointed to the State Board by the Speaker of the House of Representatives and the term of office of the member appointed to the State Board by the President Pro Tempore of the Senate who are members of the State Board on the operative date of this act, shall expire on January 3, 1989. The members thereafter appointed by the Speaker of the House of Representatives and by the President Pro Tempore of the Senate shall serve terms of office of four (4) years.

2. The term of office of the member appointed by the Governor who is a member of the State Board on the operative date of this act shall expire on January 14, 1991. The members thereafter appointed by the Governor shall serve a term of office of four (4) years which is coterminous with the term of office of the office of the appointing authority.

3. The initial term of office of the member appointed by the President of the Oklahoma Municipal League shall expire on July 1, 1990. The members thereafter appointed by the President of the Oklahoma Municipal League shall serve terms of office of four (4) years.

4. Any vacancy that occurs shall be filled for the unexpired term in the same manner as the office was previously filled.

C. The members appointed to the State Board by the Speaker of the House of Representatives, the President Pro Tempore of the Senate, the Governor and the President of the Oklahoma Municipal

League or who are designees of an ex officio member of the State Board shall:

1. Have demonstrated professional experience in investment or funds management, public funds management, public or private pension fund management or retirement system management;

2. Have demonstrated experience in the banking profession and have demonstrated professional experience in investment or funds management;

3. Be licensed to practice law in this state and have demonstrated professional experience in commercial matters; or

4. Be licensed by the Oklahoma Accountancy Board to practice in this state as a public accountant or a certified public accountant.

The appointing authorities, in making appointments that conform to the requirements of this subsection, shall give due consideration to balancing the appointments among the criteria specified in paragraphs 1 through 4 of this subsection.

D. No member of the State Board shall be a lobbyist registered in this state as provided by law.

E. Notwithstanding any of the provisions of this section to the contrary, any person serving as an appointed member of the State Board on the operative date of this act shall be eligible for reappointment when the term of office of the member expires.

F. The State Board shall elect one of its members as Chairman at its annual meeting. The Chairman shall preside over meetings of

the State Board and perform such other duties as may be required by the State Board. The State Board shall also elect another member to serve as Vice Chairman, and the Vice Chairman shall perform duties of Chairman in the absence of the latter or upon the Chairman's inability or refusal to act.

SECTION 50. AMENDATORY 11 O.S. 2011, Section 50-105.3, is amended to read as follows:

Section 50-105.3 The State Board shall certify to the Director of ~~State Finance~~ the Office of Management and Enterprise Services, the Speaker of the House of Representatives, and the President Pro Tempore of the Senate, on or before November 1 of each year, an actuarially determined estimate of the rate of contribution which will be required, together with all accumulated contributions and other assets of the System to pay by level-dollar payments all liabilities which shall exist or accrue pursuant to the provisions of the System, including amortization of the unfunded accrued liability over a period of not to exceed thirty (30) years beginning July 1, 1988.

SECTION 51. AMENDATORY 11 O.S. 2011, Section 51-104a, is amended to read as follows:

Section 51-104a. The ~~Office of Public Affairs~~ Office of Management and Enterprise Services, in cooperation with the Chairman of the Public Employees Relations Board, is authorized to appoint and fix the duties and compensation of employees necessary to

perform the responsibilities imposed upon the Public Employees Relations Board by law. The ~~Office of Public Affairs~~ Office of Management and Enterprise Services is authorized to initiate or accept and process claims for personal services, consulting services, supplies, equipment, and other operating expenditures essential to the accomplishment of the duties imposed upon the Public Employees Relations Board by law.

SECTION 52. AMENDATORY 12 O.S. 2011, Section 921.1, is amended to read as follows:

Section 921.1 A. The Attorney General shall allocate funds from the Legal Services Revolving Fund to provide legal representation to indigent persons in this state in civil legal matters to the extent that funds are available from the Legal Services Revolving Fund. The Attorney General shall be responsible for allocating these funds pursuant to contract with eligible regional or statewide organizations which ordinarily render legal services to indigent persons. The Attorney General may charge an administrative fee for administering the contracts. The funds shall be allocated for the benefit of indigent clients in all seventy-seven (77) counties of the state on a pro rata basis, utilizing an allocation formula that distributes funds according to the number of residents whose incomes are less than the official United States federal poverty guidelines, based on the United States census data,

as a percentage of the total number of these residents in this state and which reserves funds for services for specialized areas of law.

B. As used in this section, "eligible organization" means an entity that:

1. Is organized as a not-for-profit corporation that is tax exempt pursuant to the provisions of paragraph (3) of subsection (c) of Section 501 of the United States Internal Revenue Code of 1986, as amended;

2. Has as its primary purpose the furnishing of legal assistance to eligible clients;

3. Has a board of directors or other governing body the majority of which is comprised of attorneys who are admitted to practice in this state and who are approved to serve on such body by the governing bodies of the state or county bar associations and has at least one-third (1/3) of the membership who, when selected, are eligible clients; and

4. Is incorporated pursuant to any applicable laws of this state.

C. As a condition of the contract, the organization shall be required to determine the eligibility of any person seeking legal services pursuant to this section.

D. The Attorney General shall prepare annually and distribute to the Judiciary committees of the Senate and the House of Representatives and the Legal Services Committee of the Oklahoma Bar

Association a report detailing expenditures of funds for representation to indigent persons in civil legal matters.

E. Each organization that contracts to provide legal services pursuant to subsection A of this section shall maintain books and records in accordance with generally accepted accounting principles. The books and records shall account for the receipt and expenditure of all funds paid pursuant to contract. Books and records shall be maintained for a period of five (5) years from the close of the fiscal year of the contract period. The State Auditor and Inspector shall audit each organization annually. The necessary expense of each audit, including, but not limited to, the cost of typing, printing, and binding, shall be paid from funds of the organization. In lieu of the audit by the State Auditor and Inspector, the organization may submit an audit prepared by an independent auditing firm for compliance with federal auditing requirements. A copy of the audit prepared by or submitted to the State Auditor and Inspector shall be submitted to the Attorney General.

F. Funds for representation of indigent persons in civil legal matters shall be limited to family law legal services with priority given to cases involving domestic and family violence and abuse. In no event shall such funds ever be used for any of the following activities:

1. Provision of legal services in a fee-generating case unless appropriate private representation is not available;

2. Provision of legal services in any criminal proceeding;

3. Provision of legal services collaterally attacking the validity of a criminal conviction;

4. Provision of legal services which seek to procure an abortion;

5. Provision of legal representation relating to the desegregation of any school or school system;

6. Provision of legal services involving any proceeding derived from the Military Selective Service Act;

7. Provision of legal services to advocate for or oppose any altering of a legislative, judicial, or elective district at any level of government; and

8. Provision of legal services to challenge a census of the United States of America.

G. There is hereby created in the State Treasury a revolving fund for the Office of the Attorney General to be designated the "Legal Services Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies received by the Office of the Attorney General for indigent legal services from funds appropriated to the fund, federal funds, gifts, donations, and grants. All monies accruing to the credit of said fund are hereby appropriated and may be budgeted and expended by the Attorney General for the purpose of providing legal services to indigent clients pursuant to the provisions of this

section. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 53. AMENDATORY 12A O.S. 2011, Section 1-9-320.6, is amended to read as follows:

Section 1-9-320.6

CENTRAL FILING SYSTEM RELATING TO FARM PRODUCTS

(1) The Secretary of State shall be responsible for developing and implementing the central filing system. This responsibility shall include obtaining the necessary certification for the system from the United States Department of Agriculture ("USDA"). The effective date for the implementation of the central filing system was October 24, 1988.

(2) The Secretary of State may promulgate, in accordance with the applicable provisions of the Administrative Procedures Act, appropriate rules for the implementation and operation of the central filing system.

(3) The ~~Office of State Finance~~ Office of Management and Enterprise Services shall assist the Secretary of State in developing and implementing the central filing system.

(4) The central filing system shall conform to the following requirements:

(a) The Secretary of State shall record the date and hour of the filing of each effective financing statement;

(b) The Secretary of State shall compile all effective financing statements into a master list:

(i) organized according to farm products;

(ii) arranged within each such product:

(A) in alphabetical order according to the last name of the individual debtors or, in the case of debtors doing business other than as individuals, the first word in the name of the debtors;

(B) in numerical order according to the social security number of the individual debtors or, in the case of debtors doing business other than as individuals, the Internal Revenue Service taxpayer identification number of the debtors;

(C) geographically by county produced; and

(D) by crop year; and

(iii) containing the information provided for in subparagraph (iv) of paragraph (d) of Section 1-9-320.2 of this title;

(iv) portions of the master list shall be available in hard copy or electronic formats, and may be

organized by other sorting methods in addition to the methods listed above.

(c) The Secretary of State shall maintain records of all buyers of farm products, commission merchants, selling agents and others who register with the Secretary of State, on a form containing:

(i) the name and address of each registrant;

(ii) the information on the farm product or products that the registrant is requesting;

(iii) the name of each county where the product is produced or to be produced, or a blanket code covering all seventy-seven (77) counties of this state; and

(iv) an authorized signature.

(d) (i) A copy of those portions of the master list covering the information requested by a registrant shall be distributed to such registrants by the Secretary of State on or before the last business day of each month and shall be presumed to have been received by the third business day of the following month.

(ii) Registrants shall be deemed to be registered only as to those portions of the master list for which they register, and shall be deemed to have failed

to register and shall not be considered to be registrants as to those portions for which they do not register.

(iii) Registrants are subject only to security interests shown on the portions of the master list which they receive as a consequence of registration with the Secretary of State.

(iv) If a particular security interest is shown on the master list, but was included since the last regular distribution of portions of the master list to registrants, registrants shall not be subject to that security interest;

(e) The duration of the registration with the Secretary of State of a buyer of farm products, commission merchant, selling agent or other registrant shall be one (1) year from the effective date of the registration with the Secretary of State.

(f) (i) Upon request, within twenty-four (24) hours of any inquiry, for information, the Secretary of State shall provide verbal confirmation of the existence or nonexistence of any effective financing statement on file. By the close of the business day following the day on which the request was received, written confirmation of the

existence of an effective financing statement will be provided to buyers of farm products, commission merchants, and selling agents who have not registered, and others who request it.

(ii) The state or political subdivision shall not be liable if a loss or claim results from any confirmation of the existence or nonexistence of any effective financing statement on file in the Office of the Secretary of State made in good faith by an employee of the Office of the Secretary of State as required by the provisions ~~of Section 1-9-320.6~~ of this ~~title~~ section.

(5) The filing in the office of the Secretary of State under this section shall be in addition to the filing requirements provided for in this article.

(6) A financing or continuation statement covering farm products that has not lapsed and which was filed pursuant to ~~Section 9-401 of Title 12A of the Oklahoma Statutes~~ this title between December 23, 1986, and October 24, 1988, inclusive, and for which no written notice was furnished as provided in Section 1-9-320.7 of this title, shall become ineffective as to a buyer of farm products, commission merchant or selling agent, unless the secured party files an effective financing statement in the office of the Secretary of State.

(7) An effective financing statement shall not be deemed filed in accordance with the provisions of this section until all fees authorized by Section 111 of Title 28 of the Oklahoma Statutes relating to the filing of the statement are tendered to the Secretary of State.

(8) The secured party shall file a termination statement within twenty (20) days after there is no outstanding secured obligation or commitment to make advances, incur obligations or otherwise give value. The secured party shall not be required to file a termination statement if the debtor, in writing, addressed to the secured party, requests that a termination not be filed. The request shall be signed by the debtor or an authorized representative and the request may be made at any time prior to the expiration date of an effective financing statement set forth herein. If the affected secured party fails to file a termination statement as required by this subsection, the party shall be liable to the Secretary of State for Five Hundred Dollars ($500.00). In addition the affected secured party shall be liable to the debtor for any loss caused to the debtor by the failure to terminate the effective financing statement.

(9) The Attorney General shall be responsible for enforcing the provisions of subsection (8) of this section on behalf of the Secretary of State and is authorized to take appropriate actions to collect any penalties owed to the Secretary of State pursuant to

subsection (8) of this section. When collected, the Attorney General shall cause the penalty to be deposited into the Central Filing System Revolving Fund created pursuant to Section 276.3 of Title 62 of the Oklahoma Statutes.

SECTION 54. AMENDATORY 14A O.S. 2011, Section 6-301, is amended to read as follows:

Section 6-301. There is hereby created in the State Treasury a revolving fund for the Commission on Consumer Credit to be designated as the "Consumer Credit Administrative Expenses Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations and shall consist of all monies as directed to be deposited in such fund by law. Monies accruing to the credit of this fund are hereby appropriated and may be budgeted and expended by the Administrator of the Commission on Consumer Credit upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 55. AMENDATORY 15 O.S. 2011, Section 775B.7, is amended to read as follows:

Section 775B.7 There is hereby created in the State Treasury a revolving fund for the Office of the Attorney General, to be designated the "Telemarketer Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies received pursuant to the provisions of the

Telemarketer Restriction Act. All monies accruing to the credit of the fund are hereby appropriated and may be budgeted and expended by the Attorney General for the purpose of implementing, administering, or enforcing the provisions of the Telemarketer Restriction Act. Expenditures from the fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 56. AMENDATORY 17 O.S. 2011, Section 39, is amended to read as follows:

Section 39. There is hereby created a petty cash fund for the Corporation Commission to be used for the purpose of supplying small change. The Corporation Commission working in conjunction with the Director of ~~State Finance~~ the Office of Management and Enterprise Services shall fix the maximum amount of the petty cash fund. The ~~Office of State Finance~~ Office of Management and Enterprise Services shall prescribe all forms, systems, and procedures for administering the petty cash fund.

SECTION 57. AMENDATORY 17 O.S. 2011, Section 57, is amended to read as follows:

Section 57. There is hereby created in the State Treasury a revolving fund for the Corporation Commission, to be designated the "Oil and Gas Division Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall

consist of all monies designated for deposit to said fund. All monies accruing to the credit of said fund are hereby appropriated and may be budgeted and shall be expended by the Corporation Commission for the purposes of expeditious prevention and abatement of oil and gas pollution, the protection of correlative rights and the prevention of waste. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment. No money shall be transferred or expended by the Corporation Commission for any other purpose than that authorized by this section.

SECTION 58. AMENDATORY 17 O.S. 2011, Section 180.7, is amended to read as follows:

Section 180.7 There is hereby created in the State Treasury a revolving fund for the Corporation Commission, to be designated the "Corporation Commission Revolving Fund". The revolving fund shall consist of all fees and monies received by the Corporation Commission as required by law to be deposited to the credit of said fund and any other monies, excluding appropriated funds, that are not directed by law to be deposited to the credit of any other Corporation Commission Fund. Said revolving fund shall be a continuing fund, not subject to fiscal year limitations and shall not be subject to legislative appropriation. Expenditures from said revolving fund shall be made pursuant to the laws of this state and

the statutes relating to the Corporation Commission and shall be for general operating expenses of the Corporation Commission. In addition, expenditures from said revolving fund may be made pursuant to the Oklahoma Central Purchasing Act for the purpose of immediately responding to emergency situations, within the Commission's jurisdiction, having potentially critical environmental or public safety impact. Warrants for expenditures from said fund shall be drawn by the State Treasurer, based on claims signed by an authorized employee or employees of the Corporation Commission and approved for payment by the Director of ~~State Finance~~ the Office of Management and Enterprise Services.

SECTION 59. AMENDATORY 17 O.S. 2011, Section 180.10, is amended to read as follows:

Section 180.10 A. There is hereby created in the State Treasury a fund for the Corporation Commission to be designated the "Corporation Commission Plugging Fund". The plugging fund shall consist of monies received by the Corporation Commission as required by law to be deposited to the credit of said fund. The fund shall be a continuing fund not subject to fiscal year limitations and shall not be subject to legislative appropriations. Expenditures from the plugging fund shall be made pursuant to the laws of this state and the statutes relating to the Corporation Commission. In addition, expenditures from the plugging fund may be made pursuant to The Oklahoma Central Purchasing Act, Section 85.1 et seq. of

Title 74 of the Oklahoma Statutes, for purposes of immediately responding to emergency situations, within the Commission's jurisdiction, having potentially critical environmental or public safety impact. Warrants for expenditures from the fund shall be drawn by the State Treasurer, based on claims signed by an authorized employee of the Corporation Commission and approved for payment by the Director of ~~State Finance~~ the Office of Management and Enterprise Services. The provisions of this act or rules promulgated pursuant thereto, shall not be construed to relieve or in any way diminish the surety bonding requirements required by Section 318.1 of Title 52 of the Oklahoma Statutes.

B. Prior to July 1, 2016, the plugging fund shall be maintained at Five Million Dollars ($5,000,000.00). If the plugging fund falls below the five-million-dollar maintenance level, the Corporation Commission shall notify the Tax Commission that the plugging fund has fallen below the required maintenance level and that the excise tax which has been levied by subsection A of Section 1101 of Title 68 of the Oklahoma Statutes and subsection A of Section 1102 of Title 68 of the Oklahoma Statutes which is credited and apportioned to the Corporation Commission Plugging Fund pursuant to Section 1103 of Title 68 of the Oklahoma Statutes is to be imposed. Such additional excise tax shall be imposed and collected until such time as is necessary to meet the additional five-million-dollar maintenance level. The Tax Commission shall notify the persons

responsible for payment of the excise tax on oil and gas of the imposition of such tax. The provisions of this subsection shall terminate on July 1, 2016.

SECTION 60. AMENDATORY 17 O.S. 2011, Section 180.11, is amended to read as follows:

Section 180.11 A. The Corporation Commission is hereby authorized to assess a fee upon each public utility to provide adequate funding to the Public Utility Division of the ~~Oklahoma~~ Corporation Commission for the regulation of public utilities in this state and for providing for timely and expeditious reviews and completion of rate cases, and increased responsiveness to the needs of consumers and the regulated community.

B. 1. The assessment authorized by this section may, after excluding the amount allocated to interexchange telecommunications companies, resellers, pay phone service providers and operator service providers in paragraph 2 of this subsection, be borne by the affected public utilities as follows:

a. one-half (1/2) shall be allocated based on that proportion which the total regulated Oklahoma jurisdictional gross operating revenues of each public utility bear to the total regulated Oklahoma jurisdictional gross operating revenues of all public utilities, and

b. one-half (1/2) shall be allocated based on that proportion which the total number of regulated Oklahoma jurisdictional customers of each public utility bears to the total number of regulated Oklahoma jurisdictional customers of all public utilities.

2. For interexchange telecommunications companies, resellers, pay phone service providers and operator service providers, the allocation may be based on the total regulated Oklahoma jurisdictional gross operating revenues that each interexchange telecommunications company, reseller or operator service provider bears in proportion to the total regulated Oklahoma jurisdictional gross operating revenue of all public utilities as applied to the total amount of the assessment to be collected from all public utilities for each year.

C. Any assessment levied pursuant to this section shall be recoverable as an operating expense to the public utility and shall be included in a utility's base rates or basic monthly service charge. The Corporation Commission shall take such action necessary to ensure recovery of the assessment by a public utility during the period for which it is levied.

D. The Corporation Commission may provide that each public utility shall pay any assessment levied pursuant to this section on a quarterly basis. Notice of the annual assessment shall be sent by

certified mail, return receipt requested, to each public utility. Each public utility shall pay the amount assessed to the Commission for deposit to the Public Utility Regulation Revolving Fund created in subsection E of this section. A public utility may, at its discretion, pay its annual assessment prior to the due date of the quarterly payments.

E. Any assessment collected by the Commission pursuant to this section shall be deposited in the Public Utility Regulation Revolving Fund hereby created. The fund shall be a continuing fund not subject to fiscal year limitations and shall consist of the monies received by the Commission from any assessment levied pursuant to the provisions of this section. All monies accruing to the credit of the fund are hereby appropriated and may be budgeted and expended by the Commission to pay the costs, both direct and indirect, of the Public Utilities Division incurred to regulate public utilities. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

F. The Legislature shall establish budgetary limits for the Public Utility Division of the Corporation Commission. Any assessment levied pursuant to this section shall not exceed the amount of the budgetary limits and indirect costs for related

support functions established by the Legislature for any fiscal year.

G. For purposes of this section, "public utility" means:

1. A public utility as defined by Section 151 of ~~Title 17 of the Oklahoma Statutes~~ this title, excluding those companies encompassed by paragraph (d) of Section 151 of ~~Title 17 of the Oklahoma Statutes~~ this title;

2. Any telephone or telecommunications company subject to Section 131 et seq. of ~~Title 17 of the Oklahoma Statutes~~ this title, including interexchange telecommunications companies or such other telecommunications companies as defined by OCC Rule OAC 165:55-1-4, resellers as defined by OCC Rule OAC 165:56-1-4 and operator service providers as defined by OCC Rule OAC 165:57-1-4; and

3. Any association or cooperative corporation doing business under the Rural Electric Cooperative Act except for generation and transmission associations or cooperative corporations, or transmission associations or cooperative corporations.

H. It is the intention of the Legislature that this entire section is an amendment to and alteration of Sections 18 through 34, inclusive, of Article IX of the Constitution of the State of Oklahoma, as authorized by Section 35 of Article IX of said Constitution.

SECTION 61. AMENDATORY 17 O.S. 2011, Section 315, is amended to read as follows:

Section 315. There is hereby created in the State Treasury a revolving fund for the Corporation Commission, to be designated the "Corporation Commission Storage Tank Regulation Revolving Fund", (Storage Tank Revolving Fund). The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies received by the Commission, from:

1. The proceeds of any fees imposed pursuant to the provisions of the Oklahoma Storage Tank Regulation Act, Section 301 et seq. of this title;

2. Interest attributable to investment of monies in the Corporation Commission Storage Tank Regulation Revolving Fund;

3. Monies received by the Commission in the form of gifts, grants other than federal grants, reimbursements or appropriations from any source intended to be used for the purposes of the revolving fund;

4. Fines, forfeitures, administrative fees, settlement proceeds; and

5. Any other sums designated for deposit to the revolving fund from any source public or private.

All monies accruing to the credit of said revolving fund are hereby appropriated and may be budgeted and expended by the Commission for the purpose of implementing the provisions of the Oklahoma Storage Tank Regulation Act and the rules promulgated thereto. Expenditures from said revolving fund shall be made upon

warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 62. AMENDATORY 17 O.S. 2011, Section 322, is amended to read as follows:

Section 322. A. 1. Effective July 1, 1998, there is hereby established the Petroleum Storage Tank Division within the Corporation Commission, which shall have separate budget activities and subactivities from any other division of the Commission.

2. The Petroleum Storage Tank Division shall be funded by available federal funds, grants, fees, and appropriations.

B. 1. The Petroleum Storage Tank Division shall be the sole division of the Commission with jurisdiction over releases and spills from petroleum storage tanks.

2. The acts and programs specified by this paragraph shall constitute a part of the Oklahoma Petroleum Storage Tank Reform Act and shall be subject to the jurisdiction of the Division. This jurisdiction shall include, but not be limited to, the administration of the following:

a. the Oklahoma Storage Tank Regulation Act,

b. the Oklahoma Petroleum Storage Tank Release Indemnity Program,

c. the Petroleum Storage Tank Release Environmental Cleanup Indemnity Fund,

d. Oklahoma Storage Tank Regulation Revolving Fund,

e. the Oklahoma Leaking Underground Storage Tank Trust Fund,

f. Fuel Inspection and Fuel Laboratory, and

g. Storage Tank Registration.

All of the powers and duties associated with the administration of these programs, funds and services are hereby transferred to the Petroleum Storage Tank Division, together with all unexpended funds, property, records and any outstanding financial obligations and encumbrances related to the activities of each.

3. All personnel currently employed in these programs are hereby transferred to the new Petroleum Storage Tank Division. All positions in the Petroleum Storage Tank Division, except for fuel specialists who inspect fuel storage tanks and pumps for the Fuel Division, shall be unclassified. Those employees who are classified at the time of their transfer to the Petroleum Storage Tank Division by this act may elect to remain classified pursuant to Section 840-4.2 of Title 74 of the Oklahoma Statutes.

4. All rules promulgated and orders entered by the Oklahoma Corporation Commission prior to the effective date of this act related to the programs, funds and services transferred by this section shall be transferred to the Petroleum Storage Tank Division and shall remain in full force and effect until overturned, amended,

modified, revoked or repealed by the Corporation Commission and shall be enforced by the Petroleum Storage Tank Division.

C. 1. The Director of the Petroleum Storage Tank Division shall be appointed by the General Administrator of the Corporation Commission from a list of at least three candidates recruited and screened by the ~~Office of Personnel Management~~ Office of Management and Enterprise Services. The ~~Office of Personnel Management~~ Office of Management and Enterprise Services shall develop such employment qualifications and standards for education and experience for the position of Director of the Petroleum Storage Tank Division as are appropriate based upon the responsibilities and duties of the Director pursuant to this act. Minimum qualifications for the Director shall include a bachelor's degree from an accredited college or university and five (5) years' experience in a supervisory capacity in an administrative, personnel management or regulatory position, or an attorney with at least ten (10) years' involvement with state governmental programs. The ~~Office of Personnel Management~~ Office of Management and Enterprise Services shall complete its development of employment qualifications and standards and recruitment and screening of the initial candidates for appointment of the first permanent Director by December 1, 1998. All other employees of the Petroleum Storage Tank Division shall be hired by the Director of the Petroleum Storage Tank Division with the approval of the General Administrator.

2. The Director shall provide for the administration of the Petroleum Storage Tank Division and shall:

a. develop the organizational framework of the Petroleum Storage Tank Division,

b. define duties and set salaries of employees, to employ a sufficient number of employees to accomplish the duties and responsibilities of the programs, funds and services of the Petroleum Storage Tank Division, including but not limited to such assistants, chemists, geologists, hydrologists, storage tank professionals, engineers, administrative, clerical and technical personnel, investigators, aides and such other personnel, either on a full-time, part-time, fee or contractual basis, as in the judgment and discretion of the Director shall be deemed necessary, expedient, convenient or appropriate to the performance or carrying out of any of the purposes, objectives, responsibilities or statutory provisions relating to the Petroleum Storage Tank Division,

c. establish internal policies and procedures for the proper and efficient administration of the Division,

d. clearly delineate the duties and responsibilities of the various programs as prescribed by law within the jurisdiction of the division,

e. create and implement an internal coordinated management system among the Storage Tank Regulation Program and the Oklahoma Petroleum Storage Tank Release Indemnity Program, and

f. exercise all incidental powers which are necessary and proper to implement the purposes of the Division pursuant to the Oklahoma Petroleum Storage Tank Reform Act and to implement all programs within the Division's jurisdiction.

SECTION 63. AMENDATORY 17 O.S. 2011, Section 323, is amended to read as follows:

Section 323. Within its jurisdictional areas of responsibility, the Petroleum Storage Tank Division shall have the power and duty to:

1. Issue, renew, deny or suspend, revoke or refuse to renew licenses or permits pursuant to the provisions of the Oklahoma Petroleum Storage Tank Reform Act;

2. Assess those administrative penalties as otherwise specifically authorized by law against any person or entity which violates any of the provisions of the Oklahoma Petroleum Storage Tank Reform Act;

3. Investigate alleged violations of the Oklahoma Petroleum Storage Tank Reform Act;

4. Advise, consult, assist, and cooperate with other agencies of the state, towns, cities and counties, industries, other states and the federal government and with affected groups regarding petroleum storage tank issues;

5. Financially assist other agencies and political subdivisions of the state;

6. Develop standards for pipeline terminal and refinery delivery point metering and calibration and provide for appropriate inspection and regulation of such meters where the metered product is to be delivered to petroleum storage tanks;

7. Encourage and conduct studies, investigations and research relating to petroleum-storage-tank-related pollution and its causes, effects, prevention, control and abatement;

8. Collect and disseminate information relating to petroleum-storage-tank-related pollution, its prevention and control;

9. Enter into agreements for, accept, use, disburse and administer grants of money, personnel and property from the federal government or any department or agency thereof, or from any state or state agency, or from any other source, to promote and conduct in this state any program relating to petroleum storage tank regulation;

10. Determine, charge and receive fees to be collected for services, research and permits, to file other papers, to make copies

of documents, to make prints of maps and drawings, and to certify copies of documents, maps and drawings as authorized by law;

11. Provide a toll-free hot line for petroleum-storage-tank-related complaints;

12. Cause investigations, inquiries and inspections to be made. The Director of the Petroleum Storage Tank Division, or authorized representatives of the Director, shall have the right of access to any property which has or may have had a petroleum storage tank system or a release from a petroleum storage tank system on the premises for such purpose at any reasonable time, upon presentation of identification;

13. Authorize personnel in the Petroleum Storage Tank Division to conduct investigations, inquiries, and to perform other acts that the Director is authorized or required to conduct or perform;

14. Enforce the provisions of the Oklahoma Petroleum Storage Tank Reform Act;

15. Request criminal prosecution proceedings as authorized by law against any person or entity which has violated any of the provisions of the Oklahoma Petroleum Storage Tank Reform Act or order issued or any rule promulgated pursuant thereto;

16. Acquire real property in the exercise of its powers for the performance of its duties as authorized by Section 306 of this title. Real property acquired under Section 306 of this title shall be disposed of by the Petroleum Storage Tank Division and the

~~Department of Central Services~~ Office of Management and Enterprise Services. The proceeds of the sale shall be deposited in the Petroleum Storage Tank Indemnity Fund;

17. Acquire and sell personal property which has been purchased or obtained by a pay-for-performance contract pursuant to Section 356 of this title. Surplus personal property shall be disposed of by the Petroleum Storage Tank Division and the ~~Department of Central Services~~ Office of Management and Enterprise Services pursuant to the Oklahoma Surplus Property Act. The proceeds of the sale shall be deposited in the Petroleum Storage Tank Indemnity Fund; and

18. Exercise all incidental powers which are necessary and proper to implement the purposes of the Oklahoma Petroleum Storage Tank Reform Act.

SECTION 64. AMENDATORY 17 O.S. 2011, Section 365, is amended to read as follows:

Section 365. A. There is hereby created in the State Treasury a fund for the Corporation Commission to be designated the "Oklahoma Leaking Underground Storage Tank Trust Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of loans and grants from the federal government and any state matching funds required by the federal government with regard to underground storage tanks.

B. There is hereby created in the State Treasury a revolving fund for the Corporation Commission to be designated the "Oklahoma

Leaking Underground Storage Tank Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of monies from public or private sources, and any monies collected pursuant to the provisions of this section.

C. All monies accruing to the credit of the Oklahoma Leaking Underground Storage Tank Trust Fund and the Oklahoma Leaking Underground Storage Tank Revolving Fund are hereby appropriated and may be budgeted and expended by the Corporation Commission only for the purpose provided in this section, to best protect human health and the environment. Expenditures from the funds shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

D. The Corporation Commission is hereby given the power and authority to receive, administer and authorize payments from the Oklahoma Leaking Underground Storage Tank Trust Fund and the Oklahoma Leaking Underground Storage Tank Revolving Fund. The Commission shall establish separate accounts and subaccounts within the Oklahoma Leaking Underground Storage Tank Trust Fund and the Oklahoma Leaking Underground Storage Tank Revolving Fund deemed necessary to implement the provisions of this section.

E. For the purpose of immediately responding to emergency situations created by leaking underground storage tanks having potentially critical environmental or public health or safety

impact, the Corporation Commission may take whatever action it deems necessary without notice or hearing, including the expenditure of monies from either the Oklahoma Leaking Underground Storage Tank Trust Fund or the Oklahoma Leaking Underground Storage Tank Revolving Fund or from both such funds to promptly respond to the emergency.

F. 1. The Corporation Commission shall seek reimbursement from the responsible person, firm or corporation for all expenditures made from either the Oklahoma Leaking Underground Storage Tank Trust Fund or the Oklahoma Leaking Underground Storage Tank Revolving Fund or from both such funds. All monies received by the Corporation Commission as reimbursement or penalties relating to expenditures made from the Oklahoma Leaking Underground Storage Tank Trust Fund or Oklahoma Leaking Underground Storage Tank Revolving Fund shall be transferred for deposit to the credit of the Oklahoma Leaking Underground Storage Tank Revolving Fund. All monies received by the Corporation Commission as reimbursement or penalties relating to expenditures made from the Oklahoma Corporation Commission Storage Tank Regulation Revolving Fund shall be transferred for deposit to the Corporation Commission Storage Tank Regulation Revolving Fund.

2. The owner or operator is liable for the cost of the corrective action taken by the Corporation Commission pursuant to this subsection, including the cost of investigating the release and administrative and legal expenses, if:

a. the owner or operator has failed to take a corrective action ordered by the Commission and the Commission has taken the corrective action, or

b. the Administrator has taken corrective action in an emergency.

3. Reasonable and necessary expenses incurred by the Commission in taking a corrective action, including costs of investigating a release and administrative and legal expenses, may be recovered in an administrative proceeding. The Commission's certification of expenses is prima facie evidence that the expenses are reasonable and necessary. Expenses that are recovered under this subsection shall be deposited in the Oklahoma Leaking Underground Storage Tank Revolving Fund.

G. Any owner or operator of an underground storage tank who fails to comply with any order issued by the Corporation Commission for corrective or enforcement actions may be subject to an administrative penalty not to exceed Twenty-five Thousand Dollars ($25,000.00) for each underground tank for each day of violation.

The administrative penalties assessed and collected by the Corporation Commission shall be deposited to the Oklahoma Leaking Underground Storage Tank Revolving Fund to be disbursed by the Commission in support of relevant agency activities.

SECTION 65. AMENDATORY 18 O.S. 2011, Section 552.20, is amended to read as follows:

Section 552.20 There is hereby created in the State Treasury a revolving fund for the Office of the Secretary of State to be designated the "Secretary of State Charitable Solicitations Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies received by the Office of the Secretary of State from sources provided under this act and any appropriations made by the Legislature. All monies accruing to the credit of the fund are hereby appropriated and may be budgeted and expended by the Secretary of State in furtherance of its duties under the provisions of the Oklahoma Solicitation of Charitable Contributions Act. Expenditures from the fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 66. AMENDATORY 18 O.S. 2011, Section 552.21, is amended to read as follows:

Section 552.21 There is hereby created in the State Treasury a revolving fund for the Office of the Attorney General to be designated the "Attorney General Charitable Solicitations Enforcement Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies received by the Office of the Attorney General from sources provided under this act and any appropriations made by the

Legislature. All monies accruing to the credit of the fund are hereby appropriated and may be budgeted and expended by the Attorney General in furtherance of its duties under the provisions of the Oklahoma Solicitation of Charitable Contributions Act. Expenditures from the fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 67. AMENDATORY 19 O.S. 2011, Section 215.28, is amended to read as follows:

Section 215.28 A. There is hereby created the District Attorneys Council which shall be organized and administered as herein provided. Any reference in the Oklahoma Statutes to the District Attorneys Training Coordination Council shall mean the District Attorneys Council.

B. The chief executive officer of the office of the Council is the Executive Coordinator who shall be appointed and supervised by the Council. The Executive Coordinator shall serve at the pleasure of the Council. The Executive Coordinator shall be licensed to practice law in Oklahoma and shall have been a district attorney or assistant district attorney or have held an equivalent position in state or federal government for at least three (3) years prior to appointment. The Executive Coordinator may appoint an Assistant Coordinator, both of whom shall be in the unclassified service of

the state. The Executive Coordinator and the Assistant Coordinator, who shall also be licensed to practice law in Oklahoma, shall devote full time to their duties and shall not engage in the private practice of law. The Executive Coordinator shall perform the functions and duties as may be assigned by the Council. The Executive Coordinator shall be named the project director and fiscal officer of any grant or fund received by the Council. The Executive Coordinator and the Assistant Coordinator shall receive compensation for their services within the pay scale limits for district attorneys.

C. 1. The Council shall be composed of the following members:

a. the Attorney General, or a designated representative of the Attorney General,

b. the President of the Oklahoma District Attorneys Association,

c. the President-elect of the Oklahoma District Attorneys Association,

d. one district attorney selected by the Court of Criminal Appeals for a three-year term, and

e. one district attorney selected by the Board of Governors of the Oklahoma Bar Association for a three-year term.

2. A member of the Council shall vacate the appointment upon termination of the member's official position as Attorney General or

district attorney. A vacancy shall be filled in the same manner as the original appointment. A member appointed to fill a vacancy created other than by expiration of a term shall be appointed for the unexpired term of the member whom the appointed member is to succeed in the same manner as the original appointment. Any member may serve more than one term.

D. The Council shall designate from among its members a Chairman and Vice Chairman who shall serve for one-year terms and who may be reelected. Membership on the Council shall not constitute holding a public office. The Council shall not have the right to exercise any portion of the sovereign power of the state. A member of the Council shall not be disqualified from holding any public office or employment by reason of appointment or membership on the Council, nor shall the member forfeit the office or employment, by reason of appointment to the Council.

E. The Council shall meet at least four times in each year and shall hold special meetings when called by the Chairman, or, in the absence of the Chairman, by the Vice Chairman or when called by the Chairman upon the written request of two members of the Council. The Council shall establish its own procedures and requirements with respect to quorum, place and conduct of its meetings and other matters.

F. The members of the Council shall not receive a salary for duties performed as members of the Council but shall be entitled to

be reimbursed for their travel expenses in accordance with the State Travel Reimbursement Act.

G. The Council shall make an annual report to the Governor, the President Pro Tempore of the Senate, the Speaker of the House of Representatives, and the President of the Oklahoma District Attorneys Association regarding its efforts to implement the purposes of this ~~act~~ section.

H. The Council shall have the power to perform such functions as in its opinion shall strengthen the criminal justice system in Oklahoma, to provide a professional organization for the education, training and coordination of technical efforts of all state prosecutors and to maintain and improve prosecutor efficiency and effectiveness in enforcing the laws of this state including, but not limited to, the following:

1. Organize, supervise and perform functions consistent with this act;

2. Convene regional or statewide conferences and training seminars for the purpose of implementing the provisions of this act;

3. Accept and expend monies, gifts, grants or services from any public or private source; contract or enter into agreements with educational institutions or state or federal agencies; and employ personnel as the Council in its judgment finds necessary to effectively carry out the provisions of this act. Such employees shall be in the unclassified service of the state;

4. Serve in an advisory capacity to the district attorneys of the state;

5. Provide and coordinate training and continuing legal education for district attorneys and their assistants, including participation in nationally recognized prosecutorial seminars conducted in other states;

6. Gather and disseminate information to district attorneys relative to their official duties, including changes in the law relative to their office;

7. Coordinate with law enforcement officers, the courts and corrections workers providing interdisciplinary seminars to augment the effectiveness of the criminal justice system;

8. Require statistical reports from district attorneys' offices relating to functions and workload performance;

9. Recommend additional legislation necessary to upgrade the Oklahoma District Attorneys System to professional status;

10. Establish an equitable distribution plan for allocation of any funds or gifts received from public or private sources for state prosecution and distribute such funds in accordance with such plan; and

11. Appoint a larger Advisory Council made up of district attorneys and assistant district attorneys to discuss problems and hear recommendations concerning necessary research, minimum

standards, educational needs, and other matters imperative to upgrading Oklahoma prosecution to professional status.

I. There is hereby created in the State Treasury a revolving fund for the Council, to be designated the "District Attorneys Council Revolving Fund". The fund shall consist of all monies received by the Council other than appropriated funds. The revolving fund shall be a continuing fund not subject to fiscal year limitations and shall be under the control and management of the Council. Expenditures from this fund shall be made pursuant to the purposes of this act and without legislative appropriation. Warrants for expenditures shall be drawn by the State Treasurer based on claims signed by the authorized employee or employees of the Council and approved for payment by the Director of ~~State Finance~~ the Office of Management and Enterprise Services.

J. The Council may accept operation and supervision of the Law Enforcement Assistance Administration grants presently being administered by the Oklahoma District Attorneys Association.

SECTION 68. AMENDATORY 19 O.S. 2011, Section 215.30, is amended to read as follows:

Section 215.30 A. Beginning January 1, 1997, each district attorney shall receive a salary of Seventy-one Thousand Six Hundred Sixty-three Dollars ($71,663.00) per year, payable monthly. Beginning January 1, 1999, each district attorney shall receive a salary of Eighty-five Thousand Dollars ($85,000.00) per year,

payable monthly. Beginning July 1, 2003, each district attorney shall receive a salary equal to ninety-eight percent (98%) of the salary of a district judge.

B. All appointees and employees of district attorneys, except special district attorneys appointed pursuant to subsection C of Section 215.37M of this title, shall be deemed to be state officers or employees for all purposes. All special district attorneys appointed pursuant to subsection C of Section 215.37M of this title shall be deemed to be state officers only for purposes of The Governmental Tort Claims Act and Rule 1.11 of the Rules of Professional Conduct for attorneys licensed to practice law in this state.

C. Population, for the purposes of Section ~~215~~ 215.1 et seq. of this title, shall be as determined by the last Federal Decennial Census. The salaries of the district attorneys and the salaries of the assistant district attorneys and their operating and maintenance expenses in each county shall be paid by the state. Provided however:

1. In counties having a population of four hundred thousand (400,000) or more, the salary of the district attorney and assistant district attorneys may be supplemented by the county. Such supplement for the district attorney shall not exceed twenty-five percent (25%) of the salary provided for district attorneys by this section. Such supplement for the assistant district attorneys shall

not exceed twenty-five percent (25%) of the salary authorized for assistant district attorneys in Section 215.34 of this title.

2. The salaries and operating expenses of those assistant district attorneys who are assigned to child support enforcement duties shall be paid by funds received as reimbursement from the Department of Human Services under terms of a contract with the office of the district attorney as authorized by Section 237.1 of Title 56 of the Oklahoma Statutes.

D. The District Attorneys Council, which may hereinafter be referred to as the "Council", is hereby designated as the state agency for the administration and disbursement of all salaries and expenses of the offices of district attorneys authorized by law. All such payrolls and claims against State Treasury funds must be approved by the Council prior to submission to the ~~Office of State Finance~~ Office of Management and Enterprise Services for payment. The Council and the Director of ~~State Finance~~ the Office of Management and Enterprise Services shall promulgate reasonable rules and regulations covering the preparation of estimates of needs, budgets and claims for the administration of this act, Section 215.1 et seq. of this title, the transmittal of county funds to the State Treasury and the disbursement of all state and county funds under this act.

SECTION 69. AMENDATORY 19 O.S. 2011, Section 215.40, is amended to read as follows:

Section 215.40 There is hereby created in the State Treasury a revolving fund for the Office of the Attorney General to be designated the "District Attorneys Evidence Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of any monies transferred thereto by an act of the Legislature. All monies accruing to the credit of said fund are hereby appropriated and may be budgeted and expended by the District Attorneys Council for necessary expenses relative to any pending case within the official responsibility of the offices of the district attorneys. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 70. AMENDATORY 19 O.S. 2011, Section 547.2, is amended to read as follows:

Section 547.2 A. It is the public policy of the State of Oklahoma to:

1. Recognize and support public safety and the protection of the public arising from the successful operation of county sheriffs' offices;

2. Acknowledge the contributions and professionalism of deputy sheriffs and detention officers in ensuring the safety of the public; and

3. Support procedures for the continuing operation of sheriffs' offices during transition periods following changes in sheriffs.

B. There is hereby created the Sheriffs' Personnel Task Force to continue until February 1, 2008. The purpose of the task force is to develop a comprehensive report on employment and retention of deputy sheriffs and detention officers, the costs of recruiting, training and replacing deputy sheriffs and detention officers and the effects of turnover among such personnel on public safety and to make recommendations to reduce turnover in such positions.

C. The Sheriffs' Personnel Task Force shall be composed of the following seven (7) members:

1. Two members of the Oklahoma Senate appointed by the President Pro Tempore of the Senate;

2. Two members of the Oklahoma House of Representatives appointed by the Speaker of the House of Representatives;

3. Two members appointed by the Governor, one to be from a sheriff's office with fifty or more employees and the other to be from a sheriff's office with fewer than fifty employees; and

4. The chief executive officer of the largest organization in the state that represents sheriffs, or a designee.

D. The task force shall study the recruitment and retention of deputy sheriffs and detention officers and make recommendations which may include compensation adjustments, pay band adjustments, targeted salary increases, and other recommendations related to

turnover, fringe benefits and other compensation issues concerning deputy sheriffs and detention officers, but excluding retirement issues. The recommendations shall be made to the President Pro Tempore of the Senate, Speaker of the House of Representatives, and Governor on or before February 1, 2008.

E. The task force shall meet by November 1, 2006, and thereafter to consider recommendations. Any additional meetings shall be at the call of the chair.

F. A majority of the members of the task force shall constitute a quorum for the transaction of business. Each task force member shall be entitled to one vote on the task force. Any official action of the task force must have a majority of the votes of the members present.

G. Each member of the task force shall serve without compensation, except that each legislative member of the task force shall receive reimbursement for travel expenses in accordance with Section 456 of Title 74 of the Oklahoma Statutes, and each nonlegislative member of the task force shall receive reimbursement for travel expenses in accordance with the State Travel Reimbursement Act by the ~~Office of Personnel Management~~ Office of Management and Enterprise Services.

H. 1. Staffing for the task force shall be composed of the ~~Office of Personnel Management~~ Office of Management and Enterprise Services.

2. The Oklahoma Senate and Oklahoma House of Representatives shall provide additional staff as needed.

SECTION 71. AMENDATORY 19 O.S. 2011, Section 746.1, is amended to read as follows:

Section 746.1 There is hereby created in the State Treasury a revolving fund for the State and Education Employees Group Insurance Board to be designated the "Medical Expense Liability Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies received from fees assessed pursuant to Section 1313.7 of Title 20 of the Oklahoma Statutes. All monies accruing to the credit of the fund shall be appropriated and may be budgeted and expended by the State and Education Employees Group Insurance Board for qualified medical expenses for inmates or persons in the custody of a county or city jail pursuant to the criteria set forth in Section 1313.7 of Title 20 of the Oklahoma Statutes. A portion of the Medical Expense Liability Revolving Fund shall be used for the costs the Board incurred in administering such monies.

Expenditures from the fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 72. AMENDATORY 19 O.S. 2011, Section 901.58, is amended to read as follows:

Section 901.58 There is hereby created in the State Treasury a revolving fund for the State Department of Agriculture, to be designated the "Rural Fire Defense Equipment Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies received by the State Department of Agriculture from any monies received from appropriations, deposits made pursuant to the provisions of this act, proceeds resulting from the sale of equipment purchased out of monies in the fund, and such other monies specifically designated by law. All monies accruing to the credit of said fund are hereby appropriated and may be budgeted and expended by the ~~State~~ Oklahoma Department of Agriculture, Food, and Forestry for the purpose of purchasing new firefighting equipment for purchase by rural fire departments and such other purposes specifically designated by law. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 73. AMENDATORY 19 O.S. 2011, Section 1501, is amended to read as follows:

Section 1501. A. The county purchasing agent:

1. Shall, within the amount of the unencumbered balance, make all purchases that are paid from county funds for the various

institutions, departments, officers, and employees of the county, except at public auctions and as otherwise provided for by law;

2. May make purchases for political subdivisions of this state within the county if authorized by appropriate action of the governing board or body of the political subdivision affected;

3. Shall make purchases and rental or lease-purchase agreements only after following the bidding procedures as provided for by law, except:

a. when the purchase does not exceed Ten Thousand Dollars ($10,000.00). All purchases made pursuant to this subparagraph shall be by a single purchase order. Splitting purchase orders which would result in paying an amount in excess of the limitations specified in this subparagraph is expressly prohibited. Any person convicted of violating the provisions of this subparagraph shall be guilty of a misdemeanor and such person shall forfeit the person's position or office,

b. when the total payments of a rental or lease-purchase agreement do not exceed the current bid limit as established in subparagraph a of this paragraph,

c. when articles and items are covered by single source contracts,

d. service or maintenance contracts on equipment or machinery which are entered into at the time of the purchase of the equipment or machinery,

e. purchases made pursuant to a blanket purchase order as provided for in Section 310.8 of Title 62 of the Oklahoma Statutes,

f. when materials for road or bridge improvements do not exceed Three Dollars ($3.00) per yard or per ton,

g. purchases of fuel if the county purchasing agent obtains telephone quotes from at least three vendors prior to the purchase and the lowest and best quote is selected. Documentation of these quotes shall be recorded in the permanent records of the clerk,

h. purchases of tools, apparatus, machinery or equipment from a state agency or a political subdivision of the state as provided for in subsection C of Section 421.1 of this title,

i. purchases of food for prisoners incarcerated in the county jail; provided, in counties having a population in excess of one hundred thousand (100,000) persons, the county purchasing agent shall follow bidding procedures as provided by law unless the county purchasing agent obtains telephone quotes pursuant to the whole total of food items requisitioned prior to

the purchase and the lowest and best quote is selected. Documentation of these quotes shall be recorded in the permanent records of the county clerk,

j. when a county solicits bids for the purchase of processed native materials for road and bridge improvements, the county may accept all bids received, with the lowest and best bid from those accepted to be selected at the time of opening of any construction project. The selection of the bid shall be based upon availability, bid price, plus transportation costs,

k. when a vendor has been selected as the lowest and best bidder to furnish a particular item or items to the county during a specified time period and in the event the vendor is unable to perform, the purchasing agent may solicit telephone quotes for the item or items needed from the list of qualified bidders and provide for the purchase of the items at the lowest and best quote available,

l. when considering the purchase of an item or items from the state bid list as provided by the ~~Department of Central Services~~ Office of Management and Enterprise Services or the General Services Administration, if the same exact item is available from a local vendor at or below the price listed on the state bid list or

the General Services Administration list, the item may be obtained from the vendor,

m. any item or items bid by the ~~Department of Central Services~~ Office of Management and Enterprise Services which may be purchased by the county, provided the vendor is willing to supply the item or items to the county at the bid price,

n. when a county obtains proceeds from the sale of its property at a public auction, that county may use those proceeds to acquire items previously identified as needed by the county at the same public auction pursuant to subsection D of Section 1505 of this title,

o. when an item or items have been competitively bid by a county, or on behalf of a group of contiguous counties, provided:

(1) the notice to bidders shall list each county which may participate in the purchase of the item or items being bid,

(2) the notice of bid is advertised, as provided by law, in each of the counties which may participate in the purchase of the item or items,

(3) all vendors on the list of qualified bidders of each participating county who offer the item or

items for sale received notice of the bid request, and

(4) the vendor awarded the bid is willing and able to provide the item or items at the bid price,

p. counties may participate in a nationwide purchasing program sponsored by the national association representing counties, or

q. when the Governor declares an emergency in a county, the district attorney of that county shall have the authority to temporarily waive competitive bidding procedures for purchases that may expedite a response to the emergency situation. This temporary waiver shall be in addition to any powers exercised pursuant to Section 683.11 of Title 63 of the Oklahoma Statutes.

The purchases shall be paid by attaching properly itemized invoices, as described in Section 1505 of this title, to a purchase order which has been prepared by the county purchasing agent and submitting both to the county clerk for filing, encumbering, and consideration for payment by the board of county commissioners;

4. Shall not furnish any supplies, materials, equipment, or other articles, except upon receipt of a requisition signed by a county officer. Written requisitions will not be required for blanket purchase orders as provided for in Section 310.8 of Title 62

of the Oklahoma Statutes. Each county officer may designate not more than two employees who also shall be authorized to sign requisitions in the absence of the county officer. A written designation of the employees shall be filed with the county clerk and shall be entered in the minutes of the board of county commissioners;

5. Shall make lease or lease-purchase agreements for road machinery and equipment if the county has adequate funds appropriated during any fiscal year for such purpose and only after following the bidding procedures as provided for in Section 1505 of this title. The term of any lease or lease-purchase agreement authorized pursuant to this paragraph may be for any period up to one (1) year, provided, the term shall not extend beyond the end of any fiscal year, with an option to renew such agreement subject to the requirement that adequate funds are appropriated during the fiscal year by the county for such purpose. The State Auditor and Inspector's office shall be notified by the county of the terms and conditions of a lease or lease-purchase agreement authorized pursuant to this paragraph before any such agreement is made by the county purchasing agent; and

6. Shall perform such other duties as may be delegated by the appointing authority or as may be provided for by law.

B. Each department of county government needing repairs to equipment, machinery or vehicles shall make estimates and

requisition a purchase order from the county purchasing agent for repairs not in excess of Five Thousand Dollars ($5,000.00). Repairs in excess of Five Thousand Dollars ($5,000.00) shall be submitted on a blanket purchase order as provided in Section 310.8 of Title 62 of the Oklahoma Statutes.

SECTION 74. AMENDATORY 19 O.S. 2011, Section 1505, is amended to read as follows:

Section 1505. The following procedures shall be used by counties for the requisition, purchase, lease-purchase, rental, and receipt of supplies, materials, and equipment for the maintenance, operation, and capital expenditures of county government unless otherwise provided for by law.

A. The procedure for requisitioning items for county offices shall be as follows:

1. The requesting department shall prepare a requisition form in triplicate. The requisition shall contain any specifications for an item as deemed necessary by the requesting department. The form shall be prescribed by the State Auditor and Inspector;

2. The requesting department shall retain a copy of the requisition and forward the original requisition and a copy to the county purchasing agent; and

3. Upon receipt of the requisition, the county purchasing agent, within two (2) working days, shall begin the bidding and purchasing process as provided for in this section. Nothing in this

section shall prohibit the transfer of supplies, materials, or equipment between county departments upon a written agreement between county officers.

B. The bid procedure for selecting a vendor for the purchase, lease-purchase, or rental of supplies, materials, and equipment used by a county shall be as follows:

1. The county purchasing agent shall request written recommendations from all county officers pertaining to commonly used supplies, materials, and equipment. From such recommendations and available requisition, purchase, or inventory records, the county purchasing agent shall prepare a list of items commonly used by county officers. The county purchasing agent shall request from the Purchasing Division of the ~~Department of Central Services~~ Office of Management and Enterprise Services all contracts quoting the price the state is paying for the items. The county purchasing agent shall either request the Purchasing Division of the ~~Department of Central Services~~ Office of Management and Enterprise Services to make the purchase for the county or solicit bids for unit prices on the items for periods of not to exceed twelve (12) months in the manner described in paragraph 2 of this subsection. If the county purchasing agent receives a requisition for an item for which the county purchasing agent does not have a current bid, the county purchasing agent shall request from the Purchasing Division of the ~~Department of Central Services~~ Office of Management and Enterprise

Services all contracts quoting the price the state is paying for the item. The county purchasing agent shall either request the Purchasing Division of the ~~Department of Central Services~~ Office of Management and Enterprise Services to make the purchase for the county or solicit bids in the manner described in paragraph 2 of this subsection. Nothing in this paragraph shall prohibit bids from being taken on an item currently on a twelve-month bid list, at any time deemed necessary by the county purchasing agent. Whenever the county purchasing agent deems it necessary to take a bid on an item currently on a twelve-month bid list, the reason for the bid shall be entered into the minutes of the board of county commissioners;

2. Bids shall be solicited by mailing a notice to all persons or firms who have made a written request of the county purchasing agent that they be notified of such bid solicitation and to all other persons or firms who might reasonably be expected to submit bids. Notice of solicitation of bids shall also be published one time in a newspaper of general circulation in the county. Notices shall be mailed and published at least ten (10) days prior to the date on which the bids are opened. Proof of the mailing shall be made by the affidavit of the person mailing the request for bids and shall be made a part of the official records of the county purchasing agent. Whenever any prospective supplier or vendor dealing in or listing for sale any particular item or article required to be purchased or acquired by sealed bids fails to enter

or offer a sealed bid for three successive bid solicitations, the name of the supplier or vendor may be dropped from the mailing lists of the board of county commissioners;

3. The sealed bids received from vendors and the state contract price received from the Purchasing Division of the ~~Department of Central Services~~ Office of Management and Enterprise Services shall be given to the county clerk by the county purchasing agent. The county clerk shall forward the sealed bids and state contract price, if any, to the board of county commissioners;

4. The board of county commissioners, in an open meeting, shall open the sealed bids and compare them to the state contract price. The board of county commissioners shall select the lowest and best bid based upon the availability of material and transportation cost to the job site within thirty (30) days of the meeting. For any special item not included on the list of commonly used items, the requisitioning official shall review the bids and submit a written recommendation to the board before final approval. The board of county commissioners shall keep a written record of the meeting as required by law, and any time the lowest bid was not considered to be the lowest and best bid, the reason for such conclusion shall be recorded. Whenever the board of county commissioners rejects the written recommendation of the requisitioning official pertaining to a special item, the reasons for the rejection shall be entered in

their minutes and stated in a letter to the requisitioning official and county purchasing agent;

5. The county purchasing agent shall notify the successful bidders and shall maintain a copy of the notification. The county purchasing agent shall prepare and maintain a vendors list specifying the successful bidders and shall notify each county officer of the list. The county purchasing agent may remove any vendor from such list who refuses to provide goods or services as provided by contract if the removal is authorized by the board of county commissioners. The county purchasing agent may make purchases from the successful bidders for a price at or below the bid price. If a vendor who is the low bidder cannot or will not sell goods or services as required by a county bid contract, the county purchasing agent may purchase from the next low bidder or take quotations as provided in paragraph 6 of this subsection, provided, however, such purchase does not exceed Ten Thousand Dollars ($10,000.00); and

6. When bids have been solicited as provided for by law and no bids have been received, the procedure shall be as follows:

a. the county purchasing agent shall determine if potential vendors are willing to commit to a firm price for a reduced period of time, and, if such is the case, the bid procedure described in this subsection shall be followed, or

b. if vendors are not willing to commit to a firm price for a reduced period, the purchasing agent shall solicit and record at least three quotes of current prices available to the county and authorize the purchase of goods based on the lowest and best quote as it becomes necessary to acquire such goods. The quotes shall be recorded on a form prescribed by the State Auditor and Inspector and shall be attached to the purchase order and filed with the county clerk's copy of the purchase order. Any time the lowest quote was not considered to be the lowest and best quote, the reason for this conclusion shall be recorded by the county purchasing agent and transmitted to the county clerk, or

c. if three quotes are not available, a memorandum to the county clerk from the county purchasing agent shall describe the basis upon which a purchase is authorized. The memorandum shall state the reasons why the price for such a purchase is the lowest and best under the circumstances. The county clerk shall then attach the memorandum to the county clerk's copy of the purchase order and file both in the office of the county clerk.

C. After selection of a vendor, the procedure for the purchase, lease-purchase, or rental of supplies, materials, and equipment used by a county shall be as follows:

1. The county purchasing agent shall prepare a purchase order in quadruplicate and submit it with a copy of the requisition to the county clerk;

2. The county clerk shall then encumber the amount stated on the purchase order and assign a sequential number to the purchase order;

3. If there is an unencumbered balance in the appropriation made for that purpose by the county excise board, the county clerk shall so certify in the following form:

I hereby certify that the amount of this encumbrance has been entered against the designated appropriation accounts and that this encumbrance is within the authorized available balance of said appropriation.

Dated this _____ day of _____, 20__.

_____

County Clerk/Deputy

of _____ County.

In instances where it is impossible to ascertain the exact amount of the indebtedness sought to be incurred at the time of recording the encumbrance, an estimated amount may be used. No purchase order

shall be valid unless signed by the county purchasing agent and certified by the county clerk; and

4. The county clerk shall file a copy of the purchase order and return the original purchase order and two copies to the county purchasing agent who shall file a copy, retain the other copy for the county road and bridge inventory officer if the purchase order is for the purchase of equipment, supplies, or materials for the construction or maintenance of roads and bridges, and submit the original purchase order to the receiving officer of the requesting department.

D. 1. The procedure for the purchase of supplies, materials, and equipment at public auction or by sealed bid to be used by a county shall be as follows:

a. the county purchasing agent shall prepare a purchase order in quadruplicate and submit it with a copy of the requisition to the county clerk,

b. the county clerk shall then encumber the amount stated on the purchase order and assign a sequential number to the purchase order,

c. if there is an unencumbered balance in the appropriation made for that purpose by the county excise board, the county clerk shall so certify in the following form:

I hereby certify that the amount of this encumbrance has been entered against the designated appropriation accounts and that this encumbrance is within the authorized available balance of said appropriation.

Dated this _____ day of _____, 20__.

_____

County Clerk/Deputy

of _____ County.

In instances where it is impossible to ascertain the exact amount of the indebtedness sought to be incurred at the time of recording the encumbrance, an estimated amount may be used. No purchase order shall be valid unless signed by the county purchasing agent and certified by the county clerk, and

d. the county clerk shall file a copy of the purchase order and return the original purchase order and two copies to the county purchasing agent who shall file a copy, retain the other copy for the county road and bridge inventory officer if the purchase order is for the purchase of equipment, supplies, or materials for the construction or maintenance of roads and bridges, and submit the original purchase order to the receiving officer of the requesting department.

2. The procedure for the purchase of supplies, materials and equipment at a public auction when the purchase will be made with the proceeds from the sale of county property at the same public auction are as follows:

a. the purchasing agent shall cause such items being sold to be appraised in the manner determined in Section 421.1 of this title,

b. the county purchasing agent shall prepare a purchase order in quadruplicate and submit it with a copy of the requisition to the county clerk,

c. the county clerk shall then encumber the amount of the appraised value and any additional funds obligated by the county on the purchase order and assign a sequential number to the purchase order,

d. the county clerk shall certify that the amount of the encumbrance is equal to the appraised value of the item being sold plus any additional funds obligated by the county. In effect the recording of the encumbrance is an estimate that is authorized by law. No purchase order shall be valid unless signed by the county purchasing agent and certified by the county clerk,

e. the county clerk shall file a copy of the purchase order and return the original purchase order and two

copies to the county purchasing agent who shall file a copy, retain a copy for the county road and bridge inventory officer if the purchase order is for the purchase of equipment, supplies or materials for the construction or maintenance of roads and bridges, and submit the original purchase order to the receiving officer of the requesting department, and

f. a purchase shall not be bid until such time that the appraised item or items are sold. Any item or items purchased shall not exceed the appraised value plus any additional funds obligated by the county or the actual selling price of the item or items, whichever is the lesser amount.

E. The procedure for the receipt of items shall be as follows:

1. A receiving officer for the requesting department shall be responsible for receiving all items delivered to that department;

2. Upon the delivery of an item, the receiving officer shall determine if a purchase order exists for the item being delivered;

3. If no such purchase order has been provided, the receiving officer shall refuse delivery of the item;

4. If a purchase order is on file, the receiving officer shall obtain a delivery ticket, bill of lading, or other delivery document and compare it with the purchase order. If any item is back

ordered, the back order and estimated date of delivery shall be noted in the receiving report;

5. The receiving officer shall complete a receiving report in quadruplicate which shall state the quantity and quality of goods delivered. The receiving report form shall be prescribed by the State Auditor and Inspector. The person delivering the goods shall acknowledge the delivery by signature, noting the date and time;

6. The receiving officer shall file the original receiving report and submit:

a. the original purchase order and a copy of the receiving report to the county purchasing agent, and

b. a copy of the receiving report with the delivery documentation to the county clerk;

7. The county purchasing agent shall file the original purchase order and a copy of the receiving report;

8. Upon receipt of the original receiving report and the delivery documentation, the county clerk shall maintain a file until such time as an invoice is received from the vendor;

9. The invoice shall state the name and address of the vendor and must be sufficiently itemized to clearly describe each item purchased, the unit price when applicable, the number or volume of each item purchased, the total price, the total purchase price, and the date of the purchase;

10. Upon receipt of an invoice, the county clerk shall compare the following documents:

a. requisition,

b. purchase order,

c. invoice with noncollusion affidavit as required by law,

d. receiving report, and

e. delivery document.

The documents shall be available for public inspection during regular business hours; and

11. If the documents conform as to the quantity and quality of the items, the county clerk shall prepare a warrant for payment according to procedures provided for by law.

F. The following procedures are for the processing of purchase orders:

1. Purchase orders may be allowed and paid at the first meeting of the board of county commissioners after presentation for payment, provided that purchase orders for the salaries of the county officers and their full-time assistants, deputies and employees may be allowed and paid immediately after filing;

2. The board of county commissioners shall consider the purchase orders so presented and act upon the purchase orders, by allowing in full or in part or by holding for further information or disallowing the same. The disposition of purchase orders shall be

indicated by the board of county commissioners, showing the amounts allowed or disallowed and shall be signed by at least two members of the board of county commissioners. Any claim held over for further information shall be acted upon by allowing or disallowing same at any future meeting of the board held within seventy-five (75) days from the date of filing of the purchase order. Any purchase order not acted upon within the seventy-five (75) days from the date of filing shall be deemed to have been disallowed, but such disallowance shall not prevent the refiling of the purchase order at the proper time; and

3. Whenever any allowance, either in whole or in part, is made upon any purchase order presented to the board of county commissioners and is accepted by the person making the claim, such allowance shall be a full settlement of the entire purchase order and provided that the cashing of warrant shall be considered as acceptance by the claimant.

G. The procedure upon consumption or disposal of supplies, materials, or equipment shall be as follows:

1. For consumable road or bridge items or materials, a quarterly report of the road and bridge projects completed during such period shall be prepared and kept on file by the consuming department. The quarterly report may be prepared and kept electronically by the consuming department. The report shall contain a record of the date, the place, and the purpose for the use

of the road or bridge items or materials. For purposes of identifying county bridges, the board of county commissioners shall number each bridge subject to its jurisdiction; and

2. For disposal of all equipment which originally cost more than Five Hundred Dollars ($500.00), resolution of disposal shall be submitted by the officer on a form prescribed by the State Auditor and Inspector's Office to the board of county commissioners. The approval of the resolution of disposal shall be entered into the minutes of the board.

H. Inventory forms and reports shall be retained for not less than two (2) years after all audit requirements for the state and federal government have been fulfilled and after any pending litigation involving the forms and reports has been resolved.

I. The procedures provided for in this section shall not apply when a county officer certifies that an emergency exists requiring an immediate expenditure of funds. Such an expenditure of funds shall not exceed Five Thousand Dollars ($5,000.00). The county officer shall give the county purchasing agent a written explanation of the emergency. The county purchasing agent shall attach the written explanation to the purchase order. The purchases shall be paid by attaching a properly itemized invoice, as described in this section, to a purchase order which has been prepared by the county purchasing agent and submitting them to the county clerk for filing,

encumbering, and consideration for payment by the board of county commissioners.

SECTION 75. AMENDATORY 20 O.S. 2011, Section 4, is amended to read as follows:

Section 4. The ~~Office of Public Affairs~~ Office of Management and Enterprise Services shall provide suitable office space, furniture, furnishings, and office supplies for each Justice for use in the performance of his or her official duties.

SECTION 76. AMENDATORY 20 O.S. 2011, Section 61, is amended to read as follows:

Section 61. There is hereby created in the State Treasury a revolving fund for the Court of Criminal Appeals to be designated the "Court of Criminal Appeals Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies received by the Court of Criminal Appeals from all other monies so designated for deposit thereto. All monies accruing to the credit of said fund are hereby appropriated and may be budgeted and expended by the Court of Criminal Appeals for duties imposed upon the Court of Criminal Appeals by law. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 77. AMENDATORY 20 O.S. 2011, Section 1104, is amended to read as follows:

Section 1104. Each justice or judge who is a member of The Uniform Retirement System for Justices and Judges upon retirement after June 30, 2004, shall be entitled to receive as retirement compensation, until changed by the Legislature, an annual amount, each monthly payment of which shall be in an amount equal to four percent (4%) of the average monthly salary received by him or her as a justice or judge based on the highest three (3) years of active service multiplied by the number of total years of service and reduced according to the elected survivor option, if any. The amounts of compensation reported to the Oklahoma Public Employees Retirement System for the Uniform Retirement System for Justices and Judges, by the ~~Office of Personnel Management~~ Office of Management and Enterprise Services prior to June 30, 2004, may be conclusively presumed as valid regarding the source of the compensation reported as salary for purposes of the accuracy of the employees' contributions and the computation of salary for the calculation of benefits. This presumption shall not include any computation error made by the ~~Office of Personnel Management~~ Office of Management and Enterprise Services or the Oklahoma Public Employees Retirement System on behalf of the Uniform Retirement System for Justices and Judges. Provided, however, that no justice or judge retiring after June 30, 2004, may receive a monthly retirement benefit in excess of

one hundred percent (100%) of the average monthly salary based on the highest three (3) years of active service and found applicable to such justice or judge at the time of retirement. Retirement compensation shall be payable monthly out of the State Judicial Retirement Fund by warrants prepared by the Executive Director of the Public Employees Retirement System and issued by the State Treasurer.

SECTION 78. AMENDATORY 20 O.S. 2011, Section 1227, is amended to read as follows:

Section 1227. There is hereby created in the State Treasury a revolving fund for the Supreme Court to be designated the "Law Library Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies collected by the clerks of the district court for law libraries as prescribed by law, the sales of any law library books or equipment, charges for services, gifts, grants, private donations, and federal funding. All monies accruing to the credit of the fund are hereby appropriated and may be budgeted and expended by the Supreme Court upon approval of the Chief Justice for:

1. The payment of charges due and owing by county law libraries at the time this statute is enacted;

2. The purchase of books, journals, publications, computer-assisted research devices and services, computer equipment and

maintenance, communication charges, and other necessary equipment, services, and fixtures;

3. The payment of the salaries and benefits of personnel to administer the law libraries and assist in the purchase, sale, and inventory of books and equipment and the payment of all bills due and owing by county law libraries. Without regard for the county in which bills were incurred or monies accrued, all monies received in the fund shall be combined and all bills paid from this fund;

4. The payment of incidental expenses as established in rules promulgated by the Supreme Court;

5. The payment of expenses occurring as the result of a natural disaster, accident, or equipment malfunction which is not reasonably foreseeable;

6. No initial orders or renewals for printed materials not previously on subscription may be placed after July 1, 1997; and

7. On or before August 1, 1997, the Administrative Director of the Courts shall solicit proposals for electronic research services to be provided to county law libraries if funds are available. Such proposals shall provide both compact disc and Internet access capabilities.

Expenditures from this fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 79. AMENDATORY 20 O.S. 2011, Section 1304, is amended to read as follows:

Section 1304. A. Claims against the court fund shall include only expenses lawfully incurred for the operation of the court in each county. Payment of the expenses may be made after the claim is approved by the district judge who is a member of the governing board of the court fund and either the local court clerk or the local associate district judge who is a member of the governing board. No expenditures falling into any category listed in paragraphs 1, 5, 6, 7 and 13 of subsection B of this section, may be made without prior written approval of the Chief Justice of the Supreme Court. The Supreme Court may provide by rule the manner in which expenditures in the restricted categories shall be submitted for approval. When allowing the expenditures in paragraphs 6 and 7 of subsection B of this section, the Chief Justice shall direct that resort first be had to the surplus funds in the court fund in the county involved.

B. The term "expenses" shall include the following items and none others:

1. Compensation of bailiffs and employees of the court fund;

2. Juror fees and mileage, as well as overnight accommodation and food expense for jurors kept together as set out in Section 81 et seq. of Title 28 of the Oklahoma Statutes;

3. Witness fees and mileage for witnesses subpoenaed by the defense as set out in Section 81 et seq. of Title 28 of the Oklahoma Statutes, except that expert witnesses for county indigent defenders shall be paid a reasonable fee for their services;

4. Office supplies, books for records, postage, and printing;

5. Furniture, fixtures, and equipment;

6. Renovating, remodeling, and maintenance of courtrooms, judge's chambers, clerk's offices, and other areas primarily used for judicial functions;

7. Rent for courtroom facilities outside the courthouse;

8. Judicial robes;

9. Attorney fees for indigents in the trial court and on appeal;

10. Compensation or reimbursement for services provided in connection with an adult guardianship proceeding as provided by Section 4-403 of Title 30 of the Oklahoma Statutes. Compensation from the court fund for attorneys appointed pursuant to the Oklahoma Guardianship Act shall be substantially the same as for attorneys appointed in juvenile proceedings pursuant to Title 10A of the Oklahoma Statutes. The compensation, if any, for guardians ad litem appointed pursuant to the Oklahoma Guardianship Act shall not exceed One Hundred Dollars ($100.00);

11. Transcripts ordered by the court;

12. Necessary telephone expenses, gas, water, and electrical utilities for the part of the county courthouse occupied by the court and other areas used for court functions;

13. Security expenses for the part of the county courthouse occupied by the court and other areas used for court functions;

14. The cost of publication notice in juvenile proceedings as provided in Section 1-4-304 of Title 10A of the Oklahoma Statutes and in termination of parental rights proceedings brought by the state as provided in Section 1-4-905 of Title 10A of the Oklahoma Statutes;

15. Interpreter fees;

16. Necessary travel expenses of the office of county indigent defender approved by the court fund governing board;

17. Rent for county indigent defender's office outside of the county courthouse;

18. Computer equipment for county indigent defender's office;

19. Reasonable compensation for expert, investigative, or other services authorized by the court for indigent defendants not represented by a county indigent defender or the Oklahoma Indigent Defense System, if requested;

20. Necessary training for the judges and court personnel on the court integrated computer system; and

21. Any other expenses now or hereafter expressly authorized by statute.

C. Nothing in Section 1301 et seq. of this title shall prevent the construction of additional courtrooms within existing courthouse facilities, from funds other than the court fund.

D. Items of equipment, furniture, fixtures, printing, or supplies that are available in the quantities desired from a contract vendor's list for order or purchase by the court fund through the facilities of the Central Purchasing Division of the ~~Department of Central Services~~ Office of Management and Enterprise Services may not be purchased by any court fund at prices higher than those approved by the Director of Central Purchasing.

SECTION 80. AMENDATORY 20 O.S. 2011, Section 1307, is amended to read as follows:

Section 1307. A. Within thirty (30) days after the end of each quarter of every fiscal year, the court clerk of each county shall report to the Administrative Director of the Courts, in the manner prescribed by law for the reporting of information by agencies to the ~~Office of State Finance~~ Office of Management and Enterprise Services pursuant to ~~Section 41.1 et seq. of Title 62 of the Oklahoma Statutes~~ the Oklahoma State Finance Act, the:

1. Gross receipts to the court fund during the preceding quarter;

2. Total amount of expenses paid during the preceding quarter, including, but not limited to, bond and interest expense and payments to the county general fund; and

3. Total amount of money transferred or to be transferred to the State Judicial Revolving Fund for the entire past fiscal year as set forth in Section 1308 of this title.

B. The Administrative Director of the Courts shall subsequently report the information required by subparagraphs 1 and 2 of subsection A of this section within ten (10) days after receipt of the information to the ~~Office of State Finance~~ Office of Management and Enterprise Services in a manner consistent with the policies and procedures of the ~~Office of State Finance~~ Office of Management and Enterprise Services for reporting by state agencies pursuant to the provisions of ~~Section 41.1 et seq. of Title 62 of the Oklahoma Statutes~~ the Oklahoma State Finance Act.

C. The information required by this section for reporting by court clerks pursuant to subsection A of this section and for reporting by the Administrative Director of the Courts pursuant to subsection B of this section shall be in a form that separates fines, fees, forfeitures and other sources of revenue. The information shall also indicate the amount of receipts used for local court expenses and the amount deposited into the State Judicial Revolving Fund.

D. A ceiling on the amount of local court funds to be allocated by the Chief Justice of the Supreme Court for the local court budgets shall be established in the annual appropriation to the courts.

E. Not later than December 1 and February 1 of each year, the Administrative Director of the Courts shall provide an estimate of the amount of funds to accrue to the State Judicial Revolving Fund in the subsequent fiscal year.

SECTION 81. AMENDATORY 20 O.S. 2011, Section 1310.1, is amended to read as follows:

Section 1310.1 There is hereby created in the State Treasury a revolving fund for the State Supreme Court, to be designated the "Supreme Court Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of monies appropriated by the Legislature for the purposes specified in this section. All monies accruing to the credit of said fund are hereby appropriated and may be budgeted and expended by the Supreme Court for refunds to bondsmen and for the purpose of paying expenses authorized by Section 1809 of Title 12 of the Oklahoma Statutes, Sections 103.1, 1311, 1507 and 1660 of this title, and Sections 562 and 1355.13A of Title 22 of the Oklahoma Statutes, and to make any other expenditures determined by the State Supreme Court to be necessary due to unforeseen emergencies impacting the operation of state courts, as well as nonrecurring expenditures to perform the duties imposed upon the State Supreme Court or Court of Civil Appeals by law. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as

prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 82. AMENDATORY 20 O.S. 2011, Section 1310.2, is amended to read as follows:

Section 1310.2 There is hereby created in the State Treasury a revolving fund for the Supreme Court to be designated the "State Judicial Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all receipts designated for deposit thereto pursuant to law and monies appropriated by the Legislature for deposit thereto. All monies accruing to the credit of said fund are hereby appropriated and may be budgeted by the Supreme Court as necessary to perform the duties imposed upon the Supreme Court, Court of Civil Appeals and district courts by law. The Administrative Director of the Courts, with the approval of the Chief Justice of the Supreme Court, is authorized to use the amounts deposited in the State Judicial Revolving Fund for any lawful purpose including, but not limited to, payment of recurring and nonrecurring administrative and operating expenses for the Supreme Court and the district courts, subject to the ceilings established in the annual appropriations to the Supreme Court and the district courts. The Chief Justice of the Supreme Court, or the Administrative Director of the Courts acting at the direction of the Chief Justice, shall determine the allocation of funds and expenditures between or among the Supreme Court, Court of Civil

Appeals, and district courts. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment. The Supreme Court is hereby authorized to transfer funds from the State Judicial Revolving Fund to the district courts for duties imposed by law.

SECTION 83. AMENDATORY 20 O.S. 2011, Section 1310.3, is amended to read as follows:

Section 1310.3 There is hereby created in the State Treasury a revolving fund for the Supreme Court to be designated as the "Supreme Court Administrative Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies transferred by the Supreme Court from legislative appropriations in any given fiscal year or years. All monies accruing to the credit of the fund are hereby appropriated and may be budgeted and expended by the Supreme Court for duties imposed upon the Supreme Court by law. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 84. AMENDATORY 20 O.S. 2011, Section 1315, is amended to read as follows:

Section 1315. A. 1. The Supreme Court, by and through the office of the Administrative Director of the Courts, shall establish a court information system to be designated the "Oklahoma Court Information System" for the purpose of providing data processing services to state agencies, boards, and commissions and other entities pursuant to contract. The Administrative Director of the Courts may assess a reasonable fee for such services.

2. Court clerks and judges of the district courts of this state shall utilize the case tracking, accounting, legal research, and other services of the "Oklahoma Court Information System" at the direction of the Chief Justice of the Supreme Court. The development and implementation of the system's accounting, auditing, and financial reporting functions shall be subject to the approval of the State Auditor and Inspector.

B. There is hereby created in the State Treasury a revolving fund for the Supreme Court to be designated the "Oklahoma Court Information System Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies received in payment of data processing services furnished pursuant to contract. The Administrative Director of the Courts, at the end of each month, shall issue a statement of charges to each entity for which data processing services were furnished. The cost for data processing services shall be recovered directly from the entity for which such services were furnished and shall not be

prorated to or payable by those not receiving the services. All monies accruing to the credit of the fund are hereby appropriated and may be budgeted and expended by the Supreme Court for the acquisition, operation, maintenance, repair, and replacement of data processing equipment and software. Expenditures from the fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 85. AMENDATORY 20 O.S. 2011, Section 1316, is amended to read as follows:

Section 1316. A. The Chief Justice of the Supreme Court is authorized to appoint law student clerks for the Supreme Court, Court of Civil Appeals, and the district courts. All personnel appointed under this section shall be appointed by and serve at the pleasure of the Chief Justice of the Supreme Court. No personnel employed under the provisions of this section shall be employed for more than one thousand (1,000) hours per year.

B. There is hereby created in the State Treasury a revolving fund for the Supreme Court, to be designated the "Grants and Donations Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies received by the Supreme Court, from gifts, grants, private donations, and federal funding for the payment of salaries and

benefits for law student clerks for the Supreme Court, Court of Civil Appeals, or the district courts. All monies accruing to the credit of the fund are hereby appropriated and may be budgeted and expended by the Supreme Court for the purpose of the payment of salaries and benefits for law student clerks for the Supreme Court, Court of Civil Appeals, or the district courts. Expenditures from the fund and personnel employed under the provisions of this section shall be exempt from full-time-equivalency and budgetary limitations. Expenditures from the fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 86. AMENDATORY 20 O.S. 2011, Section 1662, is amended to read as follows:

Section 1662. A. The Council on Judicial Complaints may rent office space from the Oklahoma Bar Association or shall be assigned office space by the ~~Department of Central Services~~ Office of Management and Enterprise Services pursuant to Section 94 of Title 74 of the Oklahoma Statutes.

B. All records, furnishings, equipment, and supplies of the Supreme Court used by the Council on Judicial Complaints are hereby transferred to the Council on Judicial Complaints.

SECTION 87. AMENDATORY 20 O.S. 2011, Section 1663, is amended to read as follows:

Section 1663. There is hereby created in the State Treasury a revolving fund for the Council on Judicial Complaints to be designated the "Council on Judicial Complaints Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies received by the Council from collections received pursuant to Section 152 of Title 28 of the Oklahoma Statutes. All monies accruing to the credit of said fund are hereby appropriated and may be budgeted and expended by the Council for the purpose of performing the duties imposed upon the Council by law. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services for approval and payment.

SECTION 88. AMENDATORY 21 O.S. 2011, Section 142.17, is amended to read as follows:

Section 142.17 There is hereby created in the State Treasury a revolving fund for the Crime Victims Compensation Board to be designated the "Crime Victims Compensation Revolving Fund". The Fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies received by the Crime Victims Compensation Board from any source excluding appropriated funds. All monies accruing to the credit of said Fund are hereby appropriated and, except for those monies specifically authorized by

the Legislature to be expended by the District Attorneys Council for administration of the Crime Victims Compensation Board or operating expenses for administering federal grant programs, may be budgeted and expended by the Board for the purpose of implementing the provisions of the Oklahoma Crime Victims Compensation Act including the provisions set forth in Section 142.20 of this title. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment. The fund shall be invested in whatever instruments are authorized by law for investments by the State Treasurer. The interest earned by any investment of monies from the fund shall be credited to the fund for expenditure as provided by law for the fund.

SECTION 89. AMENDATORY 21 O.S. 2011, Section 142.32, is amended to read as follows:

Section 142.32 A. There is hereby created in the State Treasury a revolving fund to be administered by the Oklahoma Crime Victims Compensation Board to be designated the "Murrah Crime Victims Compensation Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies received by the Oklahoma Crime Victims Compensation Board from any source for the purpose of implementing the provisions of the Murrah Crime Victims Compensation Act. All monies accruing to

the credit of the fund shall be budgeted and expended exclusively to compensate victims and the families of victims of the bombing on April 19, 1995, that took place in front of the Alfred P. Murrah Federal Building in Oklahoma City, Oklahoma. Expenditures from the fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment. For the purposes of the Murrah Crime Victims Compensation Fund, "families" shall include dependents, as defined by the Oklahoma Crime Victims Compensation Act, parents and spouses.

B. The Administrator of the Oklahoma Crime Victims Compensation Board is authorized to accept and expend contributions from any lawful source to be used for the purposes of the fund. The Administrator is further authorized to accept and expend any contributions from the crime victims compensation systems of any other state or other governmental entity for the use of the fund. The Administrator of the Oklahoma Crime Victims Compensation Board is authorized to accept the services of the victims compensation system of any other state or governmental entity in the processing of any claims received against the Murrah Crime Victims Compensation Fund; provided, that the employees of such entities shall not be considered as employees of the State of Oklahoma.

C. The monies deposited in the Murrah Crime Victims Compensation Fund shall at no time become monies of the state and

shall not become part of the general budget of the Oklahoma Crime Victims Compensation Board or any other state agency. No monies from the fund shall be transferred for any purpose to any state agency or any account of the Oklahoma Crime Victims Compensation Board or be used for the purpose of contracting with any other state agency or reimbursing any other state agency for any expense. No monies from the fund shall be used to pay or reimburse the Oklahoma Crime Victims Compensation Board for, in whole or in part, the salary of any employee involved in the administration of the Murrah Crime Victims Compensation Act. Payment of claims from the fund shall not become or be construed to be an obligation of this state. No claims submitted for reimbursement from the fund shall be paid with state monies.

SECTION 90. AMENDATORY 21 O.S. 2011, Section 1247, is amended to read as follows:

Section 1247. A. The possession of lighted tobacco in any form is a public nuisance and dangerous to public health and is hereby prohibited when such possession is in any indoor place used by or open to the public, all parts of a zoo to which the public may be admitted, whether indoors or outdoors, public transportation, or any indoor workplace, except where specifically allowed by law.

As used in this section, "indoor workplace" means any indoor place of employment or employment-type service for or at the request of another individual or individuals, or any public or private

entity, whether part-time or full-time and whether for compensation or not. Such services shall include, without limitation, any service performed by an owner, employee, independent contractor, agent, partner, proprietor, manager, officer, director, apprentice, trainee, associate, servant or volunteer. An indoor workplace includes work areas, employee lounges, restrooms, conference rooms, classrooms, employee cafeterias, hallways, any other spaces used or visited by employees, and all space between a floor and ceiling that is predominantly or totally enclosed by walls or windows, regardless of doors, doorways, open or closed windows, stairways, or the like. The provisions of this section shall apply to such indoor workplace at any given time, whether or not work is being performed.

B. All buildings, or portions thereof, owned or operated by this state shall be designated as nonsmoking; provided, however, each building may have one designated smoking room. As used in this paragraph, "buildings" shall not include up to twenty-five percent (25%) of any hotel or motel rooms rented to guests if the rooms are properly ventilated so that smoke is not circulated to nonsmoking areas.

C. All buildings, or portions thereof, owned or operated by a county or municipal government, at the discretion of the county or municipal governing body, may be designated as entirely nonsmoking or may be designated as nonsmoking with one designated smoking room.

D. All buildings, or portions thereof, owned by an educational facility as is defined in the Smoking in Public Places and Indoor Workplaces Act shall be designated as nonsmoking as provided for in Section 1-1523 of Title 63 of the Oklahoma Statutes. All campuses, buildings and grounds, or portions thereof, owned or operated by an institution within The Oklahoma State System of Higher Education may be designated as tobacco free, including smoking or smokeless tobacco, by the institution upon adoption of a policy stating the tobacco restrictions for the institution and an intent to enforce the penalty for violations as set forth in subsection N of this section.

E. A smoking room as provided for in subsections B and C of this section:

1. Shall not be used for the conduct of public business;

2. Shall be in a location which is fully enclosed, directly exhausted to the outside, under negative air pressure so smoke cannot escape when a door is opened, and no air is recirculated to nonsmoking areas of the building. No smoking exhaust shall be located within twenty-five (25) feet of any entrance, exit or air intake; and

3. Shall be verified for compliance with the provisions of this subsection by the ~~Department of Central Services~~ Office of Management and Enterprise Services for state buildings, by a county entity designated by the board of county commissioners for county

buildings, or by a municipal entity designated by the municipal governing body for municipal buildings.

F. No smoking shall be allowed within twenty-five (25) feet of the entrance or exit of any building specified in subsection B, C or D of this section.

G. The restrictions provided in this section shall not apply to stand-alone bars, stand-alone taverns and cigar bars as defined in Section 1-1522 of Title 63 of the Oklahoma Statutes.

H. The restrictions provided in this section shall not apply to the following:

1. The room or rooms where licensed charitable bingo games are being operated, but only during the hours of operation of such games;

2. Up to twenty-five percent (25%) of the guest rooms at a hotel or other lodging establishment;

3. Retail tobacco stores predominantly engaged in the sale of tobacco products and accessories and in which the sale of other products is merely incidental and in which no food or beverage is sold or served for consumption on the premises;

4. Workplaces where only the owner or operator of the workplace, or the immediate family of the owner or operator, performs any work in the workplace, and the workplace has only incidental public access. "Incidental public access" means that a place of business has only an occasional person, who is not an

employee, present at the business to transact business or make a delivery. It does not include businesses that depend on walk-in customers for any part of their business;

5. Workplaces occupied exclusively by one or more smokers, if the workplace has only incidental public access;

6. Private offices occupied exclusively by one or more smokers;

7. Workplaces within private residences, except that smoking shall not be allowed inside any private residence that is used as a licensed child care facility during hours of operation;

8. Medical research or treatment centers, if smoking is integral to the research or treatment;

9. A facility operated by a post or organization of past or present members of the Armed Forces of the United States which is exempt from taxation pursuant to Section 501(c)(8), 501(c)(10) or 501(c)(19) of the Internal Revenue Code, 26 U.S.C., Section 501(c)(8), 501(c)(10) or 501(c)(19), when such facility is utilized exclusively by its members and their families and for the conduct of post or organization nonprofit operations except during an event or activity which is open to the public; and

10. Any outdoor seating area of a restaurant; provided, smoking shall not be allowed within fifteen (15) feet of any exterior public doorway or any air intake of a restaurant.

I. An employer not otherwise restricted from doing so may elect to provide smoking rooms where no work is performed except for

cleaning and maintenance during the time the room is not in use for smoking, provided each smoking room is fully enclosed and exhausted directly to the outside in such a manner that no smoke can drift or circulate into a nonsmoking area. No exhaust from a smoking room shall be located within fifteen (15) feet of any entrance, exit or air intake.

J. If smoking is to be permitted in any space exempted in subsection G or H of this section or in a smoking room pursuant to subsection I of this section, such smoking space must either occupy the entire enclosed indoor space or, if it shares the enclosed space with any nonsmoking areas, the smoking space shall be fully enclosed, exhausted directly to the outside with no air from the smoking space circulated to any nonsmoking area, and under negative air pressure so that no smoke can drift or circulate into a nonsmoking area when a door to an adjacent nonsmoking area is opened. Air from a smoking room shall not be exhausted within fifteen (15) feet of any entrance, exit or air intake. Any employer may choose a more restrictive smoking policy, including being totally smoke free.

K. Notwithstanding any other provision of this section, until March 1, 2006, restaurants may have designated smoking and nonsmoking areas or may be designated as being a totally nonsmoking area. Beginning March 1, 2006, restaurants shall be totally nonsmoking or may provide nonsmoking areas and designated smoking

rooms. Food and beverage may be served in such designated smoking rooms which shall be in a location which is fully enclosed, directly exhausted to the outside, under negative air pressure so smoke cannot escape when a door is opened, and no air is recirculated to nonsmoking areas of the building. No exhaust from such room shall be located within twenty-five (25) feet of any entrance, exit or air intake. Such room shall be subject to verification for compliance with the provisions of this subsection by the State Department of Health.

L. The person who owns or operates a place where smoking or tobacco use is prohibited by law shall be responsible for posting a sign or decal, at least four (4) inches by two (2) inches in size, at each entrance to the building indicating that the place is smoke-free or tobacco-free.

M. Responsibility for posting signs or decals shall be as follows:

1. In privately owned facilities, the owner or lessee, if a lessee is in possession of the facilities, shall be responsible;

2. In corporately owned facilities, the manager and/or supervisor of the facility involved shall be responsible; and

3. In publicly owned facilities, the manager and/or supervisor of the facility shall be responsible.

N. Any person who knowingly violates this act is guilty of a misdemeanor, and upon conviction thereof, shall be punished by a

fine of not less than Ten Dollars ($10.00) nor more than One Hundred Dollars ($100.00).

SECTION 91. AMENDATORY 21 O.S. 2011, Section 1290.14, is amended to read as follows:

Section 1290.14

SAFETY AND TRAINING COURSE

A. Each applicant for a license to carry a concealed handgun pursuant to the Oklahoma Self-Defense Act must successfully complete a firearms safety and training course in this state conducted by a registered and approved firearms instructor as provided by the provisions of this section. The applicant must further demonstrate competence and qualification with an authorized pistol of the type or types that the applicant desires to carry as a concealed handgun pursuant to the provisions of the Oklahoma Self-Defense Act, except certain persons may be exempt from such training requirement as provided by the provisions of Section 1290.15 of this title.

B. The Council on Law Enforcement Education and Training (CLEET) shall establish criteria for approving firearms instructors for purposes of training and qualifying individuals for a concealed handgun license pursuant to the provisions of the Oklahoma Self-Defense Act. Prior to submitting an application for CLEET approval as a firearms instructor, applicants shall attend a firearms instructor school, meeting the following minimum requirements:

1. Firearms instructor training conducted by one of the following entities:

a. Council on Law Enforcement Education and Training,

b. National Rifle Association,

c. Oklahoma Rifle Association,

d. federal law enforcement agencies, or

e. other professionally recognized organizations;

2. The course shall be at least sixteen (16) hours in length;

3. Upon completion of the course, the applicant shall be qualified to provide instruction on revolvers, semiautomatic pistols, or both; and

4. Receive a course completion certificate.

All firearms instructors shall be required to meet the eligibility requirements for a concealed handgun license as provided in Sections 1290.9, 1290.10, and 1290.11 of this title, and the application shall be processed as provided for applicants in Section 1290.12 of this title, including the state and national criminal history records search and fingerprint search. A firearms instructor shall be required to pay a fee of One Hundred Dollars ($100.00) to the Council on Law Enforcement Education and Training (CLEET) each time the person makes application for CLEET approval as a firearms instructor pursuant to the provisions of the Oklahoma Self-Defense Act. The fee shall be retained by CLEET and shall be deposited into the Firearms Instructors Revolving Fund. CLEET shall promulgate the

rules, forms and procedures necessary to implement the approval of firearms instructors as authorized by the provisions of this subsection. CLEET shall periodically review each approved instructor during a training and qualification course to assure compliance with the rules and course contents. Any violation of the rules may result in the revocation or suspension of CLEET and Oklahoma State Bureau of Investigation approval. Unless the approval has been revoked or suspended, a firearms instructor's CLEET approval shall be for a term of five (5) years. Beginning on the effective date of this act, any firearms instructor who has been issued a four-year CLEET approval shall not be eligible for the five-year approval until the expiration of the approval previously issued. CLEET shall be responsible for notifying all approved firearms instructors of statutory and policy changes related to the Oklahoma Self-Defense Act.

C. 1. All firearms instructors approved by CLEET to train and qualify individuals for a concealed handgun license shall be required to apply for registration with the Oklahoma State Bureau of Investigation after receiving CLEET approval. All firearms instructors teaching the approved course for a concealed handgun license must display their registration certificate during each training and qualification course. Each approved firearms instructor shall complete a registration form provided by the Bureau and shall pay a registration fee of One Hundred Dollars ($100.00) to

the Bureau at the time of each application for registration, except as provided in paragraph 2 of this subsection. Registration certificates issued by the Bureau shall be valid for five (5) years from the date of issuance. The Bureau shall issue a five-year handgun license to an approved firearms instructor at the time of issuance of a registration certificate and no additional fee shall be required or charged. The Bureau shall maintain a current listing of all registered firearms instructors in this state. Nothing in this paragraph shall be construed to eliminate the requirement for registration and training with CLEET as provided in subsection B of this section. Failure to register or be trained as required shall result in a revocation or suspension of the instructor certificate by the Bureau.

2. On the effective date of this act, the registered instructors listed in subparagraphs a and b of this paragraph shall not be required to renew the firearms instructor registration certificate with the Oklahoma State Bureau of Investigation at the expiration of the registration term, provided the instructor is not subject to any suspension or revocation of the firearm instructor certificate. The firearms instructor registration with the Oklahoma State Bureau of Investigation shall automatically renew together with the handgun license authorized in paragraph 1 of this subsection for an additional five-year term and no additional cost or fee may be charged for the following individuals:

a. an active duty law enforcement officer of this state or any of its political subdivisions or of the federal government who has a valid CLEET approval as a firearms instructor pursuant to the Oklahoma Self-Defense Act, and

b. a retired law enforcement officer authorized to carry a firearm pursuant to Section 1289.8 of this title who has a valid CLEET approval as a firearms instructor pursuant to the Oklahoma Self-Defense Act.

D. The Oklahoma State Bureau of Investigation shall approve registration for a firearms instructor applicant who is in full compliance with CLEET rules regarding firearms instructors and the provisions of subsection B of this section, if completion of the federal fingerprint search is the only reason for delay of registration of that firearms instructor applicant. Upon receipt of the federal fingerprint search information, if the Bureau receives information which precludes the person from having a concealed handgun license, the Bureau shall revoke both the registration and the concealed handgun license previously issued to the firearms instructor.

E. The required firearms safety and training course and the actual demonstration of competency and qualification required of the applicant shall be designed and conducted in such a manner that the course can be reasonably completed by the applicant within an eight-

hour period. CLEET shall establish the course content and promulgate rules, procedures and forms necessary to implement the provisions of this subsection. For the training and qualification course, an applicant may be charged a fee not to exceed Sixty Dollars ($60.00). The instructor to student ratio shall not exceed ten students to any one instructor. CLEET may establish criteria for assistant instructors, maximum class size and any other requirements deemed necessary to conduct a safe and effective training and qualification course. The course content shall include a safety inspection of the firearm to be used by the applicant in the training course; instruction on pistol handling, safety and storage; dynamics of ammunition and firing; methods or positions for firing a pistol; information about the criminal provisions of the Oklahoma law relating to firearms; the requirements of the Oklahoma Self-Defense Act as it relates to the applicant; self-defense and the use of appropriate force; a practice shooting session; and a familiarization course. The firearms instructor shall refuse to train or qualify any person when the pistol to be used or carried by the person is either deemed unsafe or unfit for firing or is a weapon not authorized by the Oklahoma Self-Defense Act. The course shall provide an opportunity for the applicant to qualify himself or herself on either a derringer, a revolver, a semiautomatic pistol or any combination of a derringer, a revolver and a semiautomatic pistol, provided no pistol shall be capable of firing larger than

.45 caliber ammunition. Any applicant who successfully trains and qualifies himself or herself with a semiautomatic pistol may be approved by the firearms instructor on the training certificate for a semiautomatic pistol, a revolver and a derringer upon request of the applicant. Any person who qualifies on a derringer or revolver shall not be eligible for a semiautomatic rating until the person has demonstrated competence and qualifications on a semiautomatic pistol. Upon successful completion of the training and qualification course, a certificate shall be issued to each applicant who successfully completes the course. The certificate of training shall comply with the form established by CLEET and shall be submitted with an application for a concealed handgun license pursuant to the provisions of paragraph 2 of Section 1290.12 of this title.

F. There is hereby created a revolving fund for the Council on Law Enforcement Education and Training (CLEET), to be designated the "Firearms Instructors Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all funds received for approval of firearms instructors for purposes of the Oklahoma Self-Defense Act. All funds received shall be deposited to the fund. All monies accruing to the credit of said fund are hereby appropriated and may be budgeted and expended by the Council on Law Enforcement Education and Training, for implementation of the training and qualification course

contents, approval of firearms instructors and any other CLEET requirement pursuant to the provisions of the Oklahoma Self-Defense Act or as may otherwise be deemed appropriate by CLEET. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 92. AMENDATORY 21 O.S. 2011, Section 1379.1, is amended to read as follows:

Section 1379.1 A. It is unlawful for any person, acting alone or in concert with others, to obstruct, or to impede in any way, passage through or within any state-owned or -leased building, office or facility.

B. It is unlawful for any person, acting alone or in concert with others, to obstruct entrances and exits to any state-owned or -leased building, office or facility.

C. The provisions of subsections A and B of this section shall not apply to commissioned peace officers and security officers of the Department of Public Safety, security officers of the Oklahoma House of Representatives and the Oklahoma State Senate, the ~~Department of Central Services~~ Office of Management and Enterprise Services, or contractors thereof in the performance of their duties.

D. Any person violating the provisions of this section shall, upon conviction, be guilty of a misdemeanor punishable by

imprisonment in the county jail for not more than one (1) year, or by a fine not exceeding Five Hundred Dollars ($500.00), or by both such fine and imprisonment.

SECTION 93. AMENDATORY 22 O.S. 2011, Section 1368, is amended to read as follows:

Section 1368. There is hereby created in the State Treasury a revolving fund for the Oklahoma Indigent Defense System to be designated the "Indigent Defense System Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of federal funds, grants, gifts and such other funds as are provided by law. All monies accruing to the credit of said fund are hereby appropriated and may be budgeted and expended by the Board to defray expenses relating to the performance of duties imposed upon the Oklahoma Indigent Defense System by law. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 94. AMENDATORY 22 O.S. 2011, Section 1369, is amended to read as follows:

Section 1369. There is hereby created in the State Treasury a revolving fund for the Oklahoma Indigent Defense System, to be designated the "Contract Retention Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and

shall consist of all monies retained by the Indigent Defense System, pursuant to the provisions of Section 1355.8 of this title. All monies accruing to the credit of said fund are hereby appropriated and may be budgeted and expended by the Indigent Defense System for the purpose of making contract payments pursuant to paragraph 2 of subsection G of Section 1355.8 of this title. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 95. AMENDATORY 22 O.S. 2011, Section 1370.1, is amended to read as follows:

Section 1370.1 There is hereby created in the State Treasury a revolving fund for the Oklahoma Indigent Defense System, to be designated the "Forensic Testing Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations and shall consist of all funds appropriated by the Legislature to the fund or monies received from any political subdivision of the State of Oklahoma as reimbursements or recovery for forensic testing. All monies accruing to the credit of said fund are hereby appropriated and may be budgeted and expended by the Oklahoma Indigent Defense System for the purpose of providing forensic testing. Expenditures shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~

the Office of Management and Enterprise Services for approval and payment.

SECTION 96. AMENDATORY 25 O.S. 2011, Section 82.1, is amended to read as follows:

Section 82.1 A. The designation and dates of holidays in Oklahoma shall be as follows: Each Saturday, Sunday, New Year's Day on the 1st day of January, Martin Luther King, Jr.'s Birthday on the third Monday in January, Presidents' Day on the third Monday in February, Memorial Day on the last Monday in May, Independence Day on the 4th day of July, Labor Day on the first Monday in September, Veterans' Day on the 11th day of November, Thanksgiving Day on the fourth Thursday in November, the day after Thanksgiving Day, Christmas on the 25th day of December, the day before or after Christmas if Christmas is not on a Saturday or Sunday, the Thursday and Friday before Christmas if Christmas is on a Saturday, the Monday and Tuesday after Christmas, if Christmas is on a Sunday; and if any of such holidays other than Christmas fall on Saturday, the preceding Friday shall be a holiday in that year and if any of such holidays other than Christmas fall on Sunday, the succeeding Monday shall be a holiday in that year.

B. The Governor shall issue an Executive Order each year specifying the dates on which the holidays other than Saturdays and Sundays designated in subsection A of this section occur. If the President of the United States declares any day other than those

listed in subsection A of this section as a national holiday, the Governor may issue an Executive Order declaring such day a state holiday.

C. Any act authorized, required, or permitted to be performed on a holiday as designated in subsection A of this section may be performed on the next succeeding business day, and no liability or loss of rights of any kind shall result from such delay.

D. State employees, except for temporary and other limited term employees, shall be entitled to a day off work without loss of pay on those holidays specified in an Executive Order issued by the Governor pursuant to subsection B of this section. Those state employees, except for temporary and other limited term employees, who are required to work on a holiday specified in subsection B of this section shall be entitled to a day off work, without loss of pay, on an alternative date or payment in lieu thereof at the discretion of the appointing authority and in accordance with rules of the ~~Administrator~~ Director of the ~~Office of Personnel Management~~ Office of Management and Enterprise Services.

E. For the purposes of this section, "holiday" means that agencies whose mission does not require them to be open for business every day of the year shall be closed for official business.

SECTION 97. AMENDATORY 25 O.S. 2011, Section 90.19, is amended to read as follows:

Section 90.19 A. The Legislature finds that:

1. The Congress of the United States has authorized the President to use military force against "nations, organizations, or persons the President determines planned, authorized, committed, or aided the terrorist attacks that occurred on September 11, 2001, or harbored such organizations or persons", Pub. L. 107-40, and has further authorized the President to use military force in order to "defend the national security of the United States against the continuing threat posed by Iraq", Pub. L. 107-243;

2. Although these policies have resulted in some degree of controversy, it is incontrovertible that the members of the Armed Forces of the United States who have been deployed with respect thereto have served with honor, dignity, and bravery, and that public support for the members of the Armed Forces, and for their families, has been steadfast and unwavering; and

3. For as long as members of the Armed Forces are so deployed, such public support must continue and be demonstrated in every way possible.

B. Until such time as such use of military force as referenced in subsection A of this section is concluded, whether by Presidential or congressional action, the Governor is directed to order flags of the United States and the State of Oklahoma, on state property, be flown at half-staff on the day of the memorial service for any Oklahoman who lost his or her life while a member of the Armed Forces of the United States.

C. On each such day of remembrance, all state agencies, interested organizations, groups, and individuals are authorized and requested to fly the flag of the United States at half-staff. The Director of the ~~Department of Central Services~~ Office of Management and Enterprise Services shall cause the provisions of this section to be implemented by all appropriate agencies of state government.

SECTION 98. AMENDATORY 26 O.S. 2011, Section 2-118, is amended to read as follows:

Section 2-118. A. Except as provided by subsection C of this section the secretary of each county election board shall be paid an annual salary to be determined by the following schedule. However, the salary of a county election board secretary shall not fall below the level of the April 30, 2003, salary, and the salary of any person who is reappointed to the position of county election board secretary shall not fall below the salary received in the immediately preceding term, regardless of the number of active registered voters in the county. A county election board secretary serving on April 30, 2004, shall not receive a salary increase if said secretary is paid an amount greater than the salary indicated in this section according to the number of registered voters in said county. A county election board secretary shall not receive a salary increase while the county is under the administrative supervision of the State Election Board.

1. Beginning May 1, 2003 and ending April 30, 2007, the annual salary, payable monthly shall be:

Registered Voters	Salary
0 to 10,000	$21,588.28
10,001 to 15,000	$22,388.28
15,001 to 17,500	$26,252.45
17,501 to 25,000	$29,429.93
25,001 to 50,000	$35,846.94
50,001 to 75,000	$45,174.66
75,001 to 150,000	$50,611.26
150,001 or more	$56,043.00

2. Beginning May 1, 2007, the annual salary, payable monthly shall be:

Registered Voters	Salary
0 to 10,000	$22,667.69
10,001 to 15,000	$23,507.68
15,001 to 17,500	$27,565.07
17,501 to 25,000	$30,901.43
25,001 to 50,000	$37,639.29
50,001 to 75,000	$47,433.39
75,001 to 150,000	$53,141.82
150,001 or more	$58,845.15

B. The salary and fringe benefits paid to each secretary shall be paid from county funds on a monthly basis and shall be reimbursed

from funds appropriated by the Legislature for that purpose at a rate of not to exceed one hundred thirty-five percent (135%) of the above-specified salaries. Claims for said reimbursement shall be filed according to procedures prescribed by the Secretary of the State Election Board and approved by the Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services. Said claims for reimbursement shall only be paid for actual expenditures made by the county. The number of registered voters, for the purposes of this section, shall be determined by the number of registered voters, excluding inactive voters, in the county on January 1, 1979, and every two (2) years thereafter.

C. The provisions of this section shall not preclude a county from providing additional compensation, payable from county funds, to the secretary of the county election board; provided, any such additional compensation shall not be considered part of the secretary's salary, and shall not be reimbursed by the State Election Board.

SECTION 99. AMENDATORY 26 O.S. 2011, Section 3-107, is amended to read as follows:

Section 3-107. There is hereby created in the State Treasury a revolving fund for the State Election Board to be designated "The State Election Board Revolving Fund." The fund shall consist of monies received by the State Election Board pursuant to statutory provisions, but not including appropriated funds. The revolving

fund shall be a continuing fund not subject to fiscal year limitations and shall be under the administrative direction of the Secretary of the State Election Board. Expenditures from said fund shall be made pursuant to the laws of this state and the statutes relating to the said Board without legislative appropriation. Warrants for expenditures from said fund shall be drawn by the State Treasurer, based on claims signed by an authorized employee or employees of the said Board and approved for payment by the Director of ~~State Finance~~ the Office of Management and Enterprise Services.

SECTION 100. AMENDATORY 26 O.S. 2011, Section 3-107.1, is amended to read as follows:

Section 3-107.1 There is hereby created in the State Treasury a revolving fund for the Oklahoma State Election Board to be designated the "State Election Board Election System Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of monies received from federal payments unless otherwise provided by federal law or regulation, or any other source. All monies accruing to the credit of the fund are hereby appropriated and may be budgeted and expended by the State Election Board for authorized purposes. Expenditures from the fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 101. AMENDATORY 26 O.S. 2011, Section 3-107.2, is amended to read as follows:

Section 3-107.2 There is hereby created in the State Treasury a revolving fund for the Oklahoma State Election Board to be designated the "State Election Board Help America Vote Act Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of monies received from federal grants related to the Help America Vote Act of 2002 unless otherwise provided by federal law or regulation, or any other source. All monies accruing to the credit of the fund are hereby appropriated and may be budgeted and expended by the State Election Board for authorized purposes. Expenditures from the fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 102. AMENDATORY 26 O.S. 2011, Section 6-120, is amended to read as follows:

Section 6-120. The State Election Board is authorized to contract with the ~~Department of Central Services~~ Office of Management and Enterprise Services for all ballots required by the State Election Board. If ballots are not printed by the ~~Department of Central Services~~ Office of Management and Enterprise Services, the State Election Board and each county election board, for required ballot printing, shall cause advertisement for bids for

printing of all ballots to be made, and shall provide specifications and copy for the ballots. A contract for printing the ballots shall be awarded to the lowest and best bidder or to the bidder evaluated as "best value" in accordance with The Oklahoma Central Purchasing Act. The successful bidder shall be required to provide a copy of the bidder's certificate of insurance to the State Purchasing Director or the county purchasing agent, as the case may be, in an amount as specified by the State Purchasing Director or county purchasing agent at the time of contract award to ensure proper and prompt completion of the work in accordance with the provisions of the contract and bidding documents. The successful bidder shall provide proof of insurance coverage for the duration of the contract.

SECTION 103. AMENDATORY 27A O.S. 2011, Section 2-3-401, is amended to read as follows:

Section 2-3-401. A. There is hereby created in the State Treasury a revolving fund for the Department of Environmental Quality to be designated the "Department of Environmental Quality Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies received by the Department from appropriations, administrative penalties, fees, charges, gifts and monies from any other source that are not designated for deposit to any other fund authorized by this Code. All monies accruing to the credit of said fund are hereby

appropriated and may be budgeted and expended by the Department for the purpose of implementing and enforcing this Code. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

B. Individual subaccounts shall be established in the Department of Environmental Quality Revolving Fund as necessary to maintain the tracking of monies collected and to support the programs and functions within the jurisdiction of the Department. Each subaccount shall consist of all monies collected pursuant to the program or function for which such subaccount has been established and all monies collected for such programs and functions shall be expended only and solely in furtherance of the statutory objectives of such programs and functions. Provided, as otherwise authorized by law, the Department may transfer monies between subaccounts to meet cash flow needs of the Department so long as the monies are transferred back to the appropriate subaccount to be expended on the appropriate programs and functions.

C. All revolving fund monies belonging to, deposited in or payable to the State Department of Health or the Oklahoma Water Resources Board for the purpose of administering a program or function over which the Department of Environmental Quality has jurisdiction, are hereby transferred to the appropriate funds of the

Department of Environmental Quality. All other monies belonging to, deposited in or payable to any other revolving fund under the jurisdiction of the Department are hereby transferred.

SECTION 104. AMENDATORY 27A O.S. 2011, Section 2-3-403, is amended to read as follows:

Section 2-3-403. There is hereby created in the State Treasury a revolving fund for the Department of Environmental Quality to be designated the "Environmental Trust Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of monies collected pursuant to the provisions of Section 354 of Title 17 of the Oklahoma Statutes for deposit in the Environmental Trust Revolving Fund and monies received in the form of gifts, grants, reimbursements, and from any other source specified for the purposes specified by this section. All monies accruing to the credit of said fund are hereby appropriated and may be budgeted and expended by the Department of Environmental Quality for matching federal funds available for environmental remediation and cleanup. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 105. AMENDATORY 27A O.S. 2011, Section 2-7-304, is amended to read as follows:

Section 2-7-304. A. There is hereby created in the State Treasury a special fund for the Department to be designated as the "Hazardous Waste Fund". This fund shall consist of monies transferred to it from funds appropriated to the Department for this purpose and from other sources as provided by law. The fund shall be a continuing fund not subject to fiscal year limitations. Expenditures from the Hazardous Waste Fund shall be made upon warrants issued by the State Treasurer against claims submitted to the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment. The fund shall be for the purpose of protecting public health and safety as prescribed in the Hazardous Waste Management Act and for providing basic emergency response training and protective equipment and for response or remediation activities authorized in subsection F of Section 2-7-121 of this title. The Department is authorized, upon the request of a municipality or county, to assist such municipality or county in the development of emergency response plans. The fund shall be under the control and management of the administrative authority of the Department. Pursuant to the provisions of the Hazardous Waste Fund Act, the Department is authorized to determine the manner in which such fund is to be used. The Department of Public Safety and the Department of Civil Emergency Management are authorized and directed to assist and cooperate with the Department in the performance of its duties under the Hazardous Waste Fund Act.

B. Hazardous waste fees paid into the Department of Environmental Quality Revolving Fund pursuant to the Hazardous Waste Management Act may be transferred to the Hazardous Waste Fund.

SECTION 106. AMENDATORY 27A O.S. 2011, Section 2-11-610, is amended to read as follows:

Section 2-11-610. A. No state agency shall contract for the purchase of covered electronic devices manufactured by any manufacturer that is not on the Department of Environmental Quality's list of registered manufacturers or that has been otherwise determined noncompliant with the provisions of this act.

B. Any person who submits a bid for a contract with a state agency for the purchase or lease of covered devices must show that the manufacturer of the brand of covered device is in compliance with the Oklahoma Computer Equipment Recovery Act.

C. A state agency that purchases or leases covered devices shall require each prospective bidder to certify compliance with this act. Failure to provide such certification shall render the prospective bidder ineligible to bid on the procurement of covered devices.

D. In the case of contracts for the purchase of covered electronic devices through a competitive process, in the event that the bidder having the lowest price or best value offer will supply covered electronic devices manufactured by a manufacturer that is not included on the Department's list of manufacturers with beyond-

brand collection plans under subsection B of Section ~~7~~ 2-11-607 of this ~~act~~ title and one or more other bidders will supply covered electronic devices manufactured by a manufacturer that is included on that list, the contracting entity shall award such contract to the lowest price or best value bidder that will supply covered electronic devices manufactured by a manufacturer that is included on that list.

E. The ~~Department of Central Services~~ Office of Management and Enterprise Services shall promulgate rules to implement the provisions of this section.

F. Financial or proprietary information submitted to the Department under this act is exempt from public disclosure, in accordance with state law.

SECTION 107. AMENDATORY 27A O.S. 2011, Section 3-2-103, is amended to read as follows:

Section 3-2-103. A. The Commission:

1. May employ an Executive Director and any technical experts and other agents and employees, permanent and temporary, as may be required, and shall determine their qualifications, duties, and compensation;

2. May call upon the Attorney General of the state for any legal services as may be required. In addition, the Commission, if it determines that it is needed, may employ or appoint attorneys or in-house counsel to advise or represent the Commission; and

3. Shall have authority to delegate to its chairman, to one or more of its members, or to one or more agents or employees, any powers and duties as it may deem proper.

B. Offices shall be provided by the ~~Department of Central Services~~ Office of Management and Enterprise Services in Oklahoma City. Upon request of the Commission for the purpose of carrying out any of its functions, the supervising officer of any state agency, or of any state institution of learning, shall, insofar as may be possible under available appropriations and having due regard to the needs of the agency to which the request is directed, assign or detail to the Commission members of the staff or personnel of the agency or institution of learning, and make any special reports, surveys, or studies as the Commission may request.

SECTION 108. AMENDATORY 27A O.S. 2011, Section 3-2-106a, is amended to read as follows:

Section 3-2-106a. There is hereby created in the State Treasury a revolving fund for the Oklahoma Conservation Commission to be designated the "Conservation Commission Revolving Fund (#405)". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies received by the Conservation Commission from appropriations, fees, charges, penalties, and any other sources that are not designated for deposit to any other fund as authorized by law. All monies accruing to the credit of said fund are hereby appropriated and may be budgeted and

expended by the Conservation Commission to perform the duties imposed by the Commission by law. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 109. AMENDATORY 27A O.S. 2011, Section 3-2-106b, is amended to read as follows:

Section 3-2-106b. There is hereby created in the State Treasury a revolving fund for the Oklahoma Conservation Commission to be designated the "Conservation Commission Tar Creek Mine Reclamation Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies received by the Conservation Commission from appropriations, fees, charges, penalties, federal grants and any other sources including interest earned from the income in the fund that are designated for deposit to such fund or designated for duties associated with the Tar Creek superfund project. All monies accruing to the credit of said fund are hereby appropriated and may be budgeted and expended by the Conservation Commission to perform the duties imposed on the Commission by law. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 110. AMENDATORY 27A O.S. 2011, Section 3-2-109, is amended to read as follows:

Section 3-2-109. There is hereby created in the State Treasury a revolving fund for the Oklahoma Conservation Commission, to be designated the "Concentrated Animal Feeding Operation Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of cost-share monies received by the Commission from the Concentrated Animal Feeding Operation Program. All monies accruing to the credit of said fund are hereby appropriated and may be budgeted and expended by the Commission for the general operation of the Commission. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 111. AMENDATORY 27A O.S. 2011, Section 3-2-110, is amended to read as follows:

Section 3-2-110. A. There is hereby created in the State Treasury a revolving fund for the Oklahoma Conservation Commission to be designated the "Oklahoma Conservation Commission Infrastructure Revolving Fund".

B. The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies received by the Oklahoma Conservation Commission from the apportionment of gross

production tax revenues as prescribed by Section 1004 of Title 68 of the Oklahoma Statutes.

C. All monies accruing to the credit of said fund are hereby appropriated and may be budgeted and expended by the Oklahoma Conservation Commission for the purpose of the rehabilitation of watershed dams and, for the Conservation Cost Share Program and the Conservation Reserve Enhancement Program.

D. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

E. No more than thirty percent (30%) of the monies in the fund shall be used for the payment of administrative expenses, salary or any other continuing obligation of the Oklahoma Conservation Commission; provided, however, such monies shall not be used for salary increases for employees.

F. The provisions of this section shall cease to have the force and effect of law on July 1, 2014. Any monies remaining in the fund created by this section on July 1, 2014, which have been encumbered, but not expended, may be expended according to the terms pursuant to which the monies were encumbered.

SECTION 112. AMENDATORY 27A O.S. 2011, Section 3-3-115, is amended to read as follows:

Section 3-3-115. A. There is hereby created within the State Treasury a cost-share fund for the Oklahoma Conservation Commission to be designated the "Conservation Cost-Share Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies received by the Conservation Commission to implement and maintain the conservation cost-share program.

B. The Conservation Cost-Share Fund shall consist of:

1. Money received by the Conservation Commission in the form of gifts, grants, reimbursements, donations, industry contributions, state appropriations, funds allocated by federal agencies for cost-share programs and such other monies specifically designated for the cost-share program. All monies accruing to the credit of said fund are hereby appropriated and may be budgeted and expended by the Commission for the conservation cost-share program; and

2. Interest attributable to investment of money in the Conservation Cost-Share Fund.

C. All donations or other proceeds received by the Commission pursuant to the provisions of this section shall be deposited with the State Treasurer to be credited to the Conservation Cost-Share Fund. Expenditures from the fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

D. The monies deposited in the Conservation Cost-Share Fund shall at no time become part of the general budget of the Conservation Commission or any other state agency. Except for any administration costs incurred in development and implementation of the cost-share program, no monies from the fund shall be transferred for any purpose to any other state agency or any account of the Conservation Commission or be used for the purpose of contracting with any other state agency or reimbursing any other state agency for any expense.

SECTION 113. AMENDATORY 27A O.S. 2011, Section 3-3-406, is amended to read as follows:

Section 3-3-406. The Small Watersheds Flood Control Fund shall be under the control and supervision of the Oklahoma Conservation Commission and shall be paid on its itemized form which shall be audited by the said board and, upon final approval, vouchers which are payable from said fund shall be forwarded to the Director of ~~State Finance~~ the Office of Management and Enterprise Services, who shall audit the same and, upon approval thereof, warrants shall be issued according to law, and said warrants shall be paid by the State Treasurer from the said fund.

SECTION 114. AMENDATORY 27A O.S. 2011, Section 3-3-502, is amended to read as follows:

Section 3-3-502. A. There is hereby created in the State Treasury a revolving fund for the Oklahoma Conservation Commission

to be designated the "Oklahoma Conservation Commission Municipal Infrastructure Cost-Share Revolving Fund".

B. The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies received by the Oklahoma Conservation Commission in the form of gifts, grants, reimbursements, donations, industry contributions, state appropriations, funds allocated by federal agencies for cost-share programs and such other monies specifically designated for the Oklahoma Conservation Commission Municipal Infrastructure Cost-Share Program. All monies accruing to the credit of said fund are hereby appropriated and may be budgeted and expended by the Commission for the Municipal Infrastructure Conservation Cost-Share Program; and interest attributable to investment of money in the Oklahoma Conservation Commission Municipal Infrastructure Cost-Share Revolving Fund.

C. All donations or other proceeds received by the Commission pursuant to the provisions of this section shall be deposited with the State Treasurer to be credited to the Oklahoma Conservation Commission Municipal Infrastructure Cost-Share Revolving Fund. Expenditures from the fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

D. All monies accruing to the credit of said fund are hereby appropriated and may be budgeted and expended by the Oklahoma Conservation Commission for the purpose of matching municipal or rural water district funds for the rehabilitation of watershed dams and for the Conservation Cost-Share Program and the Conservation Reserve Enhancement Program pursuant to the Oklahoma Conservation Commission Municipal Infrastructure Cost-Share Program.

E. Expenditures from the fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

F. No more than five percent (5%) of the monies in the fund shall be used for the payment of administrative expenses, salary or any other continuing obligation of the Oklahoma Conservation Commission.

SECTION 115. AMENDATORY 27A O.S. 2011, Section 3-4-106, is amended to read as follows:

Section 3-4-106. A. Each state agency shall develop and implement an energy efficiency and conservation plan. Each agency shall designate an employee to develop such plan and the ~~Department of Central Services~~ Office of Management and Enterprise Services, if requested, shall assist state agencies in developing such plans. The ~~Department of Central Services~~ Office of Management and

Enterprise Services and each state agency shall make every effort to include in the plans strategies that:

1. Reduce energy consumption, including both electrical and fuel consumption;

2. Provide for purchasing preferences for the acquisition of energy-efficient products, including, but not limited to, Energy Star-compliant appliances;

3. Evaluate and, where appropriate, utilize on-site renewable energy for space conditioning and water heating, including, but not limited to, solar water heating and geothermal heat pumps in all new and replacement buildings and major renovations of buildings;

4. Provide for purchasing preferences for the acquisition of vehicles that utilize alternative fuel sources, including, but not limited to, compressed natural gas, hybrid power or biofuels; and

5. Provide a preference for the utilization of alternative energy sources, including, but not limited to, biofuels, solar, geothermal, hydrogen, compressed natural gas and wind.

B. The ~~Department of Central Services~~ Office of Management and Enterprise Services shall serve as a repository for the energy efficiency and conservation plans of each agency. The ~~Department of Central Services~~ Office of Management and Enterprise Services shall research and use best available methods to aid agencies in implementing the plans.

SECTION 116. AMENDATORY 29 O.S. 2011, Section 3-103, is amended to read as follows:

Section 3-103. A. The Wildlife Conservation Commission shall constitute an advisory, administrative and policymaking board for the protection, restoration, perpetuation, conservation, supervision, maintenance, enhancement, and management of wildlife in this state as provided in the Oklahoma Wildlife Conservation Code.

B. The Director shall consult with the Commission regarding the administration of the affairs of the Department of Wildlife Conservation. The Commission is authorized and empowered to require from the Director complete reports and information relative to the affairs of the Department at the time and in the manner the Commission may deem advisable.

C. The Commission shall meet on the first Monday in each month in regular session and in special sessions as may be called by the Chair or a majority of the Commission. The Commission may hold any regular or special session at any location within this state. Should a location be chosen other than Commission headquarters in Oklahoma City for a regular or special meeting, notice shall be posted at Commission headquarters in Oklahoma City and advertised in the local newspaper of the city in which the meeting is to be held, at least one time during each of the two (2) weeks prior to the meeting. The advertisements shall include time, date, and address of location of the meeting.

D. In addition to the other powers and duties prescribed by law, the Commission shall:

1. Institute an affirmative action plan for hiring women and minorities throughout the agency;

2. Elect a chair, vice-chair, and secretary, who shall perform the duties required of them by statutes, rules of the Commission, and the Constitution of the State of Oklahoma. The chair, vice-chair, and secretary shall receive no extra compensation;

3. Appoint a Director, and determine the qualifications of the Director and all assistants and employees. A Commissioner shall not be eligible for employment in any position within the Department;

4. Prescribe rules and policies for the transaction of its business and the control of the Department;

5. Develop and implement a plan to provide step raises for Commission employees so that discrepancies of pay levels within a pay grade are eliminated;

6. Acquire by purchase, lease, gift, or devise, waters, real property, and personal property incident to the exercise of its functions and to maintain, operate, and dispose of the same;

7. Acquire real property by condemnation only when the Attorney General or other counsel deems it an appropriate means of clearing title from willing or unavailable sellers;

8. Supervise the establishment, extension, improvement, and operation of the wildlife refuges, propagation areas or stations,

public hunting areas, public fishing areas, game management areas, and fish hatcheries;

9. Prescribe the manner of cooperation with the Oklahoma Tourism and Recreation Department, colleges and universities within the state, other state agencies, any agency of the federal government, and any city, town, school district, or any other agency or organization in study of conservation and propagation of wildlife and in the establishment, maintenance, and operation of visual educational facilities, recreational facilities, and hunting and fishing facilities, in the study and propagation of wildlife;

10. Supervise the letting of all contracts and purchases for the Department, with all purchases of personal property to be made through the ~~Department of Central Services~~ Office of Management and Enterprise Services;

11. Authorize all claims or expenditures prior to incurring payment except as otherwise provided in this Code;

12. Prescribe rules on the use of Department-owned vehicles by the Director, department heads and other essential employees as the Commission deems necessary in order to perform their duties;

13. Prescribe rules for the sale of all regular or special licenses;

14. Publicize and encourage the conservation and appreciation of wildlife and all other natural resources;

15. Regulate the seasons and harvest of wildlife;

16. Promulgate rules to sell fishing and hunting licenses via the Internet;

17. Annually report to the Governor and the Legislature on the complete operation, activities, and plans of the Department, together with such recommendations for future activities as the Commission may deem to be in the best interest of the state; and

18. Provide the Governor and the Legislature with an annual inventory of all property and equipment.

SECTION 117. AMENDATORY 29 O.S. 2011, Section 3-302, is amended to read as follows:

Section 3-302. A. There is hereby created in the State Treasury a revolving fund to be known as the Wildlife Conservation Fund, which shall consist of all monies heretofore or hereafter appropriated to, on deposit in, or credited to the State Game and Fish Fund created by Section 115~~,~~ of Title 29 of the 1951 Oklahoma Statutes, and, in addition thereto, all license fees, penalties, fines or forfeitures and bond forfeitures collected by the state, any subdivision thereof, any public official or any other person for the violation of the wildlife conservation laws of this state, and all donations for such purposes as well as all monies received by the Department and all interest accruing therefrom. All monies accruing to the fund shall be subject to the following budgetary limitations:

1. Full-time-equivalent employees;

2. Personal services expenditures;

3. Federal fund expenditures; and

4. Total expenditures.

B. The expenditures of the Wildlife Conservation Fund shall be under the control and supervision of the Commission, and all claims against said fund shall be paid on its itemized voucher form, prepared by said Commission and sworn to by the claimant, and/or vendor's invoices as authorized under Section 86.1, Title 74 of the Oklahoma Statutes. All such claims when duly signed and sworn to shall be audited by the Commission and/or designated employees and, upon final approval, vouchers which are payable from said fund shall be forwarded to the Director of ~~State Finance~~ the Office of Management and Enterprise Services. Upon approval thereof, warrants shall issue according to law, and said warrants shall be paid by the State Treasurer from said fund. A reserve fund of not less than One Hundred Thousand Dollars ($100,000.00) shall be maintained to be used in emergencies only, by and with the consent of the Governor, and an additional reserve fund of not less than Two Hundred Thousand Dollars ($200,000.00) shall be maintained for the liquidation of unissued licenses purchased by authorized agents for sale which have remained unsold when such unissued licenses are returned for refunds as provided for by law.

C. All fees, monies or funds arising from the operation and transactions of the Commission and from the application and

administration of the laws and regulations pertaining to the wildlife resources of the state and from the sale of property used for said purposes shall be expended and used by said Commission for the control, management, restoration, conservation and regulation of the wildlife resources of the state, including the purchase or other acquisition of property for said purposes, and for the administration of the laws pertaining thereto and for no other purposes.

SECTION 118. AMENDATORY 29 O.S. 2011, Section 3-310, is amended to read as follows:

Section 3-310. A. The Oklahoma Tax Commission shall include on each state individual income tax return form for tax years beginning after December 31, 2001, and each state corporate tax return form for tax years beginning after December 31, 2001, an opportunity for the taxpayer to donate from a tax refund for the benefit of the Oklahoma Wildlife Diversity Program.

B. For purposes of this section, "nongame wildlife" means any species of wildlife not legally classified as a game species or furbearer by statute or by rule adopted pursuant to statute.

C. Except as otherwise provided for in this section, all monies generated pursuant to subsection A of this section shall be paid to the State Treasurer and placed to the credit of the Wildlife Diversity Fund.

D. There is hereby created in the State Treasury a revolving fund for the Oklahoma Wildlife Conservation Commission to be designated the "Wildlife Diversity Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies received under the provisions of paragraph 2 of subsection C of this section by the Oklahoma Wildlife Conservation Commission. The Oklahoma Wildlife Conservation Commission is hereby authorized to invest all or part of the monies of said fund in any investment permitted by a written investment policy adopted by the Wildlife Conservation Commission; provided, all investments shall be made in accordance with the Oklahoma Uniform Prudent Investor Act. Any interest or dividends accruing from such investments shall be deposited in the Wildlife Diversity Fund. All monies accruing to the credit of said fund are hereby appropriated and may be budgeted and expended by the Oklahoma Wildlife Conservation Commission for the purpose of preserving, protecting, perpetuating and enhancing nongame wildlife in this state. Any monies withdrawn from said fund by the Oklahoma Wildlife Conservation Commission for investment pursuant to this section shall be deemed to be for the purpose of preserving, protecting, perpetuating and enhancing nongame wildlife in this state. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with

the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

E. If a taxpayer makes a donation pursuant to subsection A of this section in error, such taxpayer may file a claim for refund at any time within three (3) years from the due date of the tax return. Such claims shall be filed pursuant to the provisions of Section 2373 of Title 68 of the Oklahoma Statutes and, if allowed, shall be paid pursuant to the provisions of said section. Prior to the apportionment set forth in subsection C of this section, an amount equal to the total amount of refunds made pursuant to this subsection during any one (1) year shall be deducted from the total donations received pursuant to this section during the following year and such amount deducted shall be paid to the State Treasurer and placed to the credit of the Income Tax Withholding Refund Account.

SECTION 119. AMENDATORY 29 O.S. 2011, Section 3-313, is amended to read as follows:

Section 3-313. There is hereby created within the Wildlife Conservation Fund an account designated as the "Law Enforcement Officer Training Account". The account shall consist of monies designated for deposit to the account by law. All monies accruing to the credit of said account shall be budgeted and expended by the Department of Wildlife Conservation for the training of law enforcement officers employed by the Department. Expenditures from

the account shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 120. AMENDATORY 29 O.S. 2011, Section 4-132, is amended to read as follows:

Section 4-132. A. The Department of Wildlife Conservation is hereby authorized to issue an Oklahoma Wildlife Habitat Stamp to any person upon the voluntary payment of a fee of Ten Dollars ($10.00). Said fee shall be deposited in the Wildlife Land Acquisition Fund created in subsection C of this section.

B. The Oklahoma Wildlife Conservation Commission shall promulgate rules specifying the form, design, and manner of issuance of said wildlife habitat stamp.

C. There is hereby created in the State Treasury a revolving fund for the Oklahoma Wildlife Conservation Commission to be designated the "Wildlife Land Acquisition Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies received pursuant to the provisions of this section by the Oklahoma Wildlife Conservation Commission. The Oklahoma Wildlife Conservation Commission is hereby authorized to invest all or part of the monies of said fund in any investment permitted by a written investment policy adopted by the Wildlife Conservation Commission; provided, all investments shall be made in

accordance with the Oklahoma Uniform Prudent Investor Act. Any interest or dividends accruing from such investments shall be deposited in the Wildlife Land Acquisition Fund. All monies accruing to the credit of said fund are hereby appropriated and may be budgeted and expended by the Oklahoma Wildlife Conservation Commission for the purposes specified in subsection D of this section. Any monies withdrawn from said fund by the Oklahoma Wildlife Conservation Commission for investment pursuant to this subsection shall be deemed to be for the purposes specified in subsection D of this section. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

D. The Wildlife Land Acquisition Fund shall be used by the Oklahoma Wildlife Conservation Commission for the acquisition on a willing-seller willing-buyer basis only, leasing, taking of easements, development, management, and enhancement of lands acquired pursuant to this section for the following purposes:

1. Management of game animals, protected animals and birds, furbearing animals, game birds, fish, and their restoration, propagation, and protection; and

2. Creation and management of public hunting, fishing, and trapping areas as places where the public may hunt, fish, or trap as authorized by law.

E. The Oklahoma Wildlife Conservation Commission may accept private contributions, grants, and donations made for the purposes of this section. Any monies received pursuant to this subsection shall be deposited in the Wildlife Land Acquisition Fund created in subsection C of this section. Any property received pursuant to this subsection which is not suitable for the purposes of this section may be sold by the Oklahoma Wildlife Conservation Commission and the proceeds from such sales shall be deposited in the Wildlife Land Acquisition Fund created in subsection C of this section.

F. Whenever the Oklahoma Wildlife Conservation Commission acquires title to land pursuant to this section, the Commission shall annually make in lieu of tax payments equal to the average ad valorem tax per acre paid on similar land in that county. Said payments shall be made to the county treasurer of the county in which the land is located.

SECTION 121. AMENDATORY 29 O.S. 2011, Section 4-134, is amended to read as follows:

Section 4-134. A. There is hereby created in the State Treasury a revolving fund for the Oklahoma Wildlife Conservation Commission to be designated the "Wildlife Heritage Fund". The fund shall be a continuing fund, not subject to fiscal year limitations,

and shall consist of all monies received from senior citizen lifetime licenses issued pursuant to the provisions of paragraphs 4 through 6 of subsection B of Section 4-114 of this title by the Oklahoma Wildlife Conservation Commission. The Oklahoma Wildlife Conservation Commission is hereby authorized to invest all or part of the monies of said fund in any investment permitted by a written investment policy adopted by the Wildlife Conservation Commission; provided, all investments shall be made in accordance with the Oklahoma Uniform Prudent Investor Act. Any interest or dividends accruing from such investments shall be deposited in the Wildlife Heritage Fund. Only interest and dividends derived from the principle can be expended and are hereby appropriated and may be budgeted and expended by the Oklahoma Wildlife Conservation Commission for the purposes specified in subsection B of this section. Any monies withdrawn from said fund by the Oklahoma Wildlife Conservation Commission for investment pursuant to this subsection shall be deemed to be for the purposes specified in subsection B of this section. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

B. The Wildlife Heritage Fund shall be used by the Oklahoma Wildlife Conservation Commission for the acquisition of land on a

willing-seller willing-buyer basis only, leasing of land, and the taking of easements, and for the development, management, and enhancement of such lands acquired pursuant to this section for the following purposes:

1. Management of game animals, protected animals and birds, furbearing animals, game birds, fish, and their restoration, propagation, and protection; and

2. Creation and management of public hunting, fishing, and trapping areas as places where the public may hunt, fish, or trap as authorized by law.

C. The Oklahoma Wildlife Conservation Commission may accept private contributions, grants, and donations made for the purposes of this section. Any monies received pursuant to this subsection shall be deposited in the Wildlife Heritage Fund created in subsection A of this section. Any property received pursuant to this subsection which is not suitable for the purposes of this section may be sold by the Oklahoma Wildlife Conservation Commission and the proceeds from such sales shall be deposited in the Wildlife Heritage Fund created in subsection A of this section.

D. Whenever the Oklahoma Wildlife Conservation Commission acquires title to land pursuant to this section, the Commission shall annually make in lieu of tax payments equal to the average ad valorem tax per acre paid on similar land in that county. Said payments shall be made to the county treasurer of the county in

which the land is located to be distributed by said county treasurer in the manner provided for by law for ad valorem tax payments.

SECTION 122. AMENDATORY 36 O.S. 2011, Section 307.3, is amended to read as follows:

Section 307.3 A. Effective July 1, 2009, there is hereby created in the State Treasury a revolving fund for the Insurance Commissioner called the State Insurance Commissioner Revolving Fund. The revolving fund shall be used to fund the operations of the Office of the Insurance Commissioner.

1. Notwithstanding any other law to the contrary, the revolving fund shall consist of and consolidate all funds that are or have been paid or collected by the Insurance Commissioner pursuant to the laws of this state and the rules of the Insurance Department except that the revolving fund shall not include:

a. premium taxes,

b. monies transferred to the Attorney General's Insurance Fraud Unit Revolving Fund pursuant to Section 362 of this title,

c. funds paid to and collected pursuant to the Oklahoma Certified Real Estate Appraisers Act, Sections 858-700 through 858-732 of Title 59 of the Oklahoma Statutes,

d. health carrier access payments paid to and collected by the Insurance Commissioner and deposited into the Health Carrier Access Payment Revolving Fund, and

e. recoveries obtained as a result of insurance-related crimes, and other fines, late fees, and penalties assessed and collected.

2. The revolving fund shall be a continuing fund, not subject to fiscal year limitations. Expenditures from the revolving fund shall be made pursuant to the laws of this state and the statutes relating to the Insurance Department. Warrants for expenditures from the revolving fund shall be drawn by the State Treasurer, based on claims signed by an authorized employee or employees of the Insurance Department and filed with the Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services.

B. All funds collected by the Insurance Commissioner shall be paid into the State Treasury weekly.

C. After the effective date of this act, the State Treasury is authorized and directed to deduct from the funds paid or collected by the Insurance Commissioner a sum equal to seventy-six and one-half percent (76.5%) of the payment and place the same to the credit of the General Revenue Fund of the state. The State Treasurer shall place to the credit of the State Insurance Commissioner Revolving Fund the remainder of the funds so paid and collected by the Insurance Commissioner.

SECTION 123. AMENDATORY 36 O.S. 2011, Section 307.5, is amended to read as follows:

Section 307.5 A. There is hereby created in the State Treasury a revolving fund for the Oklahoma Insurance Department, to be designated the "Insurance Department Anti-Fraud Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitation, and shall consist of any monies designated to the fund as provided in subsections B and C of this section. Warrants for expenditures from the revolving fund shall be drawn by the State Treasurer, based on claims signed by an authorized employee or employees of the Insurance Department and filed with the Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services. The fund shall be used for the purpose of administering investigations of abuse, negligence or criminal conduct regarding insurance laws or regulations.

B. The Department shall deposit all of the monies obtained as a result of insurance-related crimes, and other fines, late fees, and penalties assessed and collected into the Insurance Department Anti-Fraud Revolving Fund.

C. Each year, the Department shall transfer to the General Revenue Fund the first Four Hundred Eighty-two Thousand Five Hundred Dollars ($482,500.00) collected by the Department and deposited in the Insurance Department Anti-Fraud Revolving Fund. The next Five Hundred Thousand Dollars ($500,000.00) collected by the Department each year shall be divided evenly between the Department and the Oklahoma Attorney General. All collections to be submitted to the

Attorney General shall be deposited in the Attorney General's Insurance Fraud Unit Revolving Fund. Any collections above Nine Hundred Eighty-two Thousand Five Hundred Dollars ($982,500.00) shall be deposited each year into the Insurance Department Anti-Fraud Revolving Fund and shall be retained for use by the Department for the purposes of administering investigations of abuse, negligence or criminal conduct regarding insurance laws or regulations.

SECTION 124. AMENDATORY 36 O.S. 2011, Section 7202, is amended to read as follows:

Section 7202. A. There is hereby created a mechanism of funding through health carrier access payments, as defined in Section ~~1~~ 7201 of this ~~act~~ title, in order to stabilize the state's Medicaid program.

B. There is hereby created in the State Treasury a revolving fund for the Oklahoma Health Care Authority to be designated the "Health Carrier Access Payment Revolving Fund". The revolving fund shall be used to fund the state's Medicaid program and make full use of any federal matching funds available to the state.

1. The revolving fund shall consist of all monies collected and received by the Insurance Commissioner pursuant to Sections ~~3~~ 7203 and ~~4~~ 7204 of this ~~act~~ title, which shall be deposited by the Insurance Commissioner into the revolving fund, as well as interest attributable to investment of money in the fund.

2. The revolving fund shall be a continuing fund, not subject to fiscal year limitations. All monies accruing to the credit of said fund are hereby appropriated and may be budgeted and expended by the Oklahoma Health Care Authority. Expenditures from the revolving fund shall be made pursuant to the laws of this state and the statutes relating to the state's Medicaid program. Expenditures from the revolving fund shall be made upon warrants issued by the State Treasurer, based on claims filed as prescribed by law with the Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services for approval and payment.

C. All monies collected under Sections ~~3~~ 7203 and ~~4~~ 7204 of this ~~act~~ title shall be used and expended by the Oklahoma Health Care Authority for the support of the state's Medicaid program and make full use of any federal matching funds available to the state.

D. The Oklahoma Health Care Authority is hereby authorized to transfer funds from the Health Carrier Access Payment Revolving Fund to the 340 CMIA Programs Disbursing Fund administered by the Oklahoma Health Care Authority for the purpose of carrying out the provisions of this act.

E. No monies collected from health carriers as access payments shall be expended for any wage or salary of any employee of any state agency and shall not provide any general or administrative funding for the state or any of its agencies, except for reasonable expenses incurred by the Insurance Commissioner for the express

purpose of collecting the funds and by the Oklahoma Health Care Authority for the express purposes and administration of the fund.

SECTION 125. AMENDATORY 37 O.S. 2011, Section 506.1, is amended to read as follows:

Section 506.1 A. The Alcoholic Beverage Laws Enforcement Commission, also referred to in the Oklahoma Alcoholic Beverage Control Act as the ABLE Commission, created pursuant to the provisions of Section 1 of Article XXVIII of the Oklahoma Constitution, as the successor to the Oklahoma Alcoholic Beverage Control Board, shall be organized as follows:

1. The five (5) members serving on the Oklahoma Alcoholic Beverage Control Board on September 18, 1984, shall serve as the five (5) at-large members of the ABLE Commission until the dates on which their terms of office on the Oklahoma Alcoholic Beverage Control Board would have expired. Thereafter, the term of office of a member appointed at-large to the ABLE Commission shall be five (5) years.

2. Within ninety (90) days after September 18, 1984, the two members required by the provisions of Article XXVIII of the Oklahoma Constitution to have law enforcement experience in this state shall be appointed. The terms of office of these members and of successors to these positions shall be five (5) years. Members with law enforcement experience shall meet the qualifications for

permanent appointment of police or peace officers provided for in Section 3311 of Title 70 of the Oklahoma Statutes.

B. Members of the ABLE Commission shall be citizens of the United States, shall be qualified electors in this state, shall have been residents of this state for at least ten (10) consecutive years immediately preceding the date of their appointment and qualification, and shall be persons of outstanding character, experienced, efficient, and successful in business affairs, and of good reputation in their communities. Said members shall execute the loyalty oath required by law for elected state officials before assuming the duties of their office. No person shall be appointed who has been convicted of or shall have pleaded guilty to a felony, or of any violation of any federal or state law concerning the manufacture or sale of alcoholic beverage or cereal malt beverages prior or subsequent to the passage of the Oklahoma Alcoholic Beverage Control Act, or who has paid a fine or penalty in settlement in any prosecution against him in any violation of such laws, or who shall have forfeited his bond to appear in court to answer charges for any such violation. No appointee shall serve if he or any person related to him in the third degree by consanguinity or affinity is an officer, director, employee, or stockholder in any corporation or partnership which has as its business the manufacture, sale, or distribution of an alcoholic beverage. ABLE Commission members shall not own, mortgage, or lease any retail or

wholesale store or warehouse, any establishment selling alcoholic beverages by the individual drink for on-premises consumption, any establishment operated by a caterer who provides alcoholic beverages by the individual drink pursuant to a caterer's license, or any bottle club as provided in the alcoholic beverage control laws of this state. The provisions of the Oklahoma Alcoholic Beverage Control Act shall not prevent any member of the ABLE Commission from purchasing and keeping in his possession, for his own use or use by the members of his family or any guests, any alcoholic beverage which may be purchased or kept by any person by virtue of the provisions of the Oklahoma Alcoholic Beverage Control Act. In order to establish the qualifications of members of the ABLE Commission, a national criminal history record check as defined in Section 150.9 of Title 74 of the Oklahoma Statutes shall be required for each member.

C. A majority of the members of the ABLE Commission shall constitute a quorum to transact business, but no vacancy shall impair the right of the remaining members to exercise all of the powers of said Commission, and every act of a majority of the members shall be deemed to be the act of the ABLE Commission. The ABLE Commission shall appoint the Director as secretary who shall keep a record of all proceedings and official acts of the Commission and who shall be the custodian of all records and perform such other duties as the ABLE Commission shall prescribe.

D. Each member of the ABLE Commission shall receive reimbursement for travel expenses incurred in attending meetings as provided for in the State Travel Reimbursement Act.

E. The office of the ABLE Commission shall be in Oklahoma City in office space provided by the ~~Office of Public Affairs~~ Office of Management and Enterprise Services. All meetings of the ABLE Commission shall be open to the public and all records of the ABLE Commission shall be public records and open for public inspection. The ABLE Commission shall hold regular meetings at least once a month at its office, and may hold such special meetings as it deems necessary at any time and at any place within the state. The ABLE Commission, for authentication of its records, process, and proceedings, may adopt, keep, and use a common seal, of which seal judicial notice shall be taken in all the courts of the state. Any process, notice, or other paper which the ABLE Commission may be authorized by law to issue shall be deemed sufficient if signed by the secretary of the ABLE Commission and authenticated by such seal. All acts, orders, proceedings, rules, regulations, entries, minutes, and other records of the ABLE Commission, and all reports and documents filed with the ABLE Commission may be proved in any court of this state by copy thereof certified by the secretary of the ABLE Commission with the seal of the ABLE Commission attached. The ABLE Commission shall not adopt or promulgate any rule or regulation

inconsistent with the provisions of the Oklahoma Alcoholic Beverage Control Act or any law of this state.

F. All unexpended funds, property, records, personnel, and outstanding financial obligations and encumbrances of the Oklahoma Alcoholic Beverage Control Board shall be transferred to the Alcoholic Beverage Laws Enforcement Commission.

SECTION 126. AMENDATORY 37 O.S. 2011, Section 510A, is amended to read as follows:

Section 510A. Effective July 1, 1987, any employee occupying the position of Public Information Officer within the Alcoholic Beverage Laws Enforcement Commission shall become classified and subject to the provisions of the Merit System of Personnel Administration prescribed by the Oklahoma Personnel Act, Section 840.1 et seq. of Title 74 of the Oklahoma Statutes, and the rules promulgated thereunder. Such employee shall be granted permanent status in the class to which the position is allocated by the ~~Office of Personnel Management~~ Office of Management and Enterprise Services.

SECTION 127. AMENDATORY 37 O.S. 2011, Section 563.1, is amended to read as follows:

Section 563.1 A. There is hereby created in the State Treasury a revolving fund for the Oklahoma Department of Commerce to be designated the "Oklahoma Viticulture and Enology Center Development Revolving Fund".

B. The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies distributed to the fund:

1. From the apportionment provided in paragraph 1 of Section 563 of ~~Title 37 of the Oklahoma Statutes~~ this title; and

2. From any other source in accordance with state and federal law.

C. All monies accruing to the credit of the fund are hereby appropriated and may be budgeted and expended by the Department for the purpose of:

1. Establishing a Viticulture and Enology Center on the campus of Redlands Community College;

2. Developing viticulture-related and enology-related education programs;

3. Developing technologies, strategies, or practices that aid in the production of grapes and wine in Oklahoma; and

4. Increasing the positive economic impact of the Oklahoma wine industry on this state.

D. Expenditures from the fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 128. AMENDATORY 37 O.S. 2011, Section 567, is amended to read as follows:

Section 567. A. There is hereby created in the State Treasury a fund to be known as the Alcoholic Beverage Control Fund which shall consist of revenues collected by the state from license and registration fees, with any interest, fines or penalties levied and collected by the Alcoholic Beverage Laws Enforcement Commission pursuant to the provisions of the Oklahoma Alcoholic Beverage Control Act. Any unappropriated balance in the Oklahoma Alcoholic Beverage Control Fund at the close of each fiscal year shall revert to the General Revenue Fund of the State of Oklahoma, except for the amount necessary to satisfy any appropriations made or to be made from said fund by the Oklahoma State Legislature for the ensuing fiscal year.

Beginning July 1, 1984, all such monies collected by the Alcoholic Beverage Laws Enforcement Commission pursuant to the provisions of the Oklahoma Alcoholic Beverage Control Act shall be deposited in the State Treasury for credit to the General Revenue Fund of the state, except as provided in subsection B of this section.

B. There is hereby created in the State Treasury a revolving fund for the Oklahoma Alcoholic Beverage Laws Enforcement Commission to be designated the "ABLE Commission Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of any monies received from the surcharge collected by the Alcoholic Beverage Laws Enforcement Commission

pursuant to subsection F of Section 518 of this title and any other sources of funds provided by law. All monies accruing to the credit of said fund shall be budgeted and expended by the Oklahoma Alcoholic Beverage Laws Enforcement Commission for general operations of the agency. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services for approval and payment.

SECTION 129. AMENDATORY 37 O.S. 2011, Section 608, is amended to read as follows:

Section 608. There is hereby created in the State Treasury a revolving fund for the Department of Mental Health and Substance Abuse Services to be designated the "Prevention of Youth Access to Alcohol Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies received by the Department of Mental Health and Substance Abuse Services from fines collected pursuant to Section 241 of ~~Title 37 of the Oklahoma Statutes~~ this title. All monies accruing to the credit of said fund are hereby appropriated and may be budgeted and expended by the Department of Mental Health and Substance Abuse Services for the purpose of programs and campaigns to educate the public and law enforcement about the dangers and consequences of providing alcohol to minors. Expenditures from said fund shall be

made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 130. AMENDATORY 40 O.S. 2011, Section 4-312, is amended to read as follows:

Section 4-312. PERSONNEL AND COMPENSATION. Subject to other provisions of this act, the Oklahoma Employment Security Commission is authorized to appoint, fix the compensation and prescribe the duties and powers of such officers, accountants, attorneys, experts, and other persons as may be necessary in the performance of its duties under this act. The Commission may delegate to any such persons such power and authority as it deems reasonable and proper for the effective administration of this act, and may in its discretion bond any person handling moneys or signing checks hereunder. The Commission is authorized and directed to maintain the existing merit system covering all persons employed in the administration of this act and shall have authority, by rule, to provide for all matters which are appropriate to the establishment and maintenance of such system on the basis of efficiency and fitness. The Commission is authorized to adopt such rules as may be necessary to meet personnel standards promulgated by the ~~Office of Personnel Management~~ Office of Management and Enterprise Services pursuant to the Social Security Act, as amended, and the Act of

Congress entitled "An Act to provide for the establishment of a national employment system, and for other purposes", approved June 6, 1933, as amended, and to provide for the maintenance of the merit system required under this section in conjunction with any merit system applicable to any other state agency or agencies which meets the personnel standards promulgated by the ~~Office of Personnel Management~~ Office of Management and Enterprise Services.

SECTION 131. AMENDATORY 40 O.S. 2011, Section 4-314, is amended to read as follows:

Section 4-314. PETTY CASH FUND.

There is hereby authorized to be created a petty cash fund for the Oklahoma Employment Security Commission in an amount not to exceed Six Hundred Dollars ($600.00). This fund may be established from any administrative funds available to the Oklahoma Employment Security Commission for general operating expenses and shall be administered under such rules as prescribed by the Director of ~~State Finance~~ the Office of Management and Enterprise Services.

SECTION 132. AMENDATORY 40 O.S. 2011, Section 4-508, is amended to read as follows:

Section 4-508.

INFORMATION TO BE KEPT CONFIDENTIAL - DISCLOSURE.

A. Except as otherwise provided by law, information obtained from any employing unit or individual pursuant to the administration of the Employment Security Act of 1980, the Workforce Investment Act

of 1998, and determinations as to the benefit rights of any individual shall be kept confidential and shall not be disclosed or be open to public inspection in any manner revealing the individual's or employing unit's identity. Any claimant or employer or agent of such person as authorized in writing shall be supplied with information from the records of the Oklahoma Employment Security Commission, to the extent necessary for the proper presentation of the claim or complaint in any proceeding under the Employment Security Act of 1980, with respect thereto.

B. Upon receipt of written request by any employer who maintains a Supplemental Unemployment Benefit (SUB) Plan, the Commission or its designated representative may release to such employer information regarding weekly benefit amounts paid its workers during a specified temporary layoff period, provided such Supplemental Unemployment Benefit (SUB) Plan requires benefit payment information before Supplemental Unemployment Benefits can be paid to such workers. Any information disclosed under this provision shall be utilized solely for the purpose outlined herein and shall be held strictly confidential by the employer.

C. The provisions of this section shall not prevent the Commission from disclosing the following information and no liability whatsoever, civil or criminal, shall attach to any member of the Commission or any employee thereof for any error or omission in the disclosure of such information:

1. The delivery to taxpayer or claimant a copy of any report or other paper filed by the taxpayer or claimant pursuant to the Employment Security Act of 1980;

2. The disclosure of information to any person for a purpose as authorized by the taxpayer or claimant pursuant to a waiver of confidentiality. The waiver shall be in writing and shall be notarized;

3. The Oklahoma Department of Commerce may have access to data obtained pursuant to the Employment Security Act of 1980 pursuant to rules promulgated by the Commission. The information obtained shall be held confidential by the Department and any of its agents and shall not be disclosed or be open to public inspection. The Oklahoma Department of Commerce, however, may release aggregated data, either by industry or county, provided that such aggregation meets disclosure requirements of the Commission;

4. The publication of statistics so classified as to prevent the identification of a particular report and the items thereof;

5. The disclosing of information or evidence to the Attorney General or any district attorney when the information or evidence is to be used by the officials or other parties to the proceedings to prosecute or defend allegations of violations of the Employment Security Act of 1980. The information disclosed to the Attorney General or any district attorney shall be kept confidential by them and not be disclosed except when presented to a court in a

prosecution of a violation of Section 1-101 et seq. of this title, and a violation by the Attorney General or district attorney by otherwise releasing the information shall be a felony;

6. The furnishing, at the discretion of the Commission, of any information disclosed by the records or files to any official person or body of this state, any other state or of the United States who is concerned with the administration of assessment of any similar tax in this state, any other state or the United States;

7. The furnishing of information to other state agencies for the limited purpose of aiding in the collection of debts owed by individuals to the requesting agencies or the Oklahoma Employment Security Commission;

8. The release to employees of the Department of Transportation of information required for use in federally mandated regional transportation planning, which is performed as a part of its official duties;

9. The release to employees of the State Treasurer's office of information required to verify or evaluate the effectiveness of the Oklahoma Small Business Linked Deposit Program on job creation;

10. The release to employees of the Attorney General, the State Insurance Fund, the Department of Labor, the Workers' Compensation Court, and the Insurance Department for use in investigation of workers' compensation fraud;

11. The release to employees of the Oklahoma State Bureau of Investigation or release to employees of the Oklahoma State Bureau of Narcotics and Dangerous Drugs Control for use in criminal investigations and the location of missing persons or fugitives from justice;

12. The release to employees of the Center of International Trade, Oklahoma State University, of information required for the development of International Trade for employers doing business in the State of Oklahoma;

13. The release to employees of the Oklahoma State Regents for Higher Education of information required for use in the default prevention efforts and/or collection of defaulted student loans guaranteed by the Oklahoma Guaranteed Student Loan Program. Any information disclosed under this provision shall be utilized solely for the purpose outlined herein and shall be held strictly confidential by the Oklahoma State Regents for Higher Education;

14. The release to employees of the Center for Economic and Management Research of the University of Oklahoma, the Center for Economic and Business Development at Southwestern Oklahoma State University, or a center of economic and business research or development at a comprehensive or regional higher education institution within the Oklahoma State System of Higher Education of information required to identify economic trends. The information obtained shall be kept confidential by the higher education

institution and shall not be disclosed or be open to public inspection. The higher education institution may release aggregated data, provided that such aggregation meets disclosure requirements of the Commission;

15. The release to employees of the ~~Office of State Finance~~ Office of Management and Enterprise Services of information required to identify economic trends. The information obtained shall be kept confidential by the ~~Office of State Finance~~ Office of Management and Enterprise Services and shall not be disclosed or be open to public inspection. The ~~Office of State Finance~~ Office of Management and Enterprise Services may release aggregate data, provided that such aggregation meets disclosure requirements of the Commission;

16. The release to employees of the Department of Mental Health and Substance Abuse Services of information required to evaluate the effectiveness of mental health and substance abuse treatment and state or local programs utilized to divert persons from inpatient treatment. The information obtained shall be kept confidential by the Department and shall not be disclosed or be open to public inspection. The Department of Mental Health and Substance Abuse Services, however, may release aggregated data, either by treatment facility, program or larger aggregate units, provided that such aggregation meets disclosure requirements of the Oklahoma Employment Security Commission;

17. The release to employees of the Attorney General, the Oklahoma State Bureau of Investigation, and the Insurance Department for use in the investigation of insurance fraud and health care fraud;

18. The release to employees of public housing agencies for purposes of determining eligibility pursuant to 42 U.S.C., Section 503(i);

19. The release of wage and benefit claim information, at the discretion of the Commission, to an agency of this state or its political subdivisions, or any nonprofit corporation that operates a program or activity designated as a partner in the Workforce Investment Act One-Stop delivery system pursuant to 29 U.S.C.A., Section 2481 (b), based on a showing of need made to the Commission and after an agreement concerning the release of information is entered into with the entity receiving the information;

20. The release of information to the wage record interchange system, at the discretion of the Commission;

21. The release of information to the Bureau of the Census of the U.S. Department of Commerce for the purpose of economic and statistical research;

22. The release of employer tax information and benefit claim information to the Oklahoma Health Care Authority for use in determining eligibility for a program that will provide subsidies

for health insurance premiums for qualified employers, employees, self-employed persons, and unemployed persons;

23. The release of employer tax information and benefit claim information to the State Department of Rehabilitation Services for use in assessing results and outcomes of clients served;

24. The release of information to any state or federal law enforcement authority when necessary in the investigation of any crime in which the Commission is a victim. Information that is confidential under this section shall be held confidential by the law enforcement authority unless and until it is required for use in court in the prosecution of a defendant in a criminal prosecution; or

25. The release of information to vendors that contract with the Oklahoma Employment Security Commission to provide for the issuance of debit cards, to conduct electronic fund transfers, to perform computer programming operations, or to perform computer maintenance or replacement operations; provided the vendor agrees to protect and safeguard the information it receives and to destroy the information when no longer needed for the purposes set out in the contract.

D. Subpoenas to compel disclosure of information made confidential by this statute shall not be valid, except for administrative subpoenas issued by federal, state, or local governmental agencies that have been granted subpoena power by

statute or ordinance. Confidential information maintained by the Commission can be obtained by order of a court of record that authorizes the release of the records in writing. All administrative subpoenas or court orders for production of documents must provide a minimum of twenty (20) days from the date it is served for the Commission to produce the documents. If the date on which production of the documents is required is less than twenty (20) days from the date of service, the subpoena or order shall be considered void on its face as an undue burden or hardship on the Commission.

E. Should any of the disclosures provided for in this section require more than casual or incidental staff time, the Commission shall charge the cost of such staff time to the party requesting the information.

F. It is further provided that the provisions of this section shall be strictly interpreted and shall not be construed as permitting the disclosure of any other information contained in the records and files of the Commission.

SECTION 133. AMENDATORY 40 O.S. 2011, Section 4-901, is amended to read as follows:

Section 4-901. There is hereby created in the State Treasury a revolving fund for the Oklahoma Employment Security Commission, to be designated the "Oklahoma Employment Security Commission Revolving Fund". The revolving fund shall consist of all penalties and

interest received by the Oklahoma Employment Security Commission. Said revolving fund shall be a continuing fund, not subject to fiscal year limitations and shall not be subject to legislative appropriation. Expenditures from said revolving fund shall be made pursuant to the laws of this state and the statutes relating to the Oklahoma Employment Security Commission and shall be for administration expenses of the Oklahoma Employment Security Commission and for any other purpose which the Legislature directs. Warrants for expenditures from said fund shall be drawn by the State Treasurer, based on claims signed by an authorized employee or employees of the Oklahoma Employment Security Commission and approved for payment by the Director of ~~State Finance~~ the Office of Management and Enterprise Services.

SECTION 134. AMENDATORY 40 O.S. 2011, Section 6-101, is amended to read as follows:

Section 6-101. OESC COMPUTER FUND.

A. There is hereby created in the State Treasury a revolving fund for the Oklahoma Employment Security Commission to be designated the "OESC Computer Fund". The OESC Computer Fund shall be separate and distinct from the Unemployment Compensation Fund and shall consist of:

1. All monies received from employers and paid pursuant to Section ~~7~~ 6-104 of this ~~act~~ title;

2. All other sums, from whatever source, received by the Commission and paid into the OESC Computer Fund; and

3. Property and securities acquired by and through the use of monies in the OESC Computer Fund.

B. The OESC Computer Fund shall be a continuing fund, not subject to fiscal year limitations. All monies accruing to the credit of the OESC Computer Fund are hereby appropriated and may be budgeted and expended for the purposes set forth in Section ~~5~~ 6-102 of this ~~act~~ title. Expenditures from the OESC Computer Fund shall be made upon warrants issued by the State Treasurer against claims filed, as prescribed by law, with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 135. AMENDATORY 40 O.S. 2011, Section 141.19, is amended to read as follows:

Section 141.19 There is hereby created in the State Treasury a revolving fund for the Department of Labor to be designated the "Department of Labor Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies designated for deposit in such fund. All monies accruing to the credit of the fund are hereby appropriated and may be budgeted and expended as directed by the Legislature. Expenditures from the fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the

Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 136. AMENDATORY 40 O.S. 2011, Section 141.20, is amended to read as follows:

Section 141.20 A. The Director of ~~State Finance~~ the Office of Management and Enterprise Services is hereby authorized, upon request by the Commissioner of Labor, to establish a petty cash fund for the Department of Labor in an amount not to exceed Four Hundred Dollars ($400.00), to be used for the purpose of making change for persons obtaining licenses and transacting other business with the Department.

B. The fund shall be established and replenished from any monies available to the Department for operating expenses.

C. The Director of ~~State Finance~~ the Office of Management and Enterprise Services shall prescribe all forms, systems, and procedures for administering the fund.

SECTION 137. AMENDATORY 43A O.S. 2011, Section 2-104, is amended to read as follows:

Section 2-104. A. The Department of Mental Health and Substance Abuse Services may declare equipment which is surplus to the needs of the Department to the ~~Department of Central Services~~ Office of Management and Enterprise Services. The ~~Department of Central Services~~ Office of Management and Enterprise Services shall dispose of the surpluses as provided by law.

B. The ~~Department of Central Services~~ Office of Management and Enterprise Services shall be the purchasing agency for all facilities for which appropriations are made in the Mental Health Law, but shall not have authority to determine the propriety of purchases of institutions over which the ~~Department of Central Services~~ Office of Management and Enterprise Services is not the controlling entity.

C. The Department is authorized to spend funds for the development of recreational facilities on state-owned land outside the facility grounds.

SECTION 138. AMENDATORY 43A O.S. 2011, Section 2-107, is amended to read as follows:

Section 2-107. A. 1. There is hereby created in the State Treasury a revolving fund for the Department of Mental Health and Substance Abuse Services to be designated the "Capital Outlay Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of income as provided in this section and any monies transferred by the Department into the fund.

2. All monies accruing to the credit of the fund are hereby appropriated and may be budgeted and expended by the Department for the purposes described in this section and for improvements to real property owned by the Department or held in the Department's trust as authorized by Section 2-111 of this title. Expenditures from the fund shall be made upon warrants issued by the State Treasurer

against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

B. On and after July 1, 1988, no easement, right-of-way, oil and gas lease or surface lease on any land used or occupied by any institution, under the jurisdiction of the Board of Mental Health and Substance Abuse Services, shall be granted or conveyed without the approval of the Board. All monies hereafter received or derived from such easements, rights-of-way and leases, including, but not limited to, rentals and royalties for leases and from sale of equipment, shall be deposited in the Capital Outlay Fund of the Department of Mental Health and Substance Abuse Services and used by the Board for capital improvement at any Department of Mental Health and Substance Abuse Services facility and for improvements to real property owned by the Department or held in the Department's trust as authorized by Section 2-111 of this title, except as otherwise provided by the Legislature.

SECTION 139. AMENDATORY 43A O.S. 2011, Section 2-111, is amended to read as follows:

Section 2-111. A. 1. The Board of Mental Health and Substance Abuse Services is hereby authorized and directed to create a trust into which all real property held by or for the benefit of the Department of Mental Health and Substance Abuse Services shall be transferred.

2. The trust shall provide that:

a. the property placed into the trust may never be sold but shall be held in perpetuity for the sole benefit of the Department, and

b. the property held by the trust which is not needed for use by the Department may be leased or rented to others and all income received from such leases or rentals shall be payable to the Department for use by the Department to fulfill the purposes of the Department.

B. Upon the creation of the trust authorized in subsection A of this section, the ~~Department of Central Services~~ Office of Management and Enterprise Services is directed to provide all necessary assistance to the Department of Mental Health and Substance Abuse Services to identify and transfer all property held by or for the benefit of the Department of Mental Health and Substance Abuse Services to the trust. Except as provided in subsection C of this section, the ~~Department of Central Services~~ Office of Management and Enterprise Services is authorized and directed to provide all requested assistance to the Department of Mental Health and Substance Abuse Services in leasing property placed in such trust.

C. The Commissioners of the Land Office are authorized and directed to provide all requested assistance to the Department of

Mental Health and Substance Abuse Services in leasing mineral interests placed in such trust.

SECTION 140. AMENDATORY 43A O.S. 2011, Section 2-302, is amended to read as follows:

Section 2-302. There is hereby created a petty cash fund at the Central Office. The Director of ~~State Finance~~ the Office of Management and Enterprise Services and the Commissioner of Mental Health and Substance Abuse Services are authorized to fix the maximum amount of these petty cash funds and the Director of ~~State Finance~~ the Office of Management and Enterprise Services shall prescribe the rules and procedures for the administration of these petty cash funds.

SECTION 141. AMENDATORY 43A O.S. 2011, Section 2-303, is amended to read as follows:

Section 2-303. A. 1. There is hereby created in the State Treasury a revolving fund for the Department of Mental Health and Substance Abuse Services to be designated the "Department of Mental Health and Substance Abuse Services Revolving Fund".

2. The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of monies received by each facility and office of the Department as:

a. reimbursements from persons and agencies for the care of consumers,

b. reimbursements from other state agencies and entities of government,

c. all reimbursements received by the Department from the United States government or pursuant to proceedings in district court to enforce claims for the cost of care and treatment of consumers,

d. earnings and proceeds in the conduct and management of the dairy, farm, truck, garden, livestock and any industries of such facilities,

e. receipts from sale of excess byproducts, excess property and salvage items,

f. certification fees,

g. gifts, donations and bequests, and

h. receipts from other ancillary services, not otherwise provided by law.

B. 1. All monies accruing to the credit of said fund are hereby appropriated and may be budgeted and expended by the Department of Mental Health and Substance Abuse Services for the general operating expenses of facilities and offices of the Department of Mental Health and Substance Abuse Services.

2. Expenditures from the fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 142. AMENDATORY 43A O.S. 2011, Section 2-306, is amended to read as follows:

Section 2-306. A. The ~~Department of Central Services~~ Office of Management and Enterprise Services shall be the purchasing agent for each institution in the Department of Mental Health and Substance Abuse Services, but in other matters has no governing power or control of the institutions. In other matters, the Department of Mental Health and Substance Abuse Services has sole and exclusive control of institutions of the Department when such institutions deal with the care and treatment of mentally ill persons.

B. The ~~Department of Central Services~~ Office of Management and Enterprise Services shall provide all necessary assistance to the Department of Mental Health and Substance Abuse Services in transferring property to a trust created pursuant to Section ~~1~~ 2-111 of this ~~act~~ title.

SECTION 143. AMENDATORY 43A O.S. 2011, Section 2-310, is amended to read as follows:

Section 2-310. There is hereby created in the State Treasury a revolving fund for the Department of Mental Health and Substance Abuse Services to be designated the "Intra-agency Reimbursement Revolving Fund". The fund shall be a continuing fund not subject to fiscal year limitations. Revenues to the fund shall consist only of intra-agency payments from the allocation of operating costs among budgeted activities. All monies accruing to the credit of said fund

are hereby appropriated and may be budgeted and expended by the Department of Mental Health and Substance Abuse Services for operating expenses of the Department of Mental Health and Substance Abuse Services. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 144. AMENDATORY 43A O.S. 2011, Section 2-311, is amended to read as follows:

Section 2-311. There is hereby created in the State Treasury a revolving fund for the Department of Mental Health and Substance Abuse Services to be designated the Community-based Substance Abuse Revolving Fund. The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies received by the Department of Mental Health and Substance Abuse Services from low-point beer permits pursuant to Section 163.7 of Title 37 of the Oklahoma Statutes, enrollment fees for alcohol and drug substance abuse courses pursuant to the provisions of Section 3-453 of this title, and fees from certification of assessment agencies and assessment personnel pursuant to the provisions of Section 3-460 of this title. All monies accruing to the credit of the fund are hereby appropriated and may be budgeted and expended by the Department of Mental Health and Substance Abuse Services for the purpose of providing training and administrative services pursuant

to the provisions of Sections 3-453 and 3-460 of this title, contracting with private facilities, organizations and tribal programs to provide treatment, counseling, rehabilitation, and other related services directed toward alcohol- and drug-dependent persons, and contracting with statewide substance abuse organizations to provide training and to establish and maintain a collaborative network of providers to maintain and improve the continuum of care between agencies that provide substance abuse prevention, treatment, and advocacy programs using best practices and innovative programs that focus on substance abuse services and co-occurring disorders. Expenditures from the fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 145. AMENDATORY 43A O.S. 2011, Section 3-102, is amended to read as follows:

Section 3-102. A. The Carl Albert Community Mental Health and Substance Abuse Services Center, McAlester, Oklahoma, and the Jim Taliaferro Community Mental Health and Substance Abuse Services Center, Lawton, Oklahoma, are hereby designated as institutions within the Department of Mental Health and Substance Abuse Services and shall be operated under the supervision of the Department of Mental Health and Substance Abuse Services.

B. The Department of Mental Health and Substance Abuse Services is authorized to effect the transfer of property; records; equipment; supplies and funds to include, if appropriate, revolving funds; and encumbrances from Griffin Memorial Hospital to the appropriate institution designated in subsection A above.

C. There is hereby created a petty cash fund at the Carl Albert Community Mental Health and Substance Abuse Services Center and at the Jim Taliaferro Community Mental Health and Substance Abuse Services Center. The Director of ~~State Finance~~ the Office of Management and Enterprise Services and the Commissioner of Mental Health and Substance Abuse Services are authorized to fix the maximum amount of these petty cash funds and the Director of ~~State Finance~~ the Office of Management and Enterprise Services shall prescribe the rules and procedures for the administration of these petty cash funds.

SECTION 146. AMENDATORY 43A O.S. 2011, Section 3-103, is amended to read as follows:

Section 3-103. A. The Central Oklahoma Community Mental Health and Substance Abuse Services Center, Norman, Oklahoma, is hereby designated a facility within the Department of Mental Health and Substance Abuse Services and shall be operated under the supervision of the Department of Mental Health and Substance Abuse Services.

B. The Department of Mental Health and Substance Abuse Services is authorized to effect the transfer of property, records,

equipment, supplies and funds to include, if appropriate, revolving funds, and encumbrances from Griffin Memorial Hospital to the facility designated in subsection A above.

C. There is hereby created a petty cash fund at the Central Oklahoma Community Mental Health and Substance Abuse Services Center, Norman, Oklahoma. The Director of ~~State Finance~~ the Office of Management and Enterprise Services and the Commissioner of Mental Health and Substance Abuse Services are authorized to fix the maximum amount of the petty cash fund and the Director of ~~State Finance~~ the Office of Management and Enterprise Services shall prescribe the rules and procedures for the administration of the petty cash fund.

SECTION 147. AMENDATORY 43A O.S. 2011, Section 3-105, is amended to read as follows:

Section 3-105. A. The Children's Recovery Center of Oklahoma, Norman, Oklahoma, is hereby created and designated a facility within the Department and shall be operated under the supervision of the Department. The Children's Recovery Center of Oklahoma shall consist of:

1. The Adolescent Unit, a building constructed pursuant to the provisions of Section 10, Chapter 341, O.S.L. 1981, Section 20, Chapter 374, O.S.L. 1982, Section 32, Chapter 326, O.S.L. 1983 and Section 114, Chapter 296, O.S.L. 1984; and

2. The Leland Wolf Unit, formerly known and designated as the Leland Wolf Rehabilitation Center of Central State Griffin Memorial Hospital.

B. There is hereby created a petty cash fund for the Children's Recovery Center of Oklahoma. The Director of ~~State Finance~~ the Office of Management and Enterprise Services and Commissioner of Mental Health and Substance Abuse Services are authorized to fix the maximum amount of this petty cash fund and the Director of ~~State Finance~~ the Office of Management and Enterprise Services shall prescribe the rules and procedures for the administration of this petty cash fund.

SECTION 148. AMENDATORY 43A O.S. 2011, Section 3-106, is amended to read as follows:

Section 3-106. A. The Commissioner of Mental Health and Substance Abuse Services is hereby authorized to establish a community mental health service area to include the counties of Cherokee, Adair, Sequoyah, Wagoner, and any other counties deemed appropriate by the Commissioner of Mental Health and Substance Abuse Services.

B. There is hereby created within the Department of Mental Health and Substance Abuse Services a designated community mental health facility to serve the service area provided for in subsection A of this section that shall be operated under the supervision of the Department of Mental Health and Substance Abuse Services. Said

facility shall be named the Bill Willis Community Mental Health and Substance Abuse Services Center and shall be located at Tahlequah.

C. The Department of Mental Health and Substance Abuse Services is authorized to effect the transfer of property, personnel, records, equipment, supplies, and funds to include, if appropriate, revolving funds and encumbrances from other facilities of the Department of Mental Health and Substance Abuse Services, to the Bill Willis Community Mental Health and Substance Abuse Services Center.

D. There is hereby created a petty cash fund for the Bill Willis Community Mental Health and Substance Abuse Services Center. The Director of ~~State Finance~~ the Office of Management and Enterprise Services and the Commissioner of Mental Health and Substance Abuse Services are authorized to fix the maximum amount of these petty cash funds and the Director of ~~State Finance~~ the Office of Management and Enterprise Services shall prescribe the rules and procedures for the administration of these petty cash funds.

SECTION 149. AMENDATORY 43A O.S. 2011, Section 3-107, is amended to read as follows:

Section 3-107. A. There are hereby created and designated as facilities within the Department of Mental Health and Substance Abuse Services, the Norman Alcohol and Drug Treatment Center at Norman and the Rose Rock Recovery Center at Vinita. The facilities shall be operated under the supervision and administration of the

Commissioner of Mental Health and Substance Abuse Services. It is the intent of the Legislature that the centers in Norman and Vinita utilize and receive business management, support services and medical ancillary services of the respective state facility where the center is located.

B. There are hereby created separate petty cash funds for the Alcohol and Drug Treatment Centers at Norman and Vinita. The Director of ~~State Finance~~ the Office of Management and Enterprise Services and the Commissioner of Mental Health and Substance Abuse Services are authorized to fix the maximum amount of each petty cash fund. The Director of ~~State Finance~~ the Office of Management and Enterprise Services shall prescribe the rules and procedures for the administration of each petty cash fund.

C. The Department of Mental Health and Substance Abuse Services is authorized to effect the transfer of property, records, equipment, supplies, funds, and encumbrances from Griffin Memorial Hospital to or from the Norman Alcohol and Drug Treatment Center; and to effect the transfer of property, records, equipment, supplies, funds, and encumbrances from the Oklahoma Forensic Center to or from the Rose Rock Recovery Center.

SECTION 150. AMENDATORY 43A O.S. 2011, Section 3-107b, is amended to read as follows:

Section 3-107b. A. The "Tulsa Center for Behavioral Health" is hereby created and designated as a facility within the Department of

Mental Health and Substance Abuse Services and shall be operated under the supervision of the Department of Mental Health and Substance Abuse Services.

B. There is hereby created a petty cash fund for the Tulsa Center for Behavioral Health. The Director of ~~State Finance~~ the Office of Management and Enterprise Services and Commissioner of Mental Health and Substance Abuse Services are authorized to fix the maximum amount of this petty cash fund and the Director of ~~State Finance~~ the Office of Management and Enterprise Services shall prescribe the rules and procedures for the administration of the petty cash fund.

SECTION 151. AMENDATORY 43A O.S. 2011, Section 3-453, is amended to read as follows:

Section 3-453. A. Alcohol and drug substance abuse courses shall be offered only by nonprofit educational institutions of higher learning, governmental or nonprofit organizations.

B. Enrollment fees for those attending the courses shall be set by the Department of Mental Health and Substance Abuse Services and shall be within a range of not less than Sixty-five Dollars ($65.00) and not more than:

1. One Hundred Fifty Dollars ($150.00) for a ten-hour course; and

2. Three Hundred Sixty Dollars ($360.00) for a twenty-four-hour course.

C. Ten percent (10%) of each fee collected shall be remitted by the institution or organization offering alcohol and drug substance abuse courses to the State Treasurer to be credited to the Community-based Substance Abuse Revolving Fund in the State Treasury and shall be used to provide substance abuse services to the indigent or to provide specialized training to alcohol and drug substance abuse course facilitators. Five percent (5%) of each fee collected by the Department shall be used for the administrative costs related to providing such services.

D. Enrollment in the course shall not be limited to persons ordered to enroll, attend and successfully complete the course.

E. All alcohol and drug substance abuse courses related to driver license revocation and course facilitators shall be approved and certified by the Department of Mental Health and Substance Abuse Services.

F. The Department of Mental Health and Substance Abuse Services is authorized to promulgate rules governing:

1. Minimum curriculum requirements for such courses;

2. Facilities, equipment and instructional materials for such courses;

3. Minimum qualifications for course facilitators;

4. Grounds for reprimand and for revocation, suspension or nonrenewal of the authority to conduct such courses and for revocation of a facilitator's certification;

5. Attendance requirements; and

6. Guidelines for certifying to the Department of Mental Health and Substance Abuse Services and the Department of Public Safety successful completion of such course.

G. The Department of Mental Health and Substance Abuse Services shall require that each ten-hour course shall be conducted in no less than three sessions of no more than three and one-half (3 1/2) hours each on three (3) separate days. For a twenty-four-hour course, the Department shall require that:

1. Each such course shall consist of at least twenty-four (24) hours;

2. Each such course shall consist of no more than two (2) hours of education on any given day, nor more than four (4) hours in a given week, and shall not contain more than ten percent (10%) films on any one specialized area; and

3. No more than twenty-four students shall be allowed in a given class.

H. Any institution or organization authorized under this act to conduct an alcohol and drug substance abuse course shall certify to the Department of Public Safety all persons who successfully complete such course.

I. Any person participating in a substance abuse treatment program recommended as a result of an assessment pursuant to Section 3-460 of this title shall be required to pay all or part of the

actual cost incurred for treatment of the person, if the court determines the person has the ability to pay for all or part of the cost of treatment. The court shall determine the amount of reimbursement the person shall pay.

J. Application fees for certification of course facilitators shall be set by the Board of Mental Health and Substance Abuse Services to defray the costs of administering the program and shall be:

1. Not less than One Hundred Dollars ($100.00) and not more than Two Hundred Dollars ($200.00) upon initial application; and

2. Not less than Twenty-five Dollars ($25.00) and not more than Fifty Dollars ($50.00) upon annual renewal.

K. The Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services shall transfer unobligated monies generated from the fees in subsection C of this section, deposited before November 1, 2005, from the Department of Mental Health and Substance Abuse Services Revolving Fund to the Community-based Substance Abuse Revolving Fund, in amounts calculated by the Department.

L. No alcohol or drug substance abuse course shall operate or continue to operate unless it is operated in compliance with the rules promulgated by the Board and is certified as required by this section.

SECTION 152. AMENDATORY 43A O.S. 2011, Section 3-460, is amended to read as follows:

Section 3-460. A. The Department of Mental Health and Substance Abuse Services shall certify assessment personnel for the purpose of conducting alcohol and drug assessment and evaluation programs related to driver license revocation.

B. Application fees for certification of assessment personnel shall be set by the Department to defray the costs of administering the program and shall be:

1. Not less than One Hundred Dollars ($100.00) and not more than Two Hundred Dollars ($200.00) upon initial application; and

2. Not less than Twenty-five Dollars ($25.00) and not more than One Hundred Fifty Dollars ($150.00) upon triennial renewal.

C. The fee for those undergoing an assessment and evaluation pursuant to this section shall be One Hundred Sixty Dollars ($160.00). A fee of Fifteen Dollars ($15.00) shall be remitted by the individual undergoing an assessment and evaluation directly to the Department of Public Safety pursuant to Section 6-212 of Title 47 of the Oklahoma Statutes.

1. The Department of Public Safety shall remit ninety percent (90%) of the Fifteen Dollar ($15.00) fee collected pursuant to this section to the State Treasurer to be credited to the Community-based Substance Abuse Revolving Fund in the State Treasury and shall be

used by the Department of Mental Health and Substance Abuse Services.

2. Ten percent (10%) of each Fifteen Dollar ($15.00) fee collected by the Department of Public Safety pursuant to this section shall be deposited into the Department of Public Safety Revolving Fund, as created in Section 2-144.1 of Title 47 of the Oklahoma Statutes, to be used for administrative costs associated with the duties imposed by this section.

D. The Board of Mental Health and Substance Abuse Services is authorized to promulgate such rules as are necessary to implement the provisions of this act. Failure to comply with rules and standards promulgated by the Board shall be grounds for revocation, suspension or nonrenewal of certification.

E. The Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services shall transfer any unobligated monies generated by the fees in subsection C of this section, deposited before November 1, 2005, from the Department of Mental Health and Substance Abuse Services Revolving Fund to the Community-based Substance Abuse Revolving Fund, in amounts calculated by the Department.

F. No alcohol or drug assessment personnel shall operate or continue to operate as such unless the alcohol or drug assessment personnel comply with the rules promulgated by the Board and are certified as required by this section.

SECTION 153. AMENDATORY 44 O.S. 2011, Section 25, is amended to read as follows:

Section 25. The Adjutant General shall have the rank of Major General and devote ~~his~~ full time to the duties of ~~his~~ the office. The Governor may appoint an Assistant Adjutant General for Army and Assistant Adjutant General for Air to assist the Adjutant General in the discharge and performance of his or her duties. Such Assistant Adjutants General shall have the qualifications prescribed by law for the Adjutant General and shall have the rank of Brigadier General. The Adjutant General may appoint an employee to the position of Executive Assistant and Programs Manager for the Military Department of the state. Said position shall be unclassified and exempt from the ~~rules and procedures of the Office of Personnel Management~~ Oklahoma Personnel Act and the Merit Rules for Employment, except leave regulations.

SECTION 154. AMENDATORY 44 O.S. 2011, Section 209, is amended to read as follows:

Section 209. All officers and employees of the state or a political subdivision thereof who are members of the Oklahoma National Guard or any reserve component of any branch of the United States military, shall, when ordered by proper authority to active or inactive service, be entitled to a leave of absence from civil employment for the period of active service, without loss of status or efficiency rating. During the first thirty (30) calendar days

for employees of political subdivisions or the first thirty (30) regular scheduled work days for state employees of the leave of absence in any federal fiscal year, the officers or employees shall receive their full regular pay from the employing state agency or political subdivision. During the remainder of the leave of absence in any federal fiscal year, the employing state agency or political subdivision may elect to pay them an amount equal to the difference between the officers' or employees' full regular pay from the employing state agency or political subdivision and their Oklahoma National Guard or United States military reserve component pay, except that state officers and employees shall receive the difference between their full regular pay and their Oklahoma National Guard or United States military reserve component pay when they are ordered by proper authority to active or inactive service retroactive to the date that the state officer or employee reported to active service on or after September 11, 2001, during the period that Operation Enduring Freedom is in effect. The durational limit of protected military service as provided for in this section shall not be less than that provided by federal law. If it is necessary in the public interest to provide for the performance of the duties of their positions during such absence, the authority having power to fill a vacancy in the positions may appoint substitutes, to be known as acting incumbents, who shall qualify as required for the regular incumbents and shall receive the same pay, including

benefits and pay adjustments, as fixed by law, if any, or otherwise such pay, including benefits and pay adjustments, as may be fixed by proper authority.

The ~~Office of Personnel Management~~ Office of Management and Enterprise Services shall promulgate rules as necessary to implement the provisions of this section that relate to state employees.

SECTION 155. AMENDATORY 44 O.S. 2011, Section 233.7, is amended to read as follows:

Section 233.7 There is hereby created in the State Treasury a revolving fund for the Oklahoma Military Department to be designated the "Oklahoma Military Department Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of any monies received by the Oklahoma Military Department from the sale of surplus property, fees and receipts collected pursuant to the Oklahoma Open Records Act, interagency reimbursements, federal funds unless otherwise provided by federal law or regulation, gifts, bequests, contributions, devises, any other source, and the proceeds of property sold or otherwise disposed of pursuant to the provisions of subsection B of Section 233.3 of this title. All monies accruing to the credit of said fund are hereby appropriated and may be budgeted and expended by the Oklahoma Military Department for construction, repairs, and maintenance, equipment for facilities of the Oklahoma National Guard, or for operating expenses of the Oklahoma Military

Department. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment. All monies in the fund may, at the direction of the Adjutant General, be invested by the State Treasurer in accordance with state investment practices. All earnings attributable to such investments shall likewise accrue to the credit of the fund.

SECTION 156. AMENDATORY 44 O.S. 2011, Section 235.1, is amended to read as follows:

Section 235.1 There is hereby created in the State Treasury a special fund to be known as the "45th Infantry Division Museum Fund", which fund shall consist of donations received for operation and maintenance of the museum and monies received from the sale of Armed Forces Veterans Motorcycle License Plates pursuant to Section 1135.5 of Title 47 of the Oklahoma Statutes. Said fund shall be a continuing fund not subject to fiscal year limitations and shall be under the administrative direction of the Oklahoma Military Department. Expenditures from the fund created by this section shall be used exclusively for expenses of operation and maintenance of the 45th Infantry Division Museum and shall be made pursuant to the laws of this state and without legislative appropriation. Warrants for expenditures from said fund shall be drawn by the State Treasurer, based on claims signed by an authorized employee of the

department and approved for payment by the Director of ~~State Finance~~ the Office of Management and Enterprise Services.

SECTION 157. AMENDATORY 44 O.S. 2011, Section 235.2, is amended to read as follows:

Section 235.2 The Adjutant General of Oklahoma is hereby authorized to accept gifts for and on behalf of the state of military artifacts, military books and maps and materials, supplies and equipment which support the construction and operation of the museum which have been or may be specifically donated to the 45th Infantry Division Museum.

The Executive Director of the 45th Infantry Division Museum is directed to maintain and preserve appropriate records for all such gifts made to the museum.

Upon declaring that certain military artifacts or military books and maps belonging to the 45th Infantry Division Museum are surplus to the needs of the museum, the Executive Director of the 45th Infantry Division Museum is authorized to effect an exchange of the same on an equitable basis for military artifacts or military books and maps needed by the museum with the approval of the ~~Department of Central Services~~ Office of Management and Enterprise Services.

SECTION 158. AMENDATORY 45 O.S. 2011, Section 938.1, is amended to read as follows:

Section 938.1 There is hereby created in the State Treasury a revolving fund for the Oklahoma Miner Training Institute to be

designated the "Oklahoma Miner Training Institute Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies designated by Section ~~5~~ 931 of this ~~act~~ title to be deposited in the fund. All monies accruing to the credit of said fund are hereby appropriated and may be budgeted and expended by the Oklahoma Mining Commission for the contract with the Board of Regents of Eastern Oklahoma State College for operation of the Oklahoma Miner Training Institute and associated expenses. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 159. AMENDATORY 47 O.S. 2011, Section 2-101, is amended to read as follows:

Section 2-101. (a) A department of the government of this state to be known as the "Department of Public Safety" is hereby created, and offices for the Department shall be furnished by the ~~Office of Public Affairs~~ Office of Management and Enterprise Services. The Department of Public Safety shall be under the control and supervision of the Commissioner of Public Safety, which office and position is hereby created.

The Commissioner shall have such powers and authority as may be granted by the provisions of the Uniform Vehicle Code or as may otherwise be provided by law.

(b) The Governor shall be the chief officer of the Department of Public Safety and the Commissioner of Public Safety shall execute the lawful orders of the Governor and shall be responsible to him for the operation and administration of said Department. The Commissioner of Public Safety shall provide personal security and protection, transportation, and communications capabilities for the Governor, the Governor's immediate family, and the Lieutenant Governor. The Commissioner is authorized to provide necessary communications equipment to said persons even if said persons are not on state property or in state vehicles. The Commissioner of Public Safety is hereby authorized to purchase or lease and equip motor vehicles for the use of the Governor and Lieutenant Governor. The purchase or lease price of any such motor vehicles and equipment shall be paid from any appropriation for motor vehicles made to the Department of Public Safety.

SECTION 160. AMENDATORY 47 O.S. 2011, Section 2-104, is amended to read as follows:

Section 2-104. A. The Commissioner, subject to the Merit System laws, shall appoint an Assistant Commissioner and such other deputies, subordinates, officers, investigators, and other employees as may be necessary to implement the provisions of this title. Any employee of the Department of Public Safety appointed to the position of Assistant Commissioner shall have a right to return to the previous position of the employee without any loss of rights,

privileges or benefits immediately upon completion of the duties as Assistant Commissioner, provided the employee is not otherwise disqualified.

B. When traveling with the Governor or at his request:

1. Those personnel assigned by the Commissioner for executive security shall be allowed their actual and necessary traveling expenses, upon claims approved by the Commissioner, and shall receive, in addition to base salary, an additional One Hundred Seventy-five Dollars ($175.00) per month; and

2. Those personnel serving as noncommissioned pilots in the Department of Public Safety shall be allowed their actual and necessary traveling expenses, upon claims approved by the Commissioner.

C. Any person appointed to the position of Assistant Commissioner of Public Safety shall be eligible for retirement participation as a member of the Highway Patrol Division in the Oklahoma Law Enforcement Retirement System if such person at the time of appointment satisfies the age qualifications of an Oklahoma Highway Patrolman as provided in subsection ~~(g)~~ B of Section 2-105 of this title~~,~~; however, the Assistant Commissioner shall be eligible for participation in only one retirement system and shall elect in writing the system in which he intends to participate.

D. The salaries of the employees of the Department of Public Safety, shall be governed by and in accordance with the procedures

established by the ~~Office of Personnel Management~~ Office of Management and Enterprise Services, unless otherwise provided by law.

SECTION 161. AMENDATORY 47 O.S. 2011, Section 2-105, is amended to read as follows:

Section 2-105. A. The Commissioner of Public Safety, subject to the Oklahoma Personnel Act, shall appoint:

1. A Chief of the Oklahoma Highway Patrol Division with the rank of Colonel, Deputy Chiefs of the Oklahoma Highway Patrol Division with the rank of Lieutenant Colonel, and subordinate officers and employees of the Oklahoma Highway Patrol Division, including Majors, Captains, Lieutenants, and Highway Patrolmen with the rank of Trooper, who shall comprise the Oklahoma Highway Patrol Division of the Department of Public Safety; provided, any officer appointed to a commissioned position prescribed in this paragraph which is unclassified pursuant to Section 840-5.5 of Title 74 of the Oklahoma Statutes shall have a right of return to the highest previously held classified commissioned position within the Highway Patrol Division of the Department of Public Safety without any loss of rights, privileges or benefits immediately upon completion of the duties in the unclassified commissioned position;

2. A Captain, Lieutenants, and Patrolmen who shall comprise the Marine Enforcement Section of the Oklahoma Highway Patrol Division of the Department of Public Safety;

3. A Captain, Lieutenants, and Patrolmen, who shall comprise the Capitol Patrol Section of the Oklahoma Highway Patrol Division of the Department of Public Safety; and

4. A Director of the Communications Division with the rank of Captain, Communications Coordinators with the rank of First Lieutenant, Communications Superintendents with the rank of Second Lieutenant, Communications Supervisors with the rank of Sergeant, Communications Dispatchers, Radio Technicians and Tower Maintenance Officers who shall comprise the Communications Division of the Department of Public Safety.

B. 1. The Commissioner, when appointing commissioned officers and employees to the positions set out in subsection A of this section, shall determine, in consultation with the ~~Administrator~~ Director of the ~~Office of Personnel Management~~ Office of Management and Enterprise Services, minimum qualifications and shall select such officers and employees only after examinations to determine their physical and mental qualifications for such positions. The content of the examinations shall be prescribed by the Commissioner, and all such appointees shall satisfactorily complete a course of training in operations and procedures as prescribed by the Commissioner.

2. No person shall be appointed to any position set out in subsection A of this section unless the person is a citizen of the United States of America, of good moral character, and:

a. for commissioned officer positions, shall be at least twenty-three (23) years of age but less than forty-six (46) years of age, and shall possess:

(1) an associate's degree or a minimum of sixty-two (62) successfully completed semester hours from a college or university which is recognized by and accepted by the American Association of Collegiate Registrars and Admissions Officers and whose hours are transferable between such recognized institutions, and

(2) for any person appointed to the Oklahoma Highway Patrol Division on or after July 1, 2014:

(a) a bachelor's degree from a college or university which is recognized by and accepted by the American Association of Collegiate Registrars and Admissions Officers and whose hours are transferable between such recognized institutions, or

(b) an associate's degree or a minimum of sixty-two (62) successfully completed semester hours from a college or university which is recognized by and accepted by the American Association of Collegiate Registrars and Admissions Officers and whose hours are

transferable between such recognized institutions, and:

i. at least two (2) years' experience as a law enforcement officer certified by the Council on Law Enforcement Education and Training (C.L.E.E.T.) or by the equivalent state agency in another state or by any law enforcement agency of the federal government, or

ii. at least two (2) years of honorable military service in an active or reserve component of the United States Armed Forces.

Provided, such years of experience or service shall have been consecutive and shall have been completed no more than two (2) years prior to application for appointment, or

b. for any such position in the Communications Division, a person shall be at least twenty (20) years of age and shall possess a high school diploma or General Educational Development equivalency certificate; shall possess either six (6) months of previous experience as a dispatcher or fifteen (15) successfully completed semester hours from a college or university which is

recognized by and accepted by the American Association of Collegiate Registrars and Admissions Officers and whose hours are transferable between such recognized institutions.

3. No commissioned officer of the Department shall, while in such position, be a candidate for any political office or take part in or contribute any money or other thing of value, directly or indirectly, to any political campaign or to any candidate for public office. Anyone convicted of violating the provisions of this paragraph shall be guilty of a misdemeanor and shall be punished as provided by law.

4. The Commissioner or any employee of the Department shall not be a candidate for any political office, or in any way be active or participate in any political contest of any Primary, General, or Special Election, except to cast a ballot. No commissioned officer of the Department, while in the performance of the officer's assigned duty of providing security and protection, shall be considered as participating in a political campaign. The provisions of this paragraph shall not be construed to preclude a commissioned officer of the Oklahoma Highway Patrol Division of the Department of Public Safety from being a candidate for a position on a local board of education.

5. Drunkenness or being under the influence of intoxicating substances shall be sufficient grounds for the removal of any

commissioned officer of the Department, in and by the manner provided for in this section.

C. 1. Upon initial appointment to the position of Cadet Highway Patrolman or Probationary Communications Dispatcher, the appointed employee shall be required to serve an initial probationary period of twelve (12) months. The Commissioner may extend the probationary period for up to three (3) additional months provided that the employee and the ~~Office of Personnel Management~~ Office of Management and Enterprise Services are notified in writing as to such action and the reasons therefor. During such probationary period, the employee may be terminated at any time and for any reason at the discretion of the Commissioner. Retention in the service after expiration of the initial probationary period shall entitle such employee to be classified as a permanent employee and the employee shall be so classified. No permanent employee may be discharged or removed except as provided for in this section.

2. A commissioned officer of the Oklahoma Highway Patrol Division may be promoted during the initial probationary period if such officer satisfactorily completes all training requirements prescribed by the Commissioner.

D. 1. No permanent employee, as provided for in this section, who is a commissioned officer of the Department, may be suspended without pay or dismissed unless the employee has been notified in writing by the Commissioner of such intended action and the reasons

therefor. No such notice shall be given by the Commissioner unless sworn charges or statements have been obtained to justify the action.

2. Whenever such charges are preferred, the Commissioner may suspend the accused pending the hearing and final determination of such charges. If the charges are not sustained in whole or in part, the accused shall be entitled to pay during the period of such suspension. If the charges are sustained in whole or in part, the accused shall not receive any pay for the period of such suspension.

3. Commissioned officers of the Department of Public Safety are not entitled to appeal intra-agency transfer to the Oklahoma Merit Protection Commission pursuant to the Oklahoma Personnel Act unless transfer is in violation of Section 840-2.5 or 840-2.9 of Title 74 of the Oklahoma Statutes.

4. The Department of Public Safety shall follow the uniform grievance procedure established and adopted by the ~~Office of Personnel Management~~ Office of Management and Enterprise Services for permanent classified employees, except for those employees who are commissioned officers of the Department. The Department of Public Safety shall establish and adopt a proprietary grievance procedure for commissioned officers of the Department which is otherwise in compliance with the provisions of Section 840-6.2 of Title 74 of the Oklahoma Statutes.

E. 1. The Commissioner is hereby authorized to purchase and issue uniforms and necessary equipment for all commissioned officers of the Highway Patrol Division of the Department. All uniforms and equipment shall be used only in the performance of the official duties of such officers and shall remain the property of the Department, except as provided in Section 2-150 of this title.

2. Each commissioned officer of the Highway Patrol Division of the Department of Public Safety shall be entitled to reimbursement of expenses pursuant to the State Travel Reimbursement Act while away from the assigned area of the officer as designated by the Chief of the Oklahoma Highway Patrol Division, when such expense is incurred in the service of the state.

F. 1. The positions with the rank of Colonel and Lieutenant Colonel of the Oklahoma Highway Patrol Division shall be filled from the body of commissioned officers of the Oklahoma Highway Patrol Division and appointment to said position shall be based on qualifications, previous record as a commissioned officer of the Oklahoma Highway Patrol Division, length of service, years of experience within the Oklahoma Highway Patrol Division or other service as prescribed in this subsection, and efficiency of service performed.

2. In addition to the requirements of paragraph 1 of this subsection, the position of Chief of the Oklahoma Highway Patrol Division shall be based on one of the following:

a. one (1) year of experience in any combination:

(1) as Commissioner of Public Safety,

(2) as Assistant Commissioner of Public Safety, or

(3) as Assistant Chief,

b. two (2) years of experience in any combination:

(1) as Deputy Chief or higher rank, or

(2) if the experience was prior to the effective date of this act, as Major or higher rank,

c. four (4) years of experience in any combination:

(1) as Major or higher rank, or

(2) if the experience was prior to the effective date of this act, as Captain or higher rank, or

d. six (6) years of experience in any combination:

(1) as Captain or higher rank, or

(2) if the experience was prior to the effective date of this act, as First Lieutenant or higher rank.

3. In addition to the requirements of paragraph 1 of this subsection, the position of Deputy Chief of the Oklahoma Highway Patrol Division shall be based on one of the following:

a. one (1) year of experience in any combination:

(1) as Commissioner of Public Safety,

(2) as Assistant Commissioner of Public Safety, or

(3) as Colonel,

b. two (2) years of experience in any combination:

(1) as Major or higher rank, or

(2) if the experience was prior to the effective date of this act, as Captain or higher rank, or

c. four (4) years of experience in any combination:

(1) as Captain or higher rank, or

(2) if the experience was prior to the effective date of this act, as Highway Patrol First Lieutenant or higher rank.

G. The Commissioner of Public Safety is hereby authorized to send employees of the Department of Public Safety to schools such as Northwestern University Center for Public Safety, Southern Police Institute, the FBI National Academy, the Institute of Police Technology and Management, or to any other schools of similar training which would be conducive to improving the efficiency of the Oklahoma Highway Patrol Division and the Department of Public Safety. While an employee is attending a school, the Commissioner is authorized to permit the employee to use a state-owned vehicle and to use a fuel-purchasing card for any expenses related to the operation of the vehicle. In addition, while an employee is attending the FBI National Academy, a one-time expense allowance of Two Thousand Dollars ($2,000.00) for uniforms, fees, travel, room and board, and other related expenses shall be paid to the employee by the Department; provided, the employee shall not be further compensated through the State Travel Reimbursement Act, and, if any

other agency reimburses the employee for any expenses, the reimbursement shall be given to the Department. All purchases made by the employee with the expense allowance shall be considered property of the employee.

H. 1. Any former commissioned officer of the Department whose separation from the Department was at such officer's own request and not a result of such officer's own actions contrary to the policy of the Department or was not as a result of the retirement of that officer from the Department may make application for reinstatement as a commissioned officer of the division or section of the Department in which such officer was previously employed, provided such reinstated officer will be able to complete twenty (20) years of credited service by the time the reinstated officer reaches sixty-two (62) years of age. The Commissioner may waive the requirements of possessing the number of semester hours or degree as required in subsection B of this section for any former commissioned officer making application for reinstatement as a commissioned officer of the Department. The Commissioner may require the applicant for reinstatement to attend selected courses of instruction, as prescribed by the Commissioner.

2. In the event of future hostilities wherein the Congress of the United States declares this nation in a state of war with a foreign nation, including military service brought about by the Vietnam War, any period of military service served by a commissioned

officer of the Department shall be considered as continued service with such Department, provided such commissioned officer returns to duty with the Department within sixty (60) days after release from military service.

SECTION 162. AMENDATORY 47 O.S. 2011, Section 2-105.7, is amended to read as follows:

Section 2-105.7 A. There is hereby created within the Oklahoma Highway Patrol Division of the Department of Public Safety a Capitol Patrol Section which shall consist of such employees as may be necessary to provide law enforcement services to all state buildings and properties, including grounds appurtenant thereto, within Oklahoma County and Tulsa County. All commissioned officers of the Capitol Patrol Section as designated by the Commissioner shall have the authority to enforce all parking, traffic, and criminal laws within Oklahoma County and Tulsa County, and shall have the authority to perform other law enforcement duties within the state as prescribed by the Commissioner of Public Safety.

B. A Patrolman shall not be promoted to the position of Capitol Patrol Sergeant.

C. Any officer of the Capitol Patrol Section of the Oklahoma Highway Patrol Division may request reclassification to the equivalent lateral position, rank, and salary within the Oklahoma Highway Patrol Division and shall be reclassified to the position if the officer:

1. Meets the requirements of paragraph 2 of subsection B of Section 2-105 of this title. Provided, the officer shall be exempt from the maximum age limitation;

2. Satisfactorily completes a course of training as prescribed by the Commissioner; and

3. Serves a twelve-month probationary period which shall commence upon entering the course of training required by paragraph 2 of this subsection.

Such reclassified officer shall be subject to reassignment as determined by the Chief of the Oklahoma Highway Patrol Division.

D. All commissioned officers of the Capitol Patrol Section of the Oklahoma Highway Patrol Division of the Department of Public Safety shall have, in addition to their primary duty as prescribed in subsection A of this section, a secondary duty to enforce all state statutes, to make arrests for violations and to perform other duties as prescribed by the Commissioner of Public Safety in accordance with Section 2-117 of this title.

E. The ~~Department of Central Services~~ Office of Management and Enterprise Services and the Oklahoma Capitol Improvement Authority shall provide office and operations space for the Capitol Patrol Section of the Oklahoma Highway Patrol Division of the Department of Public Safety.

F. 1. a. The annual salaries for the commissioned officers within the Capitol Patrol Section of the Oklahoma

Highway Patrol Division of the Department of Public Safety shall be in accordance and conformity with the following salary schedule, exclusive of longevity pay, as authorized by Section 840-2.18 of Title 74 of the Oklahoma Statutes, expense allowance, as authorized by Section 2-130 of this title, and irregular shift pay, as authorized by Section 2-130.1 of this title:

Patrol Captain	$57,243.00
Patrol Lieutenant	$53,306.00
Capitol Patrol Sergeant	$51,646.00
Patrolman	
Step 4	$41,953.00
Step 5	$43,871.00
Step 6	$45,881.00
Step 7	$50,087.00

b. Each Patrolman shall receive upon the anniversary date of the Patrolman an annual salary increase to the next higher step of the salary schedule provided for in subparagraph a of this paragraph if the Patrolman, within the preceding twelve-month period:

(1) has achieved a satisfactory Performance Rating Score,

(2) has not received any disciplinary action which has resulted in any suspension from the

Department for a period of ten (10) or more days, and

(3) has not received any disciplinary action which has resulted in demotion.

If the number of completed years of service on the anniversary date of the Patrolman is or exceeds seven (7) years, the Patrolman shall be assigned to, and the salary of the Patrolman adjusted to, Step 7 of the salary schedule.

2. Effective January 1, 2007, the annual salaries for the commissioned officers within the Capitol Patrol Section of the Oklahoma Highway Patrol Division of the Department of Public Safety shall be in accordance and conformity with the following salary schedule, exclusive of longevity pay, as authorized by Section 840-2.18 of Title 74 of the Oklahoma Statutes, expense allowance, as authorized by Section 2-130 of this title, and irregular shift pay, as authorized by Section 2-130.1 of this title:

Patrol Captain	$69,004.00
Patrol Lieutenant	$62,731.00
Capitol Patrol Sergeant	$57,028.00
Patrolman	$57,028.00

G. The provisions of this section shall supersede all existing laws covering the salaries for the commissioned officers in the Capitol Patrol Section of the Oklahoma Highway Patrol Division of the Department of Public Safety.

SECTION 163. AMENDATORY 47 O.S. 2011, Section 2-108.1, is amended to read as follows:

Section 2-108.1 The Commissioner of Public Safety may enter into interlocal agreements with any other government agency or any state educational institution which is a member of The Oklahoma State System of Higher Education, as prescribed in Section 3201 of Title 70 of the Oklahoma Statutes, for the use of space for the purpose of providing governmental services as required by law of the Department of Public Safety. Such agreements shall be exempt from The Oklahoma Central Purchasing Act. Such agreements shall be exempt from ~~the authority or oversight of the Department of Central Services including, but not limited to,~~ the terms and conditions of The Oklahoma Central Purchasing Act, and Sections 63, 94 and subsection C of Section 129.4 of Title 74 of the Oklahoma Statutes.

SECTION 164. AMENDATORY 47 O.S. 2011, Section 2-122, is amended to read as follows:

Section 2-122. A. The Commissioner of ~~the Department of~~ Public Safety is authorized to receive funds from gifts, federal and state agency sources, state and local agency employees, and tuition and fees for room and meals from users of the Robert R. Lester Training Center and other training facilities of the Department of Public Safety. All amounts collected shall be deposited in the State Treasury to the credit of the Department of Public Safety Revolving Fund.

B. The Commissioner or designee is authorized to receive contributions, gifts and donations for the sole benefit and operation of the education programs of the Department including, but not limited to, the Drug Abuse Resistance Education (D.A.R.E.) Program. All monies received by the Commissioner or designee pursuant to this subsection shall be deposited to the credit of the Department of Public Safety Revolving Fund and shall be expended by the Department solely for the purposes of the operation of the education programs of the Department. All other property received by the Commissioner or designee pursuant to this subsection shall be held by the Department in trust under the terms and conditions imposed by the donors, and title to any and all property acquired, granted or donated to the Department shall be taken in the name of the state to be held for the use and benefit of such education programs of the Department under the conditions of the grants or donations. Provided, however, no real property shall be accepted by the Commissioner or designee for the purposes of this subsection.

C. There is hereby created a petty cash fund for the Department of Public Safety. Said fund shall be used by the Department to operate cash drawers as necessary. The amount of the petty cash fund shall be determined by the Director of ~~State Finance~~ the Office of Management and Enterprise Services and the Commissioner of Public Safety. Purchases from the petty cash fund shall be prohibited. The Director of ~~State Finance~~ the Office of Management and

Enterprise Services shall be authorized to prescribe forms, systems and procedures for the administration of the petty cash fund.

SECTION 165. AMENDATORY 47 O.S. 2011, Section 2-124, is amended to read as follows:

Section 2-124. A. There is hereby created within the Department of Public Safety an Oklahoma Law Enforcement Telecommunication Systems Division.

B. The Division shall:

1. Operate and maintain an on-line, realtime computer system and a statewide law enforcement data communication network;

2. Utilize and distribute information on vehicle registration, driver records, criminals and the commission of crimes;

3. Be responsible for the coordination of user agencies with the National Crime Information Center in Washington, D.C., and the National Law Enforcement Telecommunication System, or its successor;

4. Be the central access and control point for Oklahoma's input, retrieval and exchange of law enforcement information in the National Crime Information Center and the National Law Enforcement Telecommunication System; and

5. Provide user agencies a data communication network, in order to exchange and distribute law enforcement data rapidly, and training in the use of the Oklahoma Law Enforcement Telecommunication Systems.

C. The statewide law enforcement data communications network shall be a part of the Oklahoma Government Telecommunications Network (OGTN) created in Section ~~41.5m~~ 34.23 of Title 62 of the Oklahoma Statutes; provided, however, the Department of Public Safety may continue to operate, maintain and enhance the statewide law enforcement data communications network; provided, however, the Department of Public Safety shall submit all plans for the enhancement of the statewide law enforcement communications network to the ~~Office of State Finance~~ Office of Management and Enterprise Services for review and approval. The Department of Public Safety shall participate with the ~~Office of State Finance~~ Office of Management and Enterprise Services in joint efforts to provide services for the OGTN.

D. All criminal justice agencies disseminating criminal history information derived from the National Crime Information Center's criminal history file shall maintain a record of dissemination in accordance with federal law as well as rules promulgated by the National Crime Information Center and the Commissioner of Public Safety.

E. The Oklahoma Law Enforcement Telecommunication Systems Division shall have the authority to audit state and local law enforcement and criminal justice agencies to ensure compliance with federal laws as well as rules of the Department of Public Safety

which pertain to the Oklahoma Law Enforcement Telecommunication Systems.

SECTION 166. AMENDATORY 47 O.S. 2011, Section 2-142, is amended to read as follows:

Section 2-142. There is hereby created in the State Treasury a revolving fund for the ~~Oklahoma~~ Department of Public Safety, to be designated the "Computer Imaging System Revolving Fund". The fund shall be a continuing fund not subject to fiscal year limitations. All monies accruing to the credit of said fund are hereby appropriated and shall be budgeted and expended by the Department for the exclusive purpose of implementing, developing, administering, and maintaining the computer imaging system of the Department of Public Safety. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 167. AMENDATORY 47 O.S. 2011, Section 2-143, is amended to read as follows:

Section 2-143. There is hereby created in the State Treasury a revolving fund for the ~~Oklahoma~~ Department of Public Safety, to be designated the "Department of Public Safety Patrol Vehicle Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations. All monies accruing to the credit of the fund are

hereby appropriated and shall be budgeted and expended by the Department for the purpose of purchasing, equipping, and maintaining of patrol vehicles and patrol aircraft and for any other purpose related to the duties and responsibilities of the Transportation Division of the Department, as well as any other operational expenses of the Oklahoma Highway Patrol. No monies shall be expended from this fund without expressed authorization by the Legislature. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 168. AMENDATORY 47 O.S. 2011, Section 2-144.1, is amended to read as follows:

Section 2-144.1 A. There is hereby created in the State Treasury a revolving fund for the Department of Public Safety to be designated the Department of Public Safety Revolving Fund. The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all money received by the Department of Public Safety from:

1. Sale of surplus property;

2. Insurance and other reimbursements for damaged, lost or stolen property;

3. Reimbursement for services of Department personnel as approved by the Department if such personnel are representing the Department or are in any uniform of the Department;

4. Reimbursement for turnpike enforcement;

5. Reimbursement for supplies or facsimile or data transmissions or for contractual services or products not otherwise provided by law;

6. Fees and costs paid by subscribers to the Oklahoma Law Enforcement Telecommunications Systems;

7. Refund of federal gasoline tax;

8. Court-ordered forfeitures and the sale of forfeited property;

9. Reimbursements by federal, state and municipal government agencies for the use of Department of Public Safety airplanes;

10. Fees from users of the Robert R. Lester Training Center or other Department of Public Safety training facilities;

11. Federal funds, unless otherwise provided by federal law or regulation; and

12. Fines received pursuant to the provisions of subsection G of Section 11-1112 of this title.

B. All monies accruing to the credit of the fund are hereby appropriated and may be budgeted and expended by the Department of Public Safety for the operating expenses of the Department and for vehicles, equipment, personnel and other operating expenses for

turnpike enforcement; provided, monies accruing pursuant to the provisions of paragraph 12 of subsection A of this section shall be used exclusively by the Oklahoma Highway Safety Office to promote the use of child passenger restraint systems as provided in Section 11-1113 of this title.

C. The Director of ~~State Finance~~ the Office of Management and Enterprise Services shall provide a distinct numbering system for the identification and tracking of the expenditures of the various programs budgeted from the revolving fund.

D. Expenditures from the fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 169. AMENDATORY 47 O.S. 2011, Section 2-145, is amended to read as follows:

Section 2-145. A. There is hereby created in the State Treasury a revolving fund for the Department of Public Safety, to be designated the "Department of Public Safety Restricted Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations. All monies accruing to the credit of said fund are hereby appropriated and shall be budgeted and expended by the Department of Public Safety for the restricted purposes of the monies as prescribed by law. Expenditures from said funds shall be made upon warrants issued by the State Treasurer against claims

filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

B. Any statutory references to the Department of Public Safety Revolving Fund shall mean the Department of Public Safety Restricted Revolving Fund, as provided for in this section, whenever the expenditure of the monies is restricted by law.

C. The Department of Public Safety shall transfer all funds, for which expenditure is restricted by law, from the Department of Public Safety Revolving Fund to the Department of Public Safety Restricted Revolving Fund.

SECTION 170. AMENDATORY 47 O.S. 2011, Section 2-146, is amended to read as follows:

Section 2-146. There is hereby created in the State Treasury a revolving fund for the Department of Public Safety, to be designated the "Department of Public Safety Patrol Academy Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations. All monies accruing to the credit of said fund are hereby appropriated and shall be budgeted and expended by the Department of Public Safety for the exclusive purpose of Oklahoma Highway Patrol Trooper Academies. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the

Office of Management and Enterprise Services for approval and payment.

SECTION 171. AMENDATORY 47 O.S. 2011, Section 2-303, is amended to read as follows:

Section 2-303. A. There shall be an "Oklahoma Law Enforcement Retirement Board" to administer the fund of the System. The Board shall be composed of the Commissioner of Public Safety or his designee, the Director of ~~State Finance~~ the Office of Management and Enterprise Services or his designee, three ~~(3)~~ members to be appointed by the Governor one of whom shall be a retired member of the System, one ~~(1)~~ member to be appointed by the Speaker of the House of Representatives, one ~~(1)~~ member to be appointed by the President Pro Tempore of the Senate, two ~~(2)~~ members of the Highway Patrol Division and one ~~(1)~~ member of the Communication Division of the Department of Public Safety, one ~~(1)~~ member of the Oklahoma State Bureau of Investigation, one ~~(1)~~ member of the Oklahoma State Bureau of Narcotics and Dangerous Drugs Control and one ~~(1)~~ member of the Alcoholic Beverage Laws Enforcement Commission, elected by and from the membership of the System. The terms of elected members of the Board now serving shall expire on June 30, 1980. The present Board shall conduct an election for the selection of elected members of the Board, prior to the operative date of this act. One member of the Oklahoma Highway Patrol and the member of the Oklahoma State Bureau of Investigation, initially elected, shall serve through June

30, 1982, the member of the Oklahoma Alcoholic Beverage Control Board, initially elected, shall serve through June 30, 1984, and the remaining elected members shall serve through June 30, 1983. Members subsequently elected shall serve for terms of three (3) years.

B. 1. The initial term of office of the member appointed to the Board by the Speaker of the House of Representatives and the member appointed to the Board by the President Pro Tempore of the Senate shall expire on January 3, 1989. The members thereafter appointed by the Speaker of the House of Representatives and by the President Pro Tempore of the Senate shall serve terms of office of four (4) years.

2. The member appointed by the Governor serving on the Board on the operative date of this act shall serve the remainder of the unexpired term of the member. The member appointed by the Governor to fill that position after the expiration of the term of office of the member serving on the operative date of this act shall serve through January 13, 1991. The members thereafter appointed by the Governor shall serve a term of office of four (4) years which is coterminous with the term of office of the office of the appointing authority.

3. The initial term of office of the two additional appointments to the Board by the Governor shall expire on January 14, 1991. The members thereafter appointed by the Governor shall

serve terms of office of four (4) years which are coterminous with the term of office of the office of the appointing authority.

4. Vacancies shall be filled for the unexpired term of office in the same manner as the original appointment was made.

C. The members appointed to the Board by the Speaker of the House of Representatives, by the President Pro Tempore of the Senate and by the Governor or a member who is a designee of an ex officio member of the Board shall:

1. Have demonstrated professional experience in investment or funds management, public funds management, public or private pension fund management or retirement system management; or

2. Have demonstrated experience in the banking profession and have demonstrated professional experience in investment or funds management; or

3. Be licensed to practice law in this state and have demonstrated professional experience in commercial matters; or

4. Be licensed by the Oklahoma ~~State Board of Public~~ Accountancy Board to practice in this state as a public accountant or a certified public accountant.

The appointing authorities, in making appointments that conform to the requirements of this subsection, shall give due consideration to balancing the appointments among the criteria specified in paragraphs 1 through 4 of this subsection.

D. No member of the Board shall be a lobbyist registered in this state as provided by law.

E. Notwithstanding any of the provisions of this section to the contrary, any person serving as an appointed member of the Board on the operative date of this act shall be eligible for reappointment when the term of office of the member expires.

F. Every two (2) years, one of the members of the Board shall be selected by the Board as president and another member as secretary of the Board.

G. Any member of the Board elected by the membership of the System may be recalled for cause at a special election held for that purpose by the members of the System. Such an election shall be called and held by the president and secretary of the Board upon a written request therefor signed by not less than one-third (1/3) of the members of the System and shall be held pursuant to notice given to all members of the System stating the date for such election which shall not be less than ten (10) days from the date of the issuance of such notice. All members of the System shall be entitled to vote by secret ballot and, if two-thirds (2/3) or more of the membership of the System vote for his recall, the elected member of the Board designated in such request, notice and secret ballot shall cease to be a member of the Board and the president and secretary of the Board shall call and hold a special election by the

members of the System to fill the remainder of the term of the member so recalled.

H. The Oklahoma Law Enforcement Retirement System shall retain an Executive Director and shall establish the Executive Director's compensation. The Executive Director shall be the managing and administrative officer of the System and as such shall have charge of the office, records and supervision and direction of the employees of the System. The Executive Director shall be responsible for the overall operations and to perform duties specified in Section 2-300 of this title and as specified by the Board. The Executive Director shall be subject to the policy directions of the Board and may employ such persons as are deemed necessary to administer the System.

SECTION 172. AMENDATORY 47 O.S. 2011, Section 2-307, is amended to read as follows:

Section 2-307. (a) In the event a member of the System obtains a leave of absence, of not to exceed ninety (90) days at any one time, because of injury or illness or for any personal reason other than the acceptance of other employment, the member's membership in the System shall not terminate and the period of such leave shall be counted toward retirement for length of service if, during such leave of absence or at the end thereof, the member shall pay to the Fund an amount equal to the contributions which would have been deducted from the member's salary during such period if such leave

of absence had not been obtained, but if such contributions are not paid during such leave or made up within thirty (30) days after the end of such leave, or if such leave of absence extends for more than ninety (90) days at any one time, the period of such leave shall not be counted toward length of service for retirement nor in computing the amount of any pension or any retirement pay or any other benefits hereunder.

(b) In the event a member of the System obtains a leave of absence for the purpose of accepting other employment, or if a member resigns and during such resignation accepts other employment, the member's membership in the System shall terminate as of the date of the beginning of such leave. Provided, that if the membership of a member of the System shall have been terminated either by such leave of absence or by termination of employment, and such former member is reemployed, the Board, upon application therefor made in the same manner as an original application for membership in the System, may reinstate such membership. Such reinstated member shall be allowed full credit toward retirement for all service credit accrued up to the time of termination of membership if, but only if:

1. Such application for reinstatement is made within three (3) years from the date of such termination of such membership; and

2. Such reinstated member remains a member of the System for a period of five (5) consecutive years after reinstatement of membership; and

3. Such reinstated member reimburses the Fund, at the time application for reinstatement is made, with the amount of any portion of the membership contribution which has been refunded to the member under the provisions of Section 2-308 of this title; and

4. A lump-sum payment for repayment of any amount received because of a member's prior termination may be repaid by:

a. a cash lump-sum payment,

b. a trustee-to-trustee transfer from a Section 403(b) annuity or custodial account, an eligible deferred compensation plan described in Code Section 457(b) which is maintained by an eligible employer described in Code Section 457(e)(1)(A), and/or a Code Section 401(a) qualified plan,

c. a direct rollover of tax-deferred funds from a Code Section 403(b) annuity or custodial account, an eligible deferred compensation plan described in Code Section 457(b) which is maintained by an eligible employer described in Code Section 457(e)(1)(A), a Code Section 401(a) qualified plan, and/or a Code Section 408(a) or 408(b) traditional or conduit Individual Retirement Account or Annuity (IRA). Roth IRAs, Coverdell Education Savings Accounts and after-tax contributions shall not be used to purchase such service credit, or

d. any combination of the above methods of payment.

The provisions of this subsection shall not apply to absences caused by such military service as may be considered as service for retirement for length of service under the provisions of subsection (c) of this section.

(c) In determining the eligibility of a member for retirement based upon length of service, any service in the Armed Forces of the United States or any component thereof between the 16th day of September, 1940, and the 30th day of June, 1954, and any service in the Armed Forces of the United States or any component thereof upon call of the President of the United States or of the Governor of the State of Oklahoma, together with such prior service, as would have been otherwise considered as service for retirement for length of service, shall be considered as service for length of service, provided that the member returns and files application for reinstatement as a member of the System within ninety (90) days after the member's release, or opportunity for release, from such Armed Forces or component thereof. The member's employing agency that is making contributions to the System on behalf of the member shall continue payment of contributions into the pension fund, to the same force and effect as though the member was in the actual employment of such agency at the same salary for a period not to exceed five (5) years. If such member shall have been refunded any portion of the membership contributions as provided in Section 2-308

of this title, the member shall be required to reimburse the Fund with the same amount at the time of the member's application for reinstatement in the System, before the reinstated member is given credit for accrued prior service. Provided, that in no event shall a member of the System who has entered such Armed Forces or component thereof prior to retirement be or become eligible for retirement for length of service unless the member shall thereafter have been reinstated as a member of the System as provided for herein, and thereafter remained a member for at least one (1) year after such reinstatement.

(d) Time spent on involuntary furlough by members pursuant to the rules of the ~~Office of Personnel Management~~ Office of Management and Enterprise Services shall be credited.

(e) Notwithstanding any provisions herein to the contrary:

1. Contributions, benefits and service credit with respect to qualified military service shall be provided in accordance with Section 414(u) of the Internal Revenue Code of 1986, as amended, which is in accordance with the Uniformed Service Employment and Reemployment Rights Act of 1994, as amended (USERRA). The employer's contributions to the System for a member covered by USERRA are due when such a member makes up his or her contributions that were missed due to his or her qualified military service; and

2. Effective January 1, 2007, if any member dies while performing qualified military service (as defined in Section 414(u)

of the Internal Revenue Code of 1986, as amended), the survivors of the member are entitled to any additional benefits other than benefit accruals relating to the period of qualified military service provided under the System had the member resumed and then terminated employment on account of death.

SECTION 173. AMENDATORY 47 O.S. 2011, Section 2-310.1, is amended to read as follows:

Section 2-310.1 A. Whenever any member currently working in a position identified by ~~subsection~~ paragraph 6 of Section 2-300 of this title or Section 2-314 of this title and enrolled in the Oklahoma Law Enforcement Retirement System is injured in the line of duty, an Injury Review Board consisting of one member to be appointed by the member's employer, one member to be appointed by the ~~Administrator~~ Director of the ~~Office of Personnel Management~~ Office of Management and Enterprise Services and one member to be appointed by the Governor shall convene to determine if the injured member was actually injured in the line of duty and whether the injured member should be granted leave because of the injury. The Injury Review Board may, in its discretion, grant the injured member leave when necessary, not to exceed one hundred sixty-five (165) working days for the illness or injury.

B. For the purpose of this section, "illness or injury" shall include any serious illness or serious injury caused by or contracted during the performance of the member's duty. Every state

agency which employs persons eligible for membership in the Oklahoma Law Enforcement Retirement System shall participate in the joint promulgation of a rule which shall set out mutually agreeable guidelines for the categorization of an illness or injury as serious. Upon promulgation of the rule, each of the state agencies shall individually adopt the rule. The wording of the rule, as adopted and as amended by the agencies from time to time, shall remain in conformity for each of the state agencies.

C. The three-member Injury Review Board shall be convened following a written request submitted by the injured member to the injured member's employer. The employer shall forward the request to the ~~Administrator~~ Director of the ~~Office of Personnel Management~~ Office of Management and Enterprise Services. The employer may submit the request on behalf of an injured member. The ~~Administrator's~~ Director's appointee shall then convene and chair the Injury Review Board. The Injury Review Board may request the injured member to submit to an examination by a physician selected by the Board at the employer's expense to assist the Board in making a decision. A decision to grant or deny such paid leave shall be determined by concurrence in writing of not less than two Injury Review Board members. If granted, said leave shall be paid by the employing agency.

D. While such leave is being paid, the employee shall continue to accrue leave and service credit at the same rate as before the

illness or injury. The employee's portion of health, dental, life and disability insurance premiums and the employee's contribution to the Oklahoma Law Enforcement Retirement System shall be deducted by the employing agency from the paid leave and remitted to the appropriate agencies, in the same manner as before the illness or injury.

SECTION 174. AMENDATORY 47 O.S. 2011, Section 11-403.2a, is amended to read as follows:

Section 11-403.2a A. All unencumbered balances contained in the Motorcycle Safety and Drunk Driving Awareness Fund as of April 30, 2007, shall be deposited to the credit of the Department of Public Safety Revolving Fund of the State Treasury. The Director of ~~State Finance~~ the Office of Management and Enterprise Services shall be authorized to transfer the unencumbered balance described by this subsection to the Department of Public Safety Revolving Fund.

B. Any unexpended balance contained in the Motorcycle Safety and Drunk Driving Awareness Fund as of April 30, 2007, shall be transferred and deposited to the credit of the Department of Public Safety Revolving Fund of the State Treasury. The Director of ~~State Finance~~ the Office of Management and Enterprise Services shall be authorized to transfer the unexpended balance described by this subsection to the Department of Public Safety Revolving Fund.

SECTION 175. AMENDATORY 47 O.S. 2011, Section 40-123, is amended to read as follows:

Section 40-123. There is hereby created in the State Treasury a revolving fund for the Department of Public Safety to be designated the "Motorcycle Safety and Education Program Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all fees, donations, federal funds and grants received for the purpose of motorcycle safety and education programming. All monies accruing to the credit of said fund are hereby appropriated and may be budgeted and expended by the Commissioner of Public Safety for the purpose of operating the Motorcycle Safety and Education Program. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 176. AMENDATORY 47 O.S. 2011, Section 156.3, is amended to read as follows:

Section 156.3 A. This act, Section 151 et seq. of this title, shall not apply to and shall not be so construed as prohibiting the purchase and use of trucks or pickups by state agencies when the trucks or pickups are necessary for the performance of official duties of the state agency.

B. Trucks and pickups owned and operated by the Department of Transportation shall be painted either yellow or white, and except

as otherwise provided by law, shall be plainly marked with the words "State of Oklahoma" followed by the name of the department.

C. The provisions of this section shall not be construed to permit the purchase of any motor vehicle of ten thousand (10,000) pounds or less gross vehicle weight.

D. All acquisitions of any motor vehicle of ten thousand (10,000) pounds or less gross vehicle weight shall be approved by the Director of the ~~Department of Central Services~~ Office of Management and Enterprise Services as provided for in Section 78a of Title 74 of the Oklahoma Statutes.

SECTION 177. AMENDATORY 47 O.S. 2011, Section 158.2, is amended to read as follows:

Section 158.2 The operation of vehicles, motorized machinery and equipment by the ~~Department of Central Services~~ Office of Management and Enterprise Services, the State Department of Health, the Department of Public Safety, the Department of Mental Health and Substance Abuse Services, the Department of Corrections, and all other state departments and agencies not otherwise specifically authorized by law, is hereby declared to be a public governmental function. An action for damages may be brought against such departments, but the governmental immunity of such departments shall be waived only to the extent of the amount of insurance purchased. The departments shall be liable for negligence only while such insurance is in force, but in no case in an amount exceeding the

limits of the coverage of any such insurance policy. No attempt shall be made in the trial of any action brought against any such departments to suggest the existence of any insurance which covers in whole or in part any judgment or award which may be rendered in favor of the plaintiff, and if the verdict rendered by the jury exceeds the limits of the applicable insurance, the court shall reduce the amount of said judgment or award to a sum equal to the applicable limits stated in the policy. The insurer may not plead as a defense in any action involving insurance purchases by the authority of this section the governmental immunity of either the State of Oklahoma, the State Department of Health, Department of Public Safety, Department of Mental Health and Substance Abuse Services, or the Department of Corrections.

SECTION 178. AMENDATORY 47 O.S. 2011, Section 577, is amended to read as follows:

Section 577. The Director of ~~State Finance~~ the Office of Management and Enterprise Services is authorized to prescribe forms, systems and procedures for its administration. The petty cash fund may be reimbursed from time to time by the filing of proper claims, accompanied by valid receipts for expenditures made.

SECTION 179. AMENDATORY 47 O.S. 2011, Section 582, is amended to read as follows:

Section 582. A. There is hereby created the Oklahoma Used Motor Vehicle and Parts Commission, to be composed of ten (10) members who shall be selected as follows:

1. One member shall be appointed from each congressional district and any remaining members, including the chair, shall be appointed from the state at large. However, when congressional districts are redrawn, each member appointed prior to July 1 of the year in which such modification becomes effective shall complete the current term of office and appointments made after July 1 of the year in which such modification becomes effective shall be based on the redrawn districts. Appointments made after July 1 of the year in which such modification becomes effective shall be from any redrawn districts which are not represented by a board member until such time as each of the modified congressional districts are represented by a board member; provided, the chair shall be appointed at large without regard to congressional district representation on the board;

2. All members shall be appointed by the Governor, by and with the advice and consent of the Senate;

3. a. each of the members appointed from a congressional district shall, at the time of appointment, be a resident in good faith of the congressional district from which appointed, and

b. each of the members appointed from the state at large shall, at the time of appointment and during the period of service, be residents in good faith of the state;

4. Each member shall be of good moral character and, for the ten-year period immediately preceding appointment, each of the used motor vehicle dealer representatives shall have been licensed for and actually engaged in the distribution or sale of used motor vehicles; each of the dismantler representatives shall have actually been licensed for and engaged in the principal business of dismantling or disassembling motor vehicles for the purpose of selling the parts thereof; and the manufactured housing representative shall have been licensed for and actually engaged in the principal business of selling manufactured homes; and

5. Eight members plus the chair shall be engaged in the used motor vehicle industry or the automotive dismantler industry. There shall not be fewer than five members engaged in the principal business of the sale of used motor vehicles and there shall not be fewer than two members engaged in the principal business of dismantling or disassembling motor vehicles for the purpose of selling the parts thereof. One of the at-large members shall be engaged in the principal business of selling manufactured homes as a licensed manufactured home dealer. Being engaged in one or more of

such pursuits shall not disqualify a person otherwise qualified from serving on the Commission.

B. 1. The term of the chair shall be coterminous with that of the Governor making the appointment, and until a successor is appointed and is qualified.

2. The terms of office of each member of the Commission shall be subject to the following:

a. the Commission shall determine and certify the trade associations of manufactured home dealers that represent ten percent (10%) or more of the number of licensed manufactured home dealers in the state and shall certify each such association to the Governor. The Governor shall request a minimum of ten names from each such association and shall select one member from the manufactured home industry from the names provided,

b. each member actively serving July 1, 2000, who was appointed on or before June 30, 2000, shall remain and fulfill the term of his or her membership as set forth at the appointment,

c. except for the chair, the term of office of each member of the Commission shall be for six (6) years,

d. except for the chair and the at-large members, the term of office of any member will automatically expire

if the member moves out of the congressional district from which appointed; however, if the congressional districts are modified each member shall complete the current term of office as provided in this section,

e. in event of death, resignation, or removal of any person serving on the Commission, the vacancy shall be filled by appointment as aforesaid for the unexpired portion of the term,

f. except for the chair, when the term of a member automatically expires, the vacancy shall be filled by appointment of a qualified successor for a term of six (6) years as aforesaid, except that the member shall serve until a successor is appointed and qualified.

3. The chair and each member of the Commission shall take and subscribe to the oath of office required of public officers.

C. The chair and members of the Commission shall receive Thirty Dollars ($30.00) for each and every day actually and necessarily spent in attending the meetings of the Commission, and shall be reimbursed for subsistence and traveling expenses incurred in the performance of their duties hereunder as provided by the State Travel Reimbursement Act; provided that such meeting payments shall not exceed the sum of Six Hundred Dollars ($600.00) per annum to any one person.

D. 1. a. The Commission shall appoint a qualified person to serve as Executive Director who shall have had sufficient management and organizational experience in the automotive industry to direct the functions of the Commission.

b. The Executive Director shall be appointed for a term of six (6) years, and shall not be subject to dismissal or removal without cause.

c. The Commission shall fix the salary and define and prescribe the duties of the Executive Director.

d. The Executive Director shall be in charge of the Commission's office, shall devote such time as necessary to fulfill the duties thereof, and, before entering upon these duties, shall take and subscribe to the oath of office.

2. The Commission may employ such clerical, technical, legal and other help and incur such expenses as may be necessary for the proper discharge of its duties under Section 581 et seq. of this title.

3. The Commission shall maintain its office and transact its business in Oklahoma City, and is authorized to adopt and use a seal.

E. 1. a. The Commission is hereby vested with the powers and duties necessary and proper to enable it to fully and

effectively carry out the provisions and objectives of Section 581 et seq. of this title, and is hereby authorized and empowered, pursuant to the Administrative Procedures Act, to make and enforce all reasonable rules and to adopt and prescribe all forms necessary to accomplish said purpose.

b. The Commission shall promulgate rules for the licensing of manufactured home installers and the installation, which is the blocking, anchoring and leveling of mobile and manufactured homes that meet the standards of the manufacturer's manual or the Commission.

c. The Commission shall promulgate rules to prescribe the contents of manufactured home sales agreements and to require that each manufactured home manufacturer issue with each new manufactured home a warranty comparable to warranties generally in use in the industry warranting the manufactured home to be free from material defects.

d. The enumeration of any power or authority herein shall not be construed to deny, impair, disparage or limit any others necessary to the attainment thereof.

e. A copy of all rules adopted by the Commission shall be filed and recorded in the office of the Secretary of

State and the State Librarian and Archivist, and same may be amended, modified or repealed from time to time.

2. The Commission's powers and duties shall include, but not be limited to, the following:

a. to license used motor vehicle dealers, used motor vehicle salespersons, wholesale used motor vehicle dealers, dismantlers, manufactured home dealers, manufactured home manufacturers, and manufactured home installers,

b. to inspect used motor vehicle dealer, dismantler and manufactured home dealer locations, and manufactured home manufacturers' factories or assembly sites to ensure that they are in an approved location, meet local zoning or other municipal requirements, and have sufficient facilities which shall include, but not be limited to, for retail businesses, a business sign, a listed and usable telephone number, a restroom, and a sales office,

c. to inspect wholesale used motor vehicle dealer locations to ensure that they are in an approved location, meet local zoning or other municipal requirements, and have sufficient facilities which shall include, but not be limited to, a listed and

usable telephone number in the dealer's name and a business office where records of the business are kept,

d. to require all dealer sales to have a condition of sale such as a warranty disclaimer, implied or written warranty or a service contract approved by the Commission,

e. to work with consumers and dealers to hear complaints on used vehicles and manufactured homes, including installation, and

f. to serve as a dispute resolution panel for binding arbitration in accordance with Section 801 et seq. of Title 15 of the Oklahoma Statutes in contract controversies between licensed used motor vehicle dealers, dismantlers and manufactured housing dealers, manufactured home dealers, installers, and manufacturers and their consumers when, by mutual written agreement executed after the dispute between the parties has arisen, both parties have agreed to use the Commission as their arbitration panel for contract disputes.

F. 1. All fees and charges collected under the provisions of Section 581 et seq. of this title shall be deposited by the Executive Director in the State Treasury in accordance with the

depository laws of this state in a special fund to be known as the "Oklahoma Used Motor Vehicle and Parts Commission Fund", which fund is hereby created. Except as hereinafter provided, the monies in the fund shall be used by the Commission for the purpose of carrying out and enforcing the provisions of Section 581 et seq. of this title. Expenditures from the fund shall be warrants issued by the State Treasurer against claims submitted by the Commission to the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval.

2. At the close of each fiscal year, the Commission shall file with the Governor and the State Auditor and Inspector a true and correct report of all fees and charges collected and received by it during the preceding fiscal year and shall at the same time pay into the General Revenue Fund of the state a sum equal to ten percent (10%) of the gross fees and charges so collected and received.

3. All expenses incurred by the Commission in carrying out the provisions of Section 581 et seq. of this title including, but not limited to, per diem, wages, salaries, rent, postage, advertising, supplies, bond premiums, travel and subsistence for the Commissioners, the Executive Director, employees, and legal counsel, and printing and utilities, shall be a proper charge against the fund, exclusive of the portion thereof to be paid into the General Revenue Fund as above set out; provided, that in no event shall liability ever accrue hereunder against the state in any sum

whatsoever, or against the Oklahoma Used Motor Vehicle and Parts Commission Fund, in excess of the ninety percent (90%) of the fees and charges deposited therein.

SECTION 180. AMENDATORY 47 O.S. 2011, Section 587, is amended to read as follows:

Section 587. A. There is hereby created a petty cash fund not to exceed One Hundred Dollars ($100.00) for the Oklahoma Used Motor Vehicle and Parts Commission, which may be expended for small authorized expenses of the Commission.

B. The Director of ~~State Finance~~ the Office of Management and Enterprise Services is authorized to prescribe forms, systems and procedures for its administration. The petty cash fund may be reimbursed from time to time by the filing of proper claims, accompanied by valid receipts for expenditures made.

SECTION 181. AMENDATORY 47 O.S. 2011, Section 759, is amended to read as follows:

Section 759. A. There is hereby re-created, to continue until July 1, 2012, in accordance with the provisions of the Oklahoma Sunset Law, the Board of Tests for Alcohol and Drug Influence to be composed of the Dean of the University of Oklahoma College of Medicine, or the Dean's designee who shall receive an appointment in writing, as Chairman, and the Commissioner of Public Safety or a designee, the Director of the Oklahoma State Bureau of Investigation or a designee, the State Commissioner of Health or a designee, the

Director of the Council on Law Enforcement Education and Training or a designee, one certified peace officer who is a member of a local law enforcement agency selected by the Oklahoma Sheriffs and Peace Officers Association and one person selected by the Oklahoma Association of Chiefs of Police, as members, to serve without pay other than reimbursement of necessary and actual expenses as provided in the State Travel Reimbursement Act, Section 500.1 et seq. of Title 74 of the Oklahoma Statutes. Each designee shall receive an appointment in writing which shall become a permanent part of the records of the Board. The Board is authorized to appoint a State Director of Tests for Alcohol and Drug Influence, an Administrative Assistant to the Board, and other employees, including but not limited to persons to conduct training and provide administrative assistance as necessary for the performance of its functions, subject to available funding and authorized full-time equivalent employee limitations. The Board may expend appropriated funds for purposes consistent with Sections 751 through 761 of this title and Sections 301 through 308 of Title 3 of the Oklahoma Statutes. The Legislature shall appropriate funds to the Department of Public Safety for the support of the Board of Tests For Alcohol and Drug Influence and its employees, if any. Upon the transfer of any employees from the Alcohol Drug Countermeasures Unit of the Department of Public Safety to the Board of Tests For Alcohol and Drug Influence on July 1, 2003, all funds of the Unit appropriated

and budgeted shall be transferred to the Board, and may be budgeted and expended to support the functions and personnel of the Board.

B. Collection and analysis of a person's blood, breath, saliva or urine, to be considered valid and admissible in evidence, whether performed by or at the direction of a law enforcement officer or at the request of the tested person, shall have been performed in compliance with the rules adopted by the Board of Tests for Alcohol and Drug Influence and by an individual possessing a valid permit issued by the Board for this purpose or shall have been performed by a laboratory accredited in Toxicology by the American Society of Crime Laboratory Directors/Laboratory Accreditation Board (ASCLD/LAB) or accredited by the American Board of Forensic Toxicology (ABFT).

C. The Board of Tests for Alcohol and Drug Influence is authorized to approve laboratories for the analysis, provided by the provisions of this title, of specimens of blood, breath, saliva and urine, and to administer a program for regular monitoring of such laboratories. The Board is authorized to prescribe uniform standards and conditions for, and to approve satisfactory methods, procedures, techniques, devices, equipment and records for tests and analyses and to prescribe and approve the requisite education and training for the performance of such tests and analyses. The Board shall establish standards for and ascertain the qualifications and competence of individuals to administer and conduct such tests and

analyses, and to issue permits to laboratories and to individuals which shall be subject to suspension or revocation at the discretion of the Board. The Board is authorized to prescribe uniform standards, conditions, methods, procedures, techniques, devices, equipment and records for the collection, handling, retention, storage, preservation and delivery of specimens of blood, breath, saliva and urine obtained for the purpose of determining the alcohol concentration thereof or the presence or concentration of any other intoxicating substance therein. The Board may take such other actions as may be reasonably necessary or appropriate to effectuate the purposes of Sections 751 through 761 of this title and Sections 301 through 308 of Title 3 of the Oklahoma Statutes, and may adopt, amend and repeal such other rules consistent with this chapter as the Board shall determine proper. Laboratories accredited in Toxicology by the American Society of Crime Laboratory Directors/Laboratory Accreditation Board (ASCLD/LAB) or accredited by the American Board of Forensic Toxicology (ABFT) are exempt from the provisions of this subsection.

D. The Board may set rules and charge appropriate fees for operations incidental to its required duties and responsibilities.

E. There is hereby created in the State Treasury a revolving fund for the Board of Tests for Alcohol and Drug Influence to be designated the "Board of Tests for Alcohol and Drug Influence Revolving Fund". The fund shall be a continuing fund, not subject

to fiscal year limitations, and shall consist of monies received pursuant to the provisions of subsection D of this section and any funds previously deposited in the Board of Tests for Alcohol and Drug Influence Revolving Fund. All monies accruing to the credit of the fund are hereby appropriated and may be budgeted and expended by the Board of Tests for Alcohol and Drug Influence for operating expenses of the Board. Expenditures from the funds shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 182. AMENDATORY 47 O.S. 2011, Section 1104.3, is amended to read as follows:

Section 1104.3 A. Twenty-four Dollars ($24.00) of the fee authorized by Section ~~14~~ 1135.5 of this ~~act~~ title for Agricultural Awareness license plates shall be deposited to the Ag in the Classroom Education Revolving Fund created in subsection B of this section.

B. There is hereby created in the State Treasury a revolving fund for the State Department of Agriculture to be designated the "Ag in the Classroom Education Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies received by the Department pursuant to the provisions of subsection A of this section. All monies accruing to the credit of such fund are hereby appropriated and may be budgeted

and expended by the Department for the purpose of Ag in the Classroom Education Program. Expenditures from the fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 183. AMENDATORY 47 O.S. 2011, Section 1104.4, is amended to read as follows:

Section 1104.4 A. Twenty Dollars ($20.00) of the fee authorized by Section ~~14~~ 1135.5 of this ~~act~~ title for Four-H license plates shall be deposited in the OSU Extension Service License Plate Revolving Fund created in subsection B of this section.

B. There is hereby created in the State Treasury a revolving fund for Oklahoma State University Extension Service to be designated the "OSU Extension Service License Plate Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies received by the Oklahoma State University Extension Service pursuant to the provisions of Section ~~14~~ 1135.5 of this ~~act~~ title. All monies accruing to the credit of said fund are hereby appropriated and may be budgeted and expended by the Oklahoma State University Extension Service for the purpose of expenses related to agricultural programs for youth. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by

law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 184. AMENDATORY 47 O.S. 2011, Section 1104.5, is amended to read as follows:

Section 1104.5 A. Twenty Dollars ($20.00) of the fee authorized by Section ~~14~~ 1135.5 of this ~~act~~ title for Urban Forestry and Beautification license plates shall be deposited to the Urban Forestry and Beautification Revolving Fund created in subsection B of this section.

B. There is hereby created in the State Treasury a revolving fund for the Forestry Division of the State Department of Agriculture to be designated "Urban Forestry and Beautification Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies received by the Department pursuant to the provisions of paragraph 1 of subsection A of this section. All monies accruing to the credit of the fund are hereby appropriated and may be budgeted and expended by the Division for the purpose of contracting with or providing grants to nonprofit organizations that develop and operate programs to encourage urban forestry and beautification. Such organizations may apply to the Department for grants to be paid from the fund, or the Department may solicit bids for contracts for particular services related to urban forestry and beautification to be paid from the fund. Expenditures from the fund shall be made upon warrants issued

by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 185. AMENDATORY 47 O.S. 2011, Section 1104.7, is amended to read as follows:

Section 1104.7 A. Twenty Dollars ($20.00) of the fee authorized by Section ~~14~~ 1135.5 of this ~~act~~ title for Future Farmers of America license plates shall be deposited to the Oklahoma Department of Career and Technology Education Agriculture Revolving Fund created in subsection B of this section.

B. There is hereby created in the State Treasury a revolving fund for the Oklahoma Department of Career and Technology Education to be designated the "Oklahoma Department of Career and Technology Education Agriculture Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies received by the Department pursuant to the provisions of subsection A of this section. All monies accruing to the credit of the fund are hereby appropriated and may be budgeted and expended by the Department for the purpose of funding programs and services to encourage students to consider agriculture as a career choice. Expenditures from the fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 186. AMENDATORY 47 O.S. 2011, Section 1104.8, is amended to read as follows:

Section 1104.8 A. Twenty Dollars ($20.00) of the fee authorized by Section 1135.5 of this title for Color Oklahoma license plates shall be deposited to the Color Oklahoma Revolving Fund created in subsection B of this section.

B. There is hereby created in the State Treasury a revolving fund for the Oklahoma Native Plant Society to be designated the "Color Oklahoma Revolving Fund" and administered by the Oklahoma Department of Tourism and Recreation. The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies received by the Oklahoma Department of Tourism and Recreation pursuant to the provisions of subsection A of this section. All monies accruing to the credit of the fund are hereby appropriated and may be budgeted and expended by the Oklahoma Department of Tourism and Recreation pursuant to a contract with the Oklahoma Native Plant Society for the purpose of preserving and planting wildflowers and native plants in Oklahoma and promoting wildflower heritage through education. Expenditures from the fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 187. AMENDATORY 47 O.S. 2011, Section 1104.9, is amended to read as follows:

Section 1104.9 A. Twenty Dollars ($20.00) of the fee authorized by Section ~~14~~ 1135.5 of this ~~act~~ title for Fight Cancer license plates shall be deposited to the Oklahoma Central Cancer Registry Revolving Fund created in subsection B of this section.

B. There is hereby created in the State Treasury a revolving fund for the State Department of Health to be designated the "Oklahoma Central Cancer Registry Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies received by the State Department of Health pursuant to the provisions of subsection A of this section. All monies accruing to the credit of the fund are hereby appropriated and may be budgeted and expended by the State Department of Health for the implementation of the Oklahoma Central Cancer Registry. Expenditures from the fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 188. AMENDATORY 47 O.S. 2011, Section 1104.10, is amended to read as follows:

Section 1104.10 A. The fee authorized by Section ~~14~~ 1135.5 of this ~~act~~ title shall be deposited to the Animal Friendly Revolving Fund created in subsection B of this section.

B. There is hereby created in the State Treasury a revolving fund for the Oklahoma Department of Agriculture, Food, and Forestry to be designated the "Animal Friendly Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies received by the Department pursuant to the provisions of subsection A of this section. All monies accruing to the credit of the fund are hereby appropriated and may be budgeted and expended by the Oklahoma Department of Agriculture, Food, and Forestry for the purpose of contracting with or providing grants to organizations of veterinary clinics that develop and operate programs that provide dog or cat spaying and neutering services and nonprofit organizations that provide shelter to unwanted stray dogs and cats. Such organizations may apply to the Department for grants to be paid from the fund. Expenditures from the fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 189. AMENDATORY 47 O.S. 2011, Section 1104.11, is amended to read as follows:

Section 1104.11 A. Twenty Dollars ($20.00) of the fee authorized by Section 1135.5 of ~~Title 47 of the Oklahoma Statutes~~ this title for the Patriot License Plate shall be deposited in the

Patriot License Plate Revolving Fund created in subsection B of this section.

B. There is hereby created in the State Treasury a revolving fund for the Military Department of Oklahoma to be designated the "Patriot License Plate Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies received by the Military Department of Oklahoma pursuant to the provisions of subsection A of this section. All monies accruing to the credit of the fund are hereby appropriated and may be budgeted and expended by the Military Department of Oklahoma for any deployment-related purpose for Oklahoma residents who are members of the Oklahoma National Guard. Expenditures from the fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 190. AMENDATORY 47 O.S. 2011, Section 1104.12, is amended to read as follows:

Section 1104.12 A. Twenty Dollars ($20.00) of the fee authorized by Section 1135.5 of ~~Title 47 of the Oklahoma Statutes~~ this title for the Oklahoma Quarter Horse License Plate shall be deposited in the Oklahoma Quarter Horse Revolving Fund created in subsection B of this section.

B. There is hereby created in the State Treasury a revolving fund for the Oklahoma Horse Racing Commission to be designated the "Oklahoma Quarter Horse Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies received by the Oklahoma Horse Racing Commission pursuant to the provisions of subsection A of this section. All monies accruing to the credit of the fund are hereby appropriated and may be budgeted and expended by the Oklahoma Horse Racing Commission for the support of any statewide organization dedicated to promoting the American Quarter Horse in Oklahoma through sharing information, events, and activities for the amateur, youth, and professional horsemen. Expenditures from the fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 191. AMENDATORY 47 O.S. 2011, Section 1104.13, is amended to read as follows:

Section 1104.13 A. Twenty Dollars ($20.00) of the fee authorized by Section 1135.5 of ~~Title 47 of the Oklahoma Statutes~~ this title for Oklahoma City Zoo license plates shall be deposited to the Oklahoma Zoological Society Revolving Fund created in subsection B of this section.

B. There is hereby created in the State Treasury a revolving fund for the Department of Wildlife Conservation to be designated the "Oklahoma Zoological Society Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies received by the Department of Wildlife Conservation pursuant to the provisions of subsection A of this section. All monies accruing to the credit of the fund are hereby appropriated and may be budgeted and expended by the Department of Wildlife Conservation for grants to the Oklahoma Zoological Society for the purpose of contributing to an understanding and preservation of the earth's natural resources through positive recreational and educational experiences and conducting and participating in scientifically-based conservation programs that benefit animal and plant communities. Expenditures from the fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 192. AMENDATORY 47 O.S. 2011, Section 1104.14, is amended to read as follows:

Section 1104.14 A. Twenty Dollars ($20.00) of the fee authorized by Section 1135.5 of ~~Title 47 of the Oklahoma Statutes~~ this title for the Oklahoma March of Dimes license plate shall be deposited to the Oklahoma Prevent Birth Defects, Premature Birth and Infant Mortality Fund established in subsection B of this section.

B. There is hereby created in the State Treasury a revolving fund to be designated the "Oklahoma Prevent Birth Defects, Premature Birth and Infant Mortality Fund" and administered by the State Department of Health. The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all the monies received by the State Department of Health pursuant to the provisions of Section 1135.5 of this title. All monies accruing to the credit of the fund are appropriated and may be budgeted and expended by the State Department of Health at the beginning of each fiscal year for the purpose of providing grants to the Oklahoma Chapter of March of Dimes for purposes of preventing birth defects, premature birth and infant mortality. Expenditures from the fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 193. AMENDATORY 47 O.S. 2011, Section 1104.15, is amended to read as follows:

Section 1104.15 A. Twenty Dollars ($20.00) of the fee authorized by Section 1135.5 of ~~Title 47 of the Oklahoma Statutes~~ this title for the Oklahoma Association for the Deaf License Plate shall be deposited in the Oklahoma Association for the Deaf License Plate Revolving Fund created in subsection B of this section.

B. There is hereby created in the State Treasury a revolving fund for the Department of Rehabilitation Services to be designated the "Oklahoma Association for the Deaf License Plate Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies received by the Department of Rehabilitation Services pursuant to the provisions of subsection A of this section. All monies accruing to the credit of the fund are hereby appropriated and may be budgeted and expended by the Department of Rehabilitation Services to promote the interests of the deaf and to advance the social, educational, cultural, and economic well being of the deaf. Expenditures from the fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 194. AMENDATORY 47 O.S. 2011, Section 1104.16, is amended to read as follows:

Section 1104.16 A. Twenty Dollars ($20.00) of the fee authorized by Section 1135.5 of ~~Title 47 of the Oklahoma Statutes~~ this title for Buffalo Soldier license plates shall be deposited to the Buffalo Soldier License Plate Revolving Fund created in subsection B of this section.

B. There is hereby created in the State Treasury a revolving fund for the Oklahoma Department of Veterans Affairs to be

designated the "Buffalo Soldier License Plate Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies received by the Oklahoma Department of Veterans Affairs pursuant to subsection A of this section. All monies accruing to the credit of said fund are hereby appropriated and may be budgeted and expended by the Oklahoma Department of Veterans Affairs for the purpose of providing grants to nonprofit organizations exempt from taxation pursuant to the provisions of the Internal Revenue Code, 26 U.S.C., Section 501(c)(3), whose primary purpose is to establish and maintain a plaza in this state as a lasting tribute and memorial to the African-American members of the 9th and 10th Horse Cavalry and to interface with regional museums and sites to gather and share historical and artistic data to honor those soldiers. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services for approval and payment.

SECTION 195. AMENDATORY 47 O.S. 2011, Section 1104.17, is amended to read as follows:

Section 1104.17 A. Twenty Dollars ($20.00) of the fee authorized by Section 1135.5 of ~~Title 47 of the Oklahoma Statutes~~ this title for Prevent Blindness Oklahoma license plates shall be

deposited to the Prevent Blindness Oklahoma License Plate Revolving Fund created in subsection B of this section.

B. There is hereby created in the State Treasury a revolving fund for the State Department of Health to be designated the "Prevent Blindness Oklahoma License Plate Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies received by the State Department of Health pursuant to subsection A of this section. All monies accruing to the credit of said fund are hereby appropriated and may be budgeted and expended by the State Department of Health for the purpose of providing grants to nonprofit organizations exempt from taxation pursuant to the provisions of the Internal Revenue Code, 26 U.S.C., Section 501(c)(3), whose primary purpose is providing vision screenings to school age children in all seventy-seven counties in this state. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services for approval and payment.

SECTION 196. AMENDATORY 47 O.S. 2011, Section 1104.18, is amended to read as follows:

Section 1104.18 A. Twenty Dollars ($20.00) of the fee authorized by Section 1135.5 of ~~Title 47 of the Oklahoma Statutes~~ this title for the Oklahoma State Capitol Restoration License Plate

shall be deposited in the Oklahoma Friends of the Capitol License Plate Revolving Fund created in subsection B of this section.

B. There is hereby created in the State Treasury a revolving fund for the ~~Department of Central Services~~ Office of Management and Enterprise Services to be designated the "Oklahoma Friends of the Capitol License Plate Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies received by the ~~Department of Central Services~~ Office of Management and Enterprise Services pursuant to the provisions of subsection A of this section. All monies accruing to the credit of the fund are hereby appropriated and shall be budgeted and expended by the ~~Department of Central Services~~ Office of Management and Enterprise Services for restoration of the Oklahoma State Capitol. Before the ~~Department~~ Office makes any expenditure from the fund, the expenditure shall be approved by the State Capitol Preservation Commission created pursuant to Section 4102 of Title 74 of the Oklahoma Statutes. Expenditures from the fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services for approval and payment.

SECTION 197. AMENDATORY 47 O.S. 2011, Section 1104.19, is amended to read as follows:

Section 1104.19 A. Twenty Dollars ($20.00) of the fee authorized by paragraph 47 of subsection B of Section 1135.5 of ~~Title 47 of the Oklahoma Statutes~~ this title for pancreatic cancer research license plates shall be deposited to the Pancreatic Cancer Research License Plate Revolving Fund created in subsection B of this section.

B. There is hereby created in the State Treasury a revolving fund for the State Department of Health to be designated the "Pancreatic Cancer Research License Plate Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies received by the State Department of Health pursuant to subsection A of this section. All monies accruing to the credit of said fund are hereby appropriated and may be budgeted and expended by the State Department of Health to provide grants to the University of Oklahoma Foundation, Pancreatic Cancer Research Fund for the purpose of funding research into early detection and treating and curing of pancreatic cancer in this state. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services for approval and payment.

C. The Oklahoma Legislature hereby finds that the University of Oklahoma Foundation, Pancreatic Cancer Research Fund provides an important service to the inhabitants of this state as a community

and further finds that the services performed by the University of Oklahoma Foundation, Pancreatic Cancer Research Fund are adequate consideration for the funds received pursuant to this section.

SECTION 198. AMENDATORY 47 O.S. 2011, Section 1104.20, is amended to read as follows:

Section 1104.20 A. Twenty Dollars ($20.00) of the fee authorized by Section 1135.5 of ~~Title 47 of the Oklahoma Statutes~~ this title for Alzheimer's Research license plates shall be deposited to the Alzheimer's Research License Plate Revolving Fund created in subsection B of this section.

B. There is hereby created in the State Treasury a revolving fund for the State Department of Health to be designated the "Alzheimer's Research License Plate Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies received by the State Department of Health pursuant to subsection A of this section. All monies accruing to the credit of said fund are hereby appropriated and may be budgeted and expended by the State Department of Health for the purpose of providing grants to the Oklahoma Chapter of the Alzheimer's Association for purposes of eliminating Alzheimer's disease through the advancement of research, to provide and enhance care and support those with Alzheimer's and to reduce the risk of dementia through the promotion of brain health. Expenditures from said fund shall be made upon warrants issued by the State Treasurer

against claims filed as prescribed by law with the Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services for approval and payment.

C. The Oklahoma Legislature hereby finds that the Alzheimer's Association provides an important service to the inhabitants of this state as a community and further finds that the services performed by the Alzheimer's Association are adequate consideration for the funds received pursuant to this section.

SECTION 199. AMENDATORY 47 O.S. 2011, Section 1104.21, is amended to read as follows:

Section 1104.21 A. Twenty Dollars ($20.00) of the fee authorized by Section 1135.5 of ~~Title 47 of the Oklahoma Statutes~~ this title for Hospice and Palliative Care license plates shall be deposited to the Hospice and Palliative Care License Plate Revolving Fund created in subsection B of this section.

B. There is hereby created in the State Treasury a revolving fund for the State Department of Health to be designated the "Hospice and Palliative Care License Plate Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies received by the State Department of Health pursuant to subsection A of this section. All monies accruing to the credit of said fund are hereby appropriated and may be budgeted and expended by the State Department of Health for the purpose of providing grants to the Oklahoma Hospice and

Palliative Care Association for the purposes of leading the efforts to unify Oklahoma hospices with the resources and information that will promote each hospice to provide quality hospice care to their community. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services for approval and payment.

C. The Oklahoma Legislature hereby finds that the Oklahoma Hospice and Palliative Care Association provides an important service to the inhabitants of this state as a community and further finds that the services performed by the Oklahoma Hospice and Palliative Care Association are adequate consideration for the funds received pursuant to this section.

SECTION 200. AMENDATORY 47 O.S. 2011, Section 1104.22, is amended to read as follows:

Section 1104.22 A. Twenty Dollars ($20.00) of the fee authorized by Section 1135.5 of ~~Title 47 of the Oklahoma Statutes~~ this title for Juvenile Diabetes Research license plates shall be deposited to the Juvenile Diabetes Research License Plate Revolving Fund created in subsection B of this section.

B. There is hereby created in the State Treasury a revolving fund for the State Department of Health to be designated the "Juvenile Diabetes Research License Plate Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations,

and shall consist of all monies received by the State Department of Health pursuant to subsection A of this section. All monies accruing to the credit of said fund are hereby appropriated and may be budgeted and expended by the State Department of Health for the purpose of providing grants to the Oklahoma Chapters of the Juvenile Diabetes Research Foundation for purposes of finding a cure for type 1 diabetes and its complications through the support of research and working to develop new and better treatments to improve the lives of people who have type 1 diabetes and keep them as healthy as possible. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services for approval and payment.

C. The Oklahoma Legislature hereby finds that the Juvenile Diabetes Research Foundation provides an important service to the inhabitants of this state as a community and further finds that the services performed by the Juvenile Diabetes Research Foundation are adequate consideration for the funds received pursuant to this section.

SECTION 201. AMENDATORY 47 O.S. 2011, Section 1115.1, is amended to read as follows:

Section 1115.1 In addition to the penalties provided in the Oklahoma Vehicle License and Registration Act, after ninety (90) days from the expiration date for annual registration of a vehicle,

the Corporation Commission, Department of Public Safety, county sheriffs, and all other duly authorized peace officers of this state may seize and take into custody every vehicle owned within this state not bearing or displaying a proper license plate required by the Oklahoma Vehicle License and Registration Act. The vehicle shall not be released to the owner until it is duly registered and the license, registration, or title fee and penalties due are paid in full, proof of security or an affidavit that the vehicle will not be used on public highways or public streets, as required pursuant to Section 7-600 et seq. of this title, is furnished, and the cost of seizure, including the reasonable cost of taking the vehicle into custody and storing the vehicle, have been paid. In the event the owner of any vehicle seized fails to pay such fees and penalties due, together with cost of seizure and storage, and fails to provide proof of security or an affidavit that the vehicle will not be used on public highways or public streets, the ~~Department of Central Services~~ Office of Management and Enterprise Services shall proceed to sell the vehicle by posting not fewer than five notices of sale in five different public places in the county where the vehicle is located, one of such notices to be posted at the place where the vehicle is stored. A copy of the notice shall also be sent by certified mail, restricted delivery, with return receipt requested, to the last-known address of the registered owner of the vehicle.

The vehicle shall be sold at such sale subject to the following terms and conditions:

1. In the event the sale price is equal to, or greater than, the total costs of sale, seizure and the fee and penalty, the purchaser shall be issued a certificate of purchase, license plate, manufactured home registration receipt and decal and registration certificate;

2. In the event the sale price is less than the total costs of sale, seizure, and the fee and penalty, the vehicle shall be sold as junk to the highest bidder, whereupon the bidder shall receive a certificate of purchase; and if the vehicle be dismantled, the record to the junked vehicle shall be canceled. If not dismantled, the vehicle shall be immediately registered; and

3. Any residual amount remaining unclaimed by the delinquent owner shall be administered in accordance with the Uniform Unclaimed Property Act.

SECTION 202. AMENDATORY 47 O.S. 2011, Section 1132.2, is amended to read as follows:

Section 1132.2 There is hereby created in the State Treasury a revolving fund for the State Board of Education to be designated the "Motor Vehicle Driver Education Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies apportioned to the fund pursuant to the provisions of Section 1132.1 of ~~Title 47 of the Oklahoma Statutes~~

this title. All monies accruing to the credit of the fund are hereby appropriated and may be budgeted and expended by the State Board of Education to assist in defraying the cost of motor vehicle driver education. Expenditures from the fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 203. AMENDATORY 47 O.S. 2011, Section 1143.1, is amended to read as follows:

Section 1143.1 A. There is hereby created the Oklahoma Motor License Agent Indemnity Fund. The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of annual assessments levied on motor license agencies. All monies accruing to the credit of the funds are hereby appropriated and may be expended, in amounts and as authorized by the Legislature, by the ~~Department of Central Services~~ Office of Management and Enterprise Services. The purpose of the fund is to ensure that the Oklahoma Tax Commission recovers tax revenue and the Corporation Commission recovers apportioned vehicle registration fees, not remitted to either Commission because of negligence, malfeasance or fraud by a motor license agent. In addition, claims arising from tag agent errors and omissions may be paid from monies in the fund in excess of Five Hundred Thousand Dollars ($500,000.00). Upon final determination by the Tax Commission of a tax revenue shortage or

liability of a motor license agent whose agency has been closed, or by the Corporation Commission of apportioned vehicle registration fee shortage, a claim in the amount of such liability may be made by either Commission against the fund. The claim shall be paid out of the fund by the ~~Department~~ Office of Management and Enterprise Services. At least sixty (60) days' written notice shall be given to the delinquent motor license agent before any such claim is paid. The ~~Department~~ Office shall have the power to seek restitution to the fund from any motor license agent whose liability was paid out of the fund. The monies in the fund shall be invested by the State Treasurer and the interest shall be deposited in the fund.

B. Each fiscal year, the ~~Department~~ Office of Management and Enterprise Services shall collect and deposit into the fund an annual assessment from all motor license agencies that have been operating for a period of not less than one (1) year. Such assessments shall be payable by each motor license agency on a quarterly basis. The amount on which the assessment shall be based shall be determined annually for each motor license agency by the Tax Commission by dividing the volume of tax monies collected each fiscal year by the agency by the number of reporting periods required by the Tax Commission. The assessments shall be in the following amounts:

1. Each motor license agency which has been in operation for more than three (3) years and subject to the assessment pursuant to this subsection shall pay such assessment as follows:

a. when the fund contains less than Five Hundred Thousand Dollars ($500,000.00) on June 30 of any year, the assessment shall be one percent (1%) of the amount determined for the motor license agency by the Tax Commission, and

b. when the fund contains Five Hundred Thousand Dollars ($500,000.00) or more on June 30 of any year, the Tax Commission shall reduce or suspend the assessment for such agencies if the Commission determines that the fund is fiscally sound and meets the needs for which the fund is established.

Provided, however, if the fund contains less than Five Hundred Thousand Dollars ($500,000.00) at any time during the fiscal year for which the Tax Commission has reduced or suspended the assessment hereunder, the Tax Commission shall immediately issue an assessment pursuant to subparagraph a of this paragraph in an amount equal to the amount which would have been paid during the remaining quarters of the fiscal year; and

2. Each motor license agency which has been in operation for less than three (3) years but more than one (1) year shall pay the assessment in an amount equal to one percent (1%) of the amount

determined for the motor license agency by the Tax Commission until the agency reaches the end of its third year of operation. At such time, such agency shall be subject to the assessment specified in subparagraph a of paragraph 1 of this subsection.

C. Any assessments required by subsection B of this section, shall be paid in quarterly amounts and due on September 30, December 30, March 30 and June 30 of each year. Such payments shall be deemed delinquent after October 15, January 15, April 15 and July 15 of each year. Motor license agents who are delinquent in remitting any quarterly payment for their operating agencies in excess of fifteen (15) days after the date of the delinquency shall be subject to dismissal.

D. No annual assessment shall exceed One Thousand Two Hundred Dollars ($1,200.00).

SECTION 204. AMENDATORY 47 O.S. 2011, Section 1167, is amended to read as follows:

Section 1167. A. The Corporation Commission is hereby authorized to promulgate rules pursuant to the Administrative Procedures Act to establish the amounts of fees, fines and penalties as set forth in this act. The Corporation Commission shall notify all interested parties of any proposed rules to be promulgated as provided herein and shall provide such parties an opportunity to be heard prior to promulgation.

B. The Corporation Commission shall adjudicate enforcement actions initiated by Corporation Commission personnel.

C. Revenue derived from all fines and penalties collected or received by the Corporation Commission pursuant to the provisions of this act shall be apportioned as follows:

1. The first Eight Hundred Fifty Thousand Dollars ($850,000.00) collected or received each fiscal year shall be remitted to the Oklahoma Tax Commission and apportioned as provided in Section 1104 of this title;

2. One-half (1/2) of the remaining amount shall be deposited to the Trucking One-Stop Shop Fund created in subsection D of this section; and

3. One-half (1/2) of the remaining amount shall be deposited to the Weigh Station Improvement Revolving Fund created in subsection E of this section.

D. There is hereby created in the State Treasury a revolving fund for the Corporation Commission to be known and designated as the "Trucking One-Stop Shop Fund". The Trucking One-Stop Shop Fund shall consist of:

1. All funds apportioned thereto in subsection C of this section;

2. Fees collected by the Commission to be retained as a motor license agent or other Corporation Commission registration or motor fuel fees as allowed by statute or rule; and

3. Any other monies to be utilized for the Trucking One-Stop Shop Act.

The fund shall be a continuing fund, not subject to fiscal year limitations, and shall not be subject to legislative appropriation. Monies in the Trucking One-Stop Shop Fund shall only be expended for direct expenses relating to the Trucking One-Stop Shop Act. Expenditures from the revolving fund shall be made pursuant to the laws of this state. In addition, expenditures from the revolving fund may be made pursuant to The Oklahoma Central Purchasing Act for the purpose of immediately responding to emergency situations, within the Commission's jurisdiction, having potentially critical environmental or public safety impact. Warrants for expenditures from the fund shall be drawn by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

E. There is hereby created in the State Treasury a revolving fund for the Department of Transportation to be designated the "Weigh Station Improvement Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies deposited thereto. All monies accruing to the credit of the fund are hereby appropriated and may be budgeted and expended by the Department for the purpose of constructing, equipping and maintaining facilities to determine the weight of

vehicles traveling on the roads and highways of this state. Expenditures from the fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 205. AMENDATORY 47 O.S. 2011, Section 1168, is amended to read as follows:

Section 1168. All facilities and equipment under the administrative control of the Oklahoma Tax Commission and used for determining the weight of vehicles operated on the roads or highways of this state are hereby transferred to the Department of Transportation. Any funds appropriated to or any powers, duties and responsibilities exercised by the Tax Commission for such purpose shall be transferred to the Department. The Director of ~~State Finance~~ the Office of Management and Enterprise Services is hereby authorized to transfer such funds as may be necessary. The Department is hereby authorized to enter into an agreement with the Corporation Commission to operate such facilities or equipment. The provisions of this section shall not be construed to obligate the Department to incur expenses in connection with the administration of such facilities and equipment in an amount which exceeds deposits to the Weigh Station Improvement Revolving Fund.

SECTION 206. AMENDATORY 51 O.S. 2011, Section 156, is amended to read as follows:

Section 156. A. Any person having a claim against the state or a political subdivision within the scope of Section 151 et seq. of this title shall present a claim to the state or political subdivision for any appropriate relief including the award of money damages.

B. Except as provided in subsection H of this section, and not withstanding any other provision of law, claims against the state or a political subdivision are to be presented within one (1) year of the date the loss occurs. A claim against the state or a political subdivision shall be forever barred unless notice thereof is presented within one (1) year after the loss occurs.

C. A claim against the state shall be in writing and filed with the Office of the Risk Management Administrator of the ~~Department of Central Services~~ Office of Management and Enterprise Services who shall immediately notify the Attorney General and the agency concerned and conduct a diligent investigation of the validity of the claim within the time specified for approval or denial of claims by Section 157 of this title. A claim may be filed by certified mail with return receipt requested. A claim which is mailed shall be considered filed upon receipt by the Office of the Risk Management Administrator.

D. A claim against a political subdivision shall be in writing and filed with the office of the clerk of the governing body.

E. The written notice of claim to the state or a political subdivision shall state the date, time, place and circumstances of the claim, the identity of the state agency or agencies involved, the amount of compensation or other relief demanded, the name, address and telephone number of the claimant, the name, address and telephone number of any agent authorized to settle the claim, and any and all other information required to meet the reporting requirements of the Medicare Secondary Payer Mandatory Reporting Provisions in Section 111 of the Medicare, Medicaid and SCHIP Extension Act of 2007 (MMSEA) through the Centers for Medicare & Medicaid Services (CMS). Failure to state either the date, time, place and circumstances and amount of compensation demanded, or any information requested to comply with the reporting claims to CMS under MMSEA shall not invalidate the notice unless the claimant declines or refuses to furnish such information after demand by the state or political subdivision. The time for giving written notice of claim pursuant to the provisions of this section does not include the time during which the person injured is unable due to incapacitation from the injury to give such notice, not exceeding ninety (90) days of incapacity.

F. When the claim is one for death by wrongful act or omission, notice may be presented by the personal representative within one (1) year after the death occurs. If the person for whose death the claim is made has presented notice that would have been sufficient

had he lived, an action for wrongful death may be brought without any additional notice.

G. Claims and suits against resident physicians or interns shall be made in accordance with the provisions of Titles 12 and 76 of the Oklahoma Statutes.

H. For purposes of claims based on wrongful felony conviction resulting in imprisonment provided for in Section 154 of this title, loss occurs on the date that the claimant receives a pardon based on actual innocence from the Governor or the date that the claimant receives judicial relief absolving the claimant of guilt based on actual innocence; provided, for persons whose basis for a claim occurred prior to the effective date of this act, the claim must be submitted within one (1) year after the effective date of this act.

SECTION 207. AMENDATORY 51 O.S. 2011, Section 159, is amended to read as follows:

Section 159. A. Judgments recovered against the state or political subdivisions under the provisions of this act shall be enforced in the same manner and to the same extent as judgments are now enforced against the state or political subdivisions under the law except as herein provided.

B. If the judgment is obtained against the state or a political subdivision that has procured a contract or policy of liability or indemnity insurance protection, the holder of the judgment may use the methods of collecting the judgment which are provided by the

policy or contract or law to the extent of the limits of coverage provided.

C. For the payment of any judgment obtained under the provisions of this act against a political subdivision that is a self-insurer or not fully covered by liability insurance, the manner of paying a money judgment shall be as follows. Proof of indebtedness, as required in Sections 362 through 364 of Title 62 of the Oklahoma Statutes and evidence of any estimated tax levy or increases necessary to reimburse the sinking fund for the purposes of the judgment as provided in Section 431 of Title 62 of the Oklahoma Statutes, and other evidence or statements which the court may require, shall be made to the court before final judgment is rendered. As an alternative to paying the money judgment out of the sinking fund at the rate of one-third (1/3) each year, the court, based on consideration of evidence and proof, may provide for the judgment to be paid over a period of not less than one (1) nor more than ten (10) years. The interest rate on any judgment when payment is extended more than three (3) years shall be at the rate prescribed by law for the first three (3) years and at the rate of six percent (6%) for each remaining year.

D. Money judgments against the state not payable by insurance shall be paid in the following manner. An agency whose act or omission gave rise to the judgment may, at its discretion and upon approval of the Director of ~~State Finance~~ the Office of Management

and Enterprise Services, pay a judgment or any portion thereof from any funds available to it. Provided, however, no agency shall be required to pay a judgment prior to the fiscal year next following the fiscal year in which the judgment is obtained. Any such judgment may be paid at a rate of one-third (1/3) per fiscal year from funds available for operation of the agency.

E. Nothing in this act shall be interpreted as allowing liens on public property.

SECTION 208. AMENDATORY 51 O.S. 2011, Section 162, is amended to read as follows:

Section 162. A. The state or any political subdivision, subject to procedural requirements imposed by this section, other applicable statute, ordinance, resolution, or written policy, shall:

1. Provide a defense for any employee as defined in Section 152 of this title when liability is sought for any violation of property rights or any rights, privileges, or immunities secured by the Constitution or laws of the United States when alleged to have been committed by the employee while acting within the scope of employment;

2. Pay or cause to be paid any judgment entered in the courts of the United States, the State of Oklahoma or any other state against any employee or political subdivision or settlement agreed to by the political subdivision entered against any employee, and any costs or fees, for a violation of property rights or any rights,

privileges or immunities secured by the Constitution or laws of the United States which occurred while the employee was acting within the scope of employment. The maximum aggregate amount of indemnification paid directly from funds of the state or any political subdivision to or on behalf of any employee pursuant to this section shall not exceed the maximum figures authorized by the provisions of Section 154 of this title, regardless of the number of persons who suffer damage, injury or death as a result of the occurrence, unless, in the case of a political subdivision, the political subdivision establishes higher limits by ordinance, if a municipality, or, as to other political subdivisions, by resolution, published as required by law; and

3. For any cause of action filed against an employee on or after January 1, 1990, post or cause to be posted any supersedeas or other bond ordered by the court.

B. 1. The state or a political subdivision shall not be required to indemnify any employee of the state or a political subdivision under the provisions of this section, unless the employee is judicially determined to be entitled to such indemnification and a final judgment therefor is entered. The exclusive means of recovering indemnification from the state shall be by filing an application for indemnification in the district court of the county where venue is proper as provided for in paragraph 2 of this subsection. The exclusive means of recovering

indemnification from a political subdivision shall be by filing an application for indemnification in the trial court where the judgment was entered. If the federal trial court cannot hear the action, such application shall be filed in the district court of the county where the situs of the municipality is located. Actions to determine entitlement to indemnification shall be tried to the court, sitting without a jury.

2. Venue for actions to determine entitlement to indemnification from the state shall be in Oklahoma County, except that a constitutional state agency, board or commission may, upon a resolution being filed with the Secretary of State, designate another situs for venue in lieu of Oklahoma County.

3. All applications for indemnification from the state or a political subdivision shall be filed in the name of the real party or parties in interest, and in no event shall any application be presented nor recovery made under the right of subrogation. Indemnification from the state as provided for in this subsection shall extend only to acts or omissions occurring on or after January 1, 1984. The employee of the state or a political subdivision must file an application for indemnification within thirty (30) days of final judgment, or the right to seek indemnification shall be lost forever.

4. In order to recover indemnification from the state or a political subdivision pursuant to this subsection, the court shall determine by a preponderance of the evidence that:

a. the employee reasonably cooperated in good faith in the defense of the action upon which the judgment or settlement was awarded and for which indemnification is sought;

b. the actions or omissions upon which such a judgment or settlement has been rendered were not the result of fraudulent conduct or corruption by the employee;

c. the employee, in committing the acts or omissions upon which a judgment or settlement has been rendered was acting in good faith and within any applicable written administrative policies known to the employee at the time of the omissions or acts alleged;

d. the employee was acting within the scope of employment at the time that the acts or omissions upon which a judgment or settlement has been rendered were committed by the employee;

e. the acts or omissions of the employee upon which a judgment or settlement has been rendered were not motivated by invidious discriminatory animus directed toward race, sex, or national origin; and

f. when punitive or exemplary damages are included in the total award rendered against the employee of a political subdivision, the indemnification amount sought for fees and costs does not include amounts attributable to the employee's defense against the punitive or exemplary damages in accordance with subsection D of this section.

5. a. Any indemnification judgment against the state under this section shall be an encumbrance against otherwise available unencumbered monies and unallocated unencumbered monies in the appropriations of the agency on whose behalf the employee to be indemnified was acting at the time of the act or omission upon which the judgment or settlement was awarded and for which indemnification was sought.

b. If sufficient unencumbered monies or unallocated unencumbered monies do not exist in the agency's appropriations to pay the indemnification, the agency shall make application to the Risk Management Division of the ~~Office of Public Affairs~~ Office of Management and Enterprise Services for full payment of the indemnification out of the ~~Tort Claims Liability~~ Risk Management Revolving Fund established pursuant to Section ~~85.35~~ 85.58K of Title 74 of the Oklahoma

Statutes. Payment out of this fund shall be authorized if there are sufficient monies greater than the sum total of the then pending fund indemnification judgment requests, and the reserves for future tort claims as certified by the Director of Risk Management.

c. If sufficient monies do not exist in the Tort Claims Liability Revolving Fund, the agency shall request the Legislature to make an appropriation sufficient to pay the indemnification.

d. Any indemnification judgment against a political subdivision shall be paid as provided in Sections 361 through 365.6 of Title 62 of the Oklahoma Statutes and Section 159 of this title.

C. The state or political subdivision shall have the right to recover from an employee the amount expended by the state or political subdivision to provide a defense, or pay a settlement agreed to by the employee and the state or political subdivision, or pay the final judgment, if it is shown that the employee's conduct which gave rise to the action was fraudulent or corrupt or if the employee fails to reasonably cooperate in good faith in defense of the action.

D. The state or a political subdivision shall not, under any circumstances, be responsible to pay or indemnify any employee for

any punitive or exemplary damages rendered against the employee, nor to pay for any defense, judgment, settlement, costs, or fees which are paid or covered by any applicable policy or contract of insurance. Where any civil rights judgment upon which indemnification under subsection B of this section is applied for by an employee of the state includes an award for both actual and punitive or exemplary damages, the total amount of fees and costs for which indemnification may be allowed shall be limited to the percentage of fees and costs in the total award that the percentage of the award of actual damages bears to the total judgment awarded. It is the public policy of the State of Oklahoma that the state or a political subdivision may indemnify its employee for actual damages, fees, and costs as provided herein in any case in which the findings set out in paragraph B of this section have been determined.

E. Nothing in this section shall be construed to waive any immunities available to the state under the terms of the Eleventh Amendment to the Constitution of the United States. Any immunity or other bar to a civil lawsuit under state or federal law shall remain in effect. The fact that the state or a political subdivision may relieve an employee from all judgments, settlements, costs, or fees arising from the civil lawsuit shall not, under any circumstances, be communicated to any trier of fact in the case of any trial by jury.

SECTION 209. AMENDATORY 51 O.S. 2011, Section 163, is amended to read as follows:

Section 163. A. Venue for actions against the state within the scope of this act shall be either the county in which the cause of action arose or Oklahoma County, except that a constitutional state agency, board or commission may, upon resolution filed with the Secretary of State, designate another situs for venue in lieu of Oklahoma County.

B. Actions against all political subdivisions within the scope of this act shall be brought in the county in which the situs of the political subdivision is located or in the county in which the cause of action arose; provided, any action brought against a municipality which is an owner of a dam, based upon the construction, maintenance, or operation of the dam, shall be brought in the county where the dam or a major portion of the dam is located.

C. Suits instituted pursuant to the provisions of this act shall name as defendant the state or the political subdivision against which liability is sought to be established. In no instance shall an employee of the state or political subdivision acting within the scope of his employment be named as defendant with the exception that suits based on the conduct of resident physicians and interns shall be made against the individual consistent with the provisions of Title 12 of the Oklahoma Statutes.

D. All actions against the state or political subdivision shall be filed in the name of the real party or parties in interest, and in no event shall any claim be presented nor recovery be made under the right of subrogation.

E. In all actions against the state, service shall be perfected by mailing, by certified mail, return receipt requested, a summons and a copy of the petition to the Attorney General. Claimant shall also mail, by certified mail, return receipt requested, a copy of the summons and a copy of the petition to the administrative head of the state agency or agencies involved and a copy of the summons and a copy of the petition to the Risk Management Administrator of the Purchasing Division of the ~~Office of Public Affairs~~ Office of Management and Enterprise Services.

F. In suits against political subdivisions the petition and summons shall be served in the manner prescribed by law for civil cases generally. If no method is prescribed by law, then service may be had on the administrative head of the political subdivision being sued, if available, and if not, the court in which the suit is pending may authorize service in such manner as may be calculated to afford the political subdivision a fair opportunity to answer and defend the suit.

G. No attempt shall be made in the trial of any action brought against the state or any political subdivision or employee within the scope of this act to suggest the existence of any insurance

which covers in whole or in part any judgment or award which may be rendered in favor of the plaintiff.

SECTION 210. AMENDATORY 52 O.S. 2011, Section 132, is amended to read as follows:

Section 132. The ~~Office of Public Affairs~~ Office of Management and Enterprise Services shall provide such rooms, furniture, and supplies as shall be necessary for the Conservation Division in implementing their duties as prescribed by the Oklahoma Oil and Gas Conservation Act. No expense incurred in implementing the provisions of this section shall be paid out of the General Revenue Fund of the State of Oklahoma.

SECTION 211. AMENDATORY 52 O.S. 2011, Section 139, is amended to read as follows:

Section 139. A. The Corporation Commission is vested with exclusive jurisdiction, power and authority, and it shall be its duty, to make and enforce such rules and orders governing and regulating the handling, storage and disposition of saltwater, mineral brines, waste oil and other deleterious substances produced from or obtained or used in connection with the drilling, development, producing, and operating of oil and gas wells and brine wells within this state as are reasonable and necessary for the purpose of preventing the pollution of the surface and subsurface waters in the state, and to otherwise carry out the purpose of this act.

B. 1. Except as otherwise provided by this subsection, the Corporation Commission is hereby vested with exclusive jurisdiction, power and authority, and it shall be its duty to promulgate and enforce rules, and issue and enforce orders governing and regulating:

a. the conservation of oil and gas,

b. field operations for geologic and geophysical exploration for oil, gas and brine, including seismic survey wells, stratigraphic test wells and core test wells,

c. the exploration, drilling, development, producing or processing for oil and gas on the lease site,

d. the exploration, drilling, development, production and operation of wells used in connection with the recovery, injection or disposal of mineral brines,

e. reclaiming facilities only for the processing of salt water, crude oil, natural gas condensate and tank bottoms or basic sediment from crude oil tanks, pipelines, pits and equipment associated with the exploration, drilling, development, producing or transportation of oil or gas,

f. injection wells known as Class II wells under the federal Underground Injection Control Program, and any aspect of any CO_2 sequestration facility, including any

associated CO_2 injection well, over which the Commission is given jurisdiction pursuant to the Oklahoma Carbon Capture and Geologic Sequestration Act. Any substance that the United States Environmental Protection Agency allows to be injected into a Class II well may continue to be so injected,

g. tank farms for storage of crude oil and petroleum products which are located outside the boundaries of the refineries, petrochemical manufacturing plants, natural gas liquid extraction plants, or other facilities which are subject to the jurisdiction of the Department of Environmental Quality with regard to point source discharges,

h. the construction and operation of pipelines and associated rights-of-way, equipment, facilities or buildings used in the transportation of oil, gas, petroleum, petroleum products, anhydrous ammonia or mineral brine, or in the treatment of oil, gas or mineral brine during the course of transportation but not including line pipes associated with processing at or in any:

(1) natural gas liquids extraction plant,

(2) refinery,

(3) reclaiming facility other than for those specified within subparagraph e of this paragraph,

(4) mineral brine processing plant, and

(5) petrochemical manufacturing plant,

i. the handling, transportation, storage and disposition of saltwater, mineral brines, waste oil and other deleterious substances produced from or obtained or used in connection with the drilling, development, producing and operating of oil and gas wells, at:

(1) any facility or activity specifically listed in paragraphs 1 and 2 of this subsection as being subject to the jurisdiction of the Commission, and

(2) other oil and gas extraction facilities and activities,

j. spills of deleterious substances associated with facilities and activities specified in paragraph 1 of this subsection or associated with other oil and gas extraction facilities and activities, and

k. subsurface storage of oil, natural gas and liquefied petroleum gas in geologic strata.

2. The exclusive jurisdiction, power and authority of the Corporation Commission shall also extend to the construction,

operation, maintenance, site remediation, closure and abandonment of the facilities and activities described in paragraph 1 of this subsection.

3. When a deleterious substance from a Commission-regulated facility or activity enters a point source discharge of pollutants or storm water from a facility or activity regulated by the Department of Environmental Quality, the Department shall have sole jurisdiction over the point source discharge of the commingled pollutants and storm water from the two facilities or activities insofar as Department-regulated facilities and activities are concerned.

4. For purposes of the Federal Clean Water Act, any facility or activity which is subject to the jurisdiction of the Corporation Commission pursuant to paragraph 1 of this subsection and any other oil and gas extraction facility or activity which requires a permit for the discharge of a pollutant or storm water to waters of the United States shall be subject to the direct jurisdiction of the United States Environmental Protection Agency and shall not be required to be permitted by the Department of Environmental Quality or the Corporation Commission for such discharge.

5. The Corporation Commission shall have jurisdiction over:

a. underground storage tanks that contain antifreeze, motor oil, motor fuel, gasoline, kerosene, diesel, or aviation fuel and that are not located at refineries

or at upstream or intermediate shipment points of pipeline operations, including, but not limited to, tanks from which these materials are dispensed into vehicles, or tanks used in wholesale or bulk distribution activities, as well as leaks from pumps, hoses, dispensers, and other ancillary equipment associated with the tanks, whether above the ground or below; provided that any point source discharge of a pollutant to waters of the United States during site remediation or the off-site disposal of contaminated soil, media, or debris shall be regulated by the Department of Environmental Quality,

b. aboveground storage tanks that contain antifreeze, motor oil, motor fuel, gasoline, kerosene, diesel, or aviation fuel and that are not located at refineries or at upstream or intermediate shipment points of pipeline operations, including, but not limited to, tanks from which these materials are dispensed into vehicles, or tanks used in wholesale or bulk distribution activities, as well as leaks from pumps, hoses, dispensers, and other ancillary equipment associated with the tanks, whether above the ground or below; provided that any point source discharge of a pollutant to waters of the United States during site

remediation or the off-site disposal of contaminated soil, media, or debris shall be regulated by the Department of Environmental Quality, and

c. the Petroleum Storage Tank Release Environmental Cleanup Indemnity Fund and Program and the Leaking Underground Storage Tank Trust Fund.

6. The Department of Environmental Quality shall have sole jurisdiction to regulate the transportation, discharge or release of deleterious substances or hazardous or solid waste or other pollutants from rolling stock and rail facilities. The Department of Environmental Quality shall not have any jurisdiction with respect to pipeline transportation of carbon dioxide.

7. The Department of Environmental Quality shall have sole environmental jurisdiction for point and nonpoint source discharges of pollutants and storm water to waters of the state from:

a. refineries, petrochemical manufacturing plants and natural gas liquid extraction plants,

b. manufacturing of oil and gas related equipment and products,

c. bulk terminals, aboveground and underground storage tanks not subject to the jurisdiction of the Commission pursuant to this subsection, and

d. other facilities, activities and sources not subject to the jurisdiction of the Corporation Commission or

Department of Agriculture as specified by this section.

8. The Department of Environmental Quality shall have sole environmental jurisdiction to regulate air emissions from all facilities and sources subject to operating permit requirements under Title V of the Federal Clean Air Act as amended.

C. The Corporation Commission shall comply with and enforce the Oklahoma Water Quality Standards.

D. 1. For the purpose of immediately responding to emergency situations having potentially critical environmental or public safety impact and resulting from activities within its jurisdiction, the Commission may take whatever necessary action, without notice and hearing, including the expenditure of monies from the Corporation Commission Revolving Fund, to promptly respond to the emergency. Such emergency expenditure shall be made pursuant to the provisions of The Oklahoma Central Purchasing Act, upon such terms and conditions established by the ~~Department of Central Services~~ Office of Management and Enterprise Services to accomplish the purposes of this section. Thereafter, the Commission shall seek reimbursement from the responsible person, firm or corporation for all expenditures made from the Corporation Commission Revolving Fund. Any monies received as reimbursement shall be deposited to the credit of the Corporation Commission Revolving Fund.

2. The Commission shall not expend from any fund in the State Treasury, in any fiscal year, for the purposes herein provided, an amount of money in excess of the total sum specifically authorized annually by the Legislature for such purposes. Any monies received by the Commission through execution on any required surety shall not be subject to such limitation on expenditure for remedial action.

3. Neither the Commission nor any independent contractor of the Commission authorized to conduct remedial action under this section shall be held liable or responsible for any damages resulting from non-negligent actions reasonably necessary for conducting remedial work. Nothing in this section shall limit the authority of the Commission or relieve any person or persons otherwise legally responsible from any obligation to prevent or remediate pollution.

SECTION 212. AMENDATORY 52 O.S. 2011, Section 140, is amended to read as follows:

Section 140. A. The Corporation Commission shall not, by a rule or order, prohibit the storage in earthen ponds of the deleterious substances described in Section 139 of this title, but shall by rule or order prescribe standards, conditions, or limitations for the use of such ponds, and shall by rule or order prohibit the storage of such substances in earthen ponds in areas, fields, or instances found to be required to prevent pollution.

B. If, after notice and hearing, the Commission finds that:

1. An earthen pond is subject to the provisions of this section;

2. It is a facility constructed or used for permanent storage or disposal of deleterious substances;

3. It is causing or is likely to cause the discharge of deleterious substances to the environment; and

4. The operator of such facility or any other person responsible for repairing or closing of such facility in such manner as is necessary to prevent further or future pollution cannot be found or is financially unable to pay the cost of performing remediation work, the Commission or any person authorized by the Commission may enter upon the land upon which the facility is located and repair, close or take such other steps as may be reasonably necessary to remedy the condition.

C. If an emergency exists or if it otherwise appears to the Commission that irreparable injury will result if immediate remedial action is not taken, said entry upon the land may be made or authorized by the Commission without notice or hearing, for the purpose of taking such temporary remedial action as the Commission considers necessary to prevent or minimize the injury, pending the giving of notice and hearing.

D. For the purpose of immediately responding to emergency situations having potentially critical environmental or public safety impact, the Commission may take whatever necessary action,

without notice and hearing, including the expenditure of monies from the Corporation Commission Revolving Fund, to promptly respond to the emergency. Such emergency expenditure shall be made pursuant to the provisions of The Oklahoma Central Purchasing Act, upon such terms and conditions established by the ~~Department of Central Services~~ Office of Management and Enterprise Services to accomplish the purposes of this section. Thereafter, the Commission shall seek reimbursement from the responsible person, firm or corporation for all expenditures made from the Corporation Commission Revolving Fund. Any monies received as reimbursement shall be deposited to the credit of the Corporation Commission Revolving Fund.

E. When the Commission undertakes any remedial action pursuant to this section, all such remedial work shall be done by contracts let upon competitive bids; provided further that the Commission shall not expend from any fund in the State Treasury, in any fiscal year, for the purposes herein provided, an amount of money in excess of the total sum specifically authorized annually by the Legislature for such purposes. Any monies received by the Commission through execution on any required surety shall not be subject to such limitation on expenditure for remedial action.

F. Neither the Commission nor any independent contractor of the Commission authorized to conduct remedial action under this section shall be held liable or responsible for any damages resulting from operations reasonably necessary to:

1. Contain or remove deleterious substances discharged from a facility;

2. Repair a facility; or

3. Close a facility for abandonment.

G. Nothing in this section shall limit the authority of the Commission or relieve any person or persons otherwise legally responsible from any obligation to:

1. Properly contain and dispose of deleterious substances;

2. Repair an earthen pond; or

3. Properly close an earthen pond before abandonment. It is intended that the provisions of this section shall serve as a supplemental remedy when any person or persons obligated to do so fail or cannot be made to do so.

SECTION 213. AMENDATORY 52 O.S. 2011, Section 206, is amended to read as follows:

Section 206. The assistant representative referred to in Section ~~5~~ 205 of this ~~act~~ title is hereby authorized with the consent of the Governor to employ such clerical, technical and legal assistants as may be necessary for him to properly perform the duties assigned him, and to incur such other expenses as may be necessary to enable the State of Oklahoma to fully cooperate in accomplishing the objects of "The Interstate Compact to Conserve Oil and Gas." Said assistant representative and his assistants, and the Governor when acting in his capacity as official representative of

the State of Oklahoma on "The Interstate Oil Compact Commission," shall receive their actual and necessary traveling expenses when away from the State Capitol in the performance of their duties, which shall be paid from the special fund hereinafter created. The ~~State Board of Affairs~~ Office of Management and Enterprise Services shall provide and furnish an office in the State Capitol for said assistant representative.

SECTION 214. AMENDATORY 52 O.S. 2011, Section 288.5B, is amended to read as follows:

Section 288.5B There is hereby created in the State Treasury a revolving fund for the Oklahoma Energy Resources Board to be designated the "Sustaining Oklahoma's Energy Resources Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies transferred to the Oklahoma Energy Resources Board to further the purposes of this act from any public appropriations and donations, grants, contributions or gifts from any public or private source. All monies accruing to the credit of the fund are hereby appropriated and may be budgeted and expended by the Oklahoma Energy Resources Board for the purpose of encouraging and funding research and development of new technologies in the oil and natural gas industry. Expenditures from the fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State~~

~~Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 215. AMENDATORY 52 O.S. 2011, Section 288.7, is amended to read as follows:

Section 288.7 A. There is hereby created in the State Treasury a revolving fund for the Oklahoma Energy Resources Board to be designated the "Energy Resources Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations and shall consist of all monies received by the Oklahoma Energy Resources Board from assessments received and collected pursuant to Section 288.8A of this title, donations, grants, contributions and gifts from any public or private source. The Board may expend funds as provided for by law. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

B. Of the monies collected and not refunded pursuant to Sections 288.8A and 288.9A of this title, a minimum of fifty percent (50%) of said monies collected, including a prorated share of administrative costs incurred from the effective date of this act, and not subsequently refunded, shall be expended on environmental cleanup and remediation projects related to oil and gas pollution authorized by the Board from a priority list of projects submitted by the ~~Oklahoma~~ Corporation Commission or, only in the absence of

Corporation Commission jurisdiction, projects submitted by other appropriate state agencies.

C. None of the monies collected and not refunded pursuant to Sections 288.8A and 288.9A of this title shall be used for travel expenses of any member of the Oklahoma Legislature.

SECTION 216. AMENDATORY 52 O.S. 2011, Section 310, is amended to read as follows:

Section 310. A. If, after notice and hearing, the Commission finds that:

1. A well drilled for the exploration, development, or production of oil or gas, or as an injection or disposal well, is abandoned and unplugged or improperly plugged or is causing or is likely to cause surface or subsurface pollution of any fresh water or is purging or is likely to purge salt water, oil, gas, or other deleterious substances onto the surface of the land in the vicinity of the well; and

2. The operator of the well or any other person responsible for plugging, replugging, or repairing the well in such manner as is necessary to prevent further or future pollution cannot be found or is financially unable to pay the cost of performing said work, the Commission or any person authorized by the Commission may enter upon the land upon which the well is located and plug, replug, or repair the well as may be reasonably required to remedy the condition. If an emergency exists or if it otherwise appears to the Commission

that irreparable injury will result if immediate remedial action is not taken, said entry upon the land may be made or authorized by the Commission without notice or hearing, for the purpose of taking such temporary remedial action as the Commission considers necessary to prevent or minimize the injury, pending the giving of notice and hearing. The operation shall be conducted in the manner prescribed by the Commission.

B. For the purpose of immediately responding to emergency situations within the Commission's jurisdiction having potentially critical environmental or public safety impact, the Commission may take whatever necessary action, without notice and hearing, including the expenditure of monies from the Corporation Commission Plugging Fund, to promptly respond to the emergency. Such emergency expenditure shall be made pursuant to the provisions of The Oklahoma Central Purchasing Act upon such terms and conditions established by the ~~Office of Public Affairs~~ Office of Management and Enterprise Services to accomplish the purposes of this section. Thereafter, the Commission shall seek reimbursement from the responsible person, firm or corporation for all expenditures made from the Corporation Commission Plugging Fund. Any monies received as reimbursement shall be deposited to the credit of the Corporation Commission Plugging Fund.

C. If, at any time, the monies in the Corporation Commission Plugging Fund are insufficient to cover the cost of remedial action

for all wells eligible for plugging, replugging or repair under this statute, the Commission shall prioritize expenditures according to degree of actual or potential environmental harm.

SECTION 217. AMENDATORY 52 O.S. 2011, Section 317.1, is amended to read as follows:

Section 317.1 A. The Corporation Commission is vested with jurisdiction, power, and authority, and it shall be its duty, to promulgate and enforce rules, and issue and enforce orders relating to seeping natural gas.

B. For purposes of this section, "seeping natural gas" shall mean natural gas which has migrated into, under, or around a structure at hazardous concentrations or is leaking from a distribution pipeline operated by a private natural gas utility regulated by the Commission that serves no more than three hundred (300) customers.

C. The jurisdiction, power, and authority of the Commission shall extend to responding to any occurrences of seeping gas and coordinating response efforts of private industry, state, county, municipal, and local government entities. The Commission is authorized to investigate seeping natural gas occurrences as provided for in this section and to order any person responsible for a facility which is found to be causing a seeping natural gas occurrence to abate the hazard.

D. The Commission is authorized to form emergency response teams to immediately respond to seeping natural gas occurrences as provided for in this section.

E. There is hereby created in the State Treasury a fund for the Commission to be designated the "Corporation Commission Gas Seep Fund". The fund shall consist of monies appropriated by the Legislature or monies designated by law to be deposited in the fund. The fund shall be subject to legislative appropriations. The Commission is authorized to make expenditures from the fund as necessary and appropriate for coordinating the response to and investigating seeping natural gas occurrences as specified in this section. Expenditures from the fund shall be made pursuant to The Oklahoma Central Purchasing Act. For purposes of responding to serious environmental emergencies, expenditures from the fund may be made without requisition pursuant to paragraph 5 of subsection A of Section 85.7 of Title 74 of the Oklahoma Statutes. Warrants for expenditures from the fund shall be drawn by the State Treasurer, based on claims signed by an authorized employee or employee of the Commission and approved for payment by the Director of ~~State Finance~~ the Office of Management and Enterprise Services. Expenditures made pursuant to this act shall be limited to the available balance in the fund and no other fund shall be accessible for any remediation or repair arising under the provisions of this act.

F. 1. When there is an occurrence of seeping natural gas, the Commission shall seek to abate the hazard by:

a. issuing an order to a responsible person pursuant to subsection C of this section, or

b. plugging a well if the source of the seeping natural gas is a well drilled for the exploration or production of oil or gas, including an injection or disposal well.

2. If the Commission is unable to abate the hazard of a seeping natural gas occurrence as provided for in paragraph 1 of this subsection, the Commission may: (1) expend up to Twenty Thousand Dollars ($20,000.00) from the Corporation Commission Gas Seep Fund for the cost of installing a system to divert natural gas away from a structure or otherwise abate the hazards; or (2) expend up to One Hundred Twenty-five Thousand Dollars ($125,000.00) to repair or replace a distribution pipeline identified in subsection B of this section.

3. The Commission may seek reimbursement of expenditures made by the Commission pursuant to this subsection from a responsible person who has not complied with an order issued pursuant to subsection C of this section. Any monies received as reimbursement shall be deposited to the credit of the Corporation Commission Gas Seep Fund.

4. The Commission shall promulgate rules defining the criteria for determining the eligibility of the owner of a structure for assistance pursuant to this subsection. Eligibility shall be determined based on the nature and extent of the hazard, the financial need of the owner of the structure, and other relevant factors.

G. The Commission shall not be responsible for damages to land or improvements resulting from the investigation of seeping natural gas occurrences as provided for in this section. Any person entering upon the land pursuant to the authority of the Commission under this section shall not be liable or held responsible for any damages resulting from operations reasonably necessary or proper for the investigation of the seeping natural gas occurrence or the abatement of associated hazards.

H. Any person entering upon the land to investigate or abate the associated hazards of a seeping natural gas occurrence, pursuant to the authority of the Commission under this section, shall not be held to have assumed responsibility for future abatement work on the land or be liable for damages or otherwise for conditions subsequently arising from or in connection with the land.

I. Nothing in this section shall relieve any person or persons otherwise legally responsible from any obligation to properly abate hazards associated with seeping natural gas.

J. The term "person" as used in this section means any individual, business association or corporation, partnership, governmental or political subdivision, public corporation, body politic and corporate public authority, trust or any other legal entity.

K. Upon application, the Commission may reimburse: (1) up to Twenty Thousand Dollars ($20,000.00) of the costs incurred by the applicant in installing a system to divert natural gas away from a structure or otherwise abate the hazards; or (2) up to One Hundred Twenty-Five Thousand Dollars ($125,000.00) of the costs incurred by the applicant to repair or replace a distribution pipeline identified in subsection B of this section. Costs associated with occurrences of seeping natural gas reported after January 1, 2003, are eligible for reimbursement under this subsection.

SECTION 218. AMENDATORY 52 O.S. 2011, Section 420.11, is amended to read as follows:

Section 420.11 A. All funds and fees, from whatsoever source derived, collected by the Administrator under the provisions of Section 420.1 et seq. of this title, shall be deposited into the Liquefied Petroleum Gas Fund, created in this section. Effective July 1, 2004, and for each fiscal year thereafter, the Administrator shall deposit ten percent (10%) of the total amount collected from fees and funds by the Administrator to the credit of the General Revenue Fund of the State Treasury. The Administrator and the Board

are hereby vested and empowered with the authority to make any and all necessary expenditures from the fund that in their judgment are reasonable and required to effectuate the purposes of this act. The Administrator shall annually file with the Governor a report of all activities of the fund, which shall include a statement of all receipts and disbursements.

B. There is hereby created in the State Treasury a revolving fund for the Oklahoma Liquefied Petroleum Gas Board to be designated the Liquefied Petroleum Gas Fund. All monies accruing to the credit of the fund are hereby appropriated and may be budgeted and expended by the Oklahoma Liquefied Petroleum Gas Board as provided for in this section. Expenditures from the fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

C. Section 211 of Title 62 of the Oklahoma Statutes shall not apply to the funds and fees collected by the Liquefied Petroleum Gas Board.

SECTION 219. AMENDATORY 52 O.S. 2011, Section 420.26, is amended to read as follows:

Section 420.26 There is hereby created in the State Treasury a revolving fund for the Oklahoma Liquefied Petroleum Gas Research, Marketing and Safety Commission to be designated the "LP Gas Research, Marketing and Safety Revolving Fund". The fund shall be a

continuing fund, not subject to fiscal year limitations and shall consist of all monies received by the Commission from assessments received and collected pursuant to Section 420.27 of this title, and donations, grants, contributions and gifts from any public or private source and any monies appropriated by the Oklahoma State Legislature. The Commission may expend funds as provided for by law. Expenditures from the fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 220. AMENDATORY 52 O.S. 2011, Section 705, is amended to read as follows:

Section 705. There is hereby created in the State Treasury a revolving fund for the Commission on Marginally Producing Oil and Gas Wells to be designated the "Commission on Marginally Producing Oil and Gas Wells Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of monies collected from two-tenths of one cent ($0.002) on each barrel of petroleum liquid and one-tenth of one cent ($0.001) on each ten thousand (10,000) cubic feet of natural gas, including casinghead gas, produced from each well in the State of Oklahoma. All monies accruing to the credit of said fund are hereby appropriated and may be budgeted and expended by said Commission for any and all necessary expenses for the operation of said Commission.

Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 221. AMENDATORY 53 O.S. 2011, Section 1.10, is amended to read as follows:

Section 1.10 There is hereby created in the State Treasury of the State of Oklahoma a revolving fund to be designated as the Historical Society Revolving Fund, which shall consist of all money appropriated to said fund and all money received by the Oklahoma Historical Society from membership, sales of publications, sales of merchandise to visitors, income from duplicating and microfilm services, contributions, entry fees, gifts and endowments, excluding those gifts and endowments conditionally tendered, and other income derived from the operations of the Oklahoma Historical Society and from historic sites. The Oklahoma Historical Society is hereby authorized and directed to prepare for public distribution such historical data as may in its judgment meet the public demand; said Society shall determine the fee to be charged for each of the publications and such fee should be sufficient to cover the cost of preparing, publishing and marketing to the general public in the museums and historic sites operated by the Society.

Said revolving fund shall be a continuing fund not subject to fiscal year limitations and shall be under the control and

management of the Oklahoma Historical Society and the disbursements therefrom shall be approved by the Society. Monies deposited in said revolving fund may be expended for the purpose of maintaining and operating the Oklahoma Historical Society functions and for operation of historic sites. Monies deposited in said revolving fund from entry fees collected at each participating museum or site pursuant to the entry fee pilot project shall be expended only on the museum and historic site from which the fee is collected and for the purposes outlined in Section ~~3~~ 1.21 of this ~~act~~ title. Purchases of merchandise for sale to visitors shall be exempt from The Oklahoma Central Purchasing Act but all other expenditures shall be made pursuant to the laws of the state and the statutes relating to the Oklahoma Historical Society. Warrants for expenditures from this fund shall be drawn by the State Treasurer based on claims signed by the approving officer of the Society and approved for payment by the Director of ~~State Finance~~ the Office of Management and Enterprise Services.

SECTION 222. AMENDATORY 53 O.S. 2011, Section 1.10a, is amended to read as follows:

Section 1.10a A. There is hereby created in the State Treasury a revolving fund for the Oklahoma Historical Society, to be designated the "Oklahoma Historical Society Capital Improvement and Operations Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all

monies received by the Oklahoma Historical Society and apportioned to such fund pursuant to the provisions of Sections 1353 and 1403 of ~~this title~~ Title 68 of the Oklahoma Statutes and such other monies accredited to the fund pursuant to law.

B. All monies accruing to the credit of the fund are hereby appropriated and may be budgeted and expended by the Oklahoma Historical Society for the purpose of maintaining and operating the Oklahoma Historical Society functions, capital improvements and for operation of historic sites.

C. No monies from this revolving fund shall be transferred for any purpose to any other state agency. Expenditures from the fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 223. AMENDATORY 53 O.S. 2011, Section 1.12, is amended to read as follows:

Section 1.12 There is hereby authorized to be created a petty cash fund for the Oklahoma Historical Society in an amount not to exceed Five Thousand Dollars ($5,000.00). This fund may be allocated to museums and sites owned and operated by the Oklahoma Historical Society in amounts not to exceed Two Hundred Dollars ($200.00) per museum or site for the purpose of establishing separate petty cash fund accounts. Said fund may be established

from any state funds available to the Oklahoma Historical Society for general operating expenses and shall be administered under such rules and regulations as prescribed by the Director of ~~State Finance~~ the Office of Management and Enterprise Services.

SECTION 224. AMENDATORY 53 O.S. 2011, Section 7.4, is amended to read as follows:

Section 7.4 A. There is hereby created in the State Treasury a revolving fund for the Oklahoma Historical Society to be designated the "Buffalo Soldiers Heritage Corridor Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies deposited to the fund by law, as well as gifts, donations, and private, state, and federal funds designated for the deposit thereto.

B. All monies accruing to the credit of such fund are hereby appropriated and may be budgeted and expended by the Oklahoma Historical Society for the purpose of providing for the programs and direct costs of the Buffalo Soldiers Heritage Corridor.

C. Expenditures from such fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services for approval and payment.

SECTION 225. AMENDATORY 53 O.S. 2011, Section 47, is amended to read as follows:

Section 47. The Director of ~~State Finance~~ the Office of Management and Enterprise Services is authorized and directed to fix the maximum amount of the petty cash fund created in Section ~~1~~ 46 of this ~~act~~ title and to prescribe forms, systems and procedures for its administration. The petty cash fund may be reimbursed from time to time by the filing of proper claims, accompanied by valid receipts for expenditures made.

SECTION 226. AMENDATORY 53 O.S. 2011, Section 47.4A, is amended to read as follows:

Section 47.4A A. There is hereby created in the State Treasury a revolving fund for the Will Rogers Memorial Commission to be designated the "Will Rogers Memorial Commission Revolving Fund". The fund shall consist of all:

1. Appropriations, gifts, donations, grants, admission fees, and any other monies received by the Commission pursuant to this act; and

2. Proceeds from outlet sales, unless the outlets are leased as provided in Section 47.4 of this title in which case any payments received pursuant to any such lease shall be deposited in the revolving fund.

B. The revolving fund shall be a continuing fund not subject to fiscal year limitations and shall be under the administrative direction of the Commission. The expenditure from the fund shall be used for expenses relating to administration, duties, operations,

maintenance, special projects, and acquisitions for the Memorial and shall be made pursuant to law.

C. Warrants for expenditures from this fund shall be drawn by the State Treasurer based on claims signed by an authorized employee of the Commission and approved for payment by the Director of ~~State Finance~~ the Office of Management and Enterprise Services.

SECTION 227. AMENDATORY 53 O.S. 2011, Section 175, is amended to read as follows:

Section 175. There is hereby created in the State Treasury a revolving fund for the Oklahoma Arts Council to be designated the "Oklahoma Arts Council Arts Education Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies received by the Council from appropriations, private and public donations, contributions, gifts, grants, and any other monies received by the Council for the purpose of providing incentive grants as provided for in Section ~~4~~ 174 of this ~~act~~ title. All monies accruing to the credit of said fund are hereby appropriated and may be budgeted and expended by the Council for the purpose of providing incentive grants as provided for in Section ~~4~~ 174 of this ~~act~~ title. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 228. AMENDATORY 53 O.S. 2011, Section 232, is amended to read as follows:

Section 232. There is hereby created in the State Treasury a revolving fund for the Oklahoma Music Hall of Fame Board to be designated the "Oklahoma Music Hall of Fame Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies received by the Board from admission fees, private and public donations, contributions, and gifts. All monies accruing to the credit of said fund are hereby appropriated and may be budgeted and expended by the Board for the purpose of creating, operating, staffing and maintaining an Oklahoma Music Hall of Fame, and any legitimate expenses of the Board. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 229. AMENDATORY 53 O.S. 2011, Section 403, is amended to read as follows:

Section 403. There is hereby created in the State Treasury a revolving fund for the Oklahoma American Civil War Sesquicentennial Commission to be designated the "Oklahoma American Civil War Sesquicentennial Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies received by the Commission from appropriated funds from

the Legislature. All monies accruing to the credit of the fund are hereby appropriated and may be budgeted and expended by the Commission for the purpose of any expense relating to any authorized activity of the Commission. Expenditures from the fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 230. AMENDATORY 56 O.S. 2011, Section 26.17, is amended to read as follows:

Section 26.17 A. The Director of Human Services, subject to the approval of the Commission for Human Services, shall have the power to employ and fix the qualifications, duties and compensation of employees necessary to the fulfillment of the provisions of this act, and shall have the power to approve any legal claim for payment.

B. The Department of Human Services shall be a Merit System agency. The provisions of this section shall supersede and revoke any and all Executive Orders placing the Department of Human Services or its predecessors under the provisions of the Merit System of Personnel Administration.

C. In addition to offices, positions, and personnel in the unclassified service pursuant to Sections 840-5.3 and 840-5.5 of

Title 74 of the Oklahoma Statutes, the following offices, positions, and personnel shall be in the unclassified service:

1. Campus police appointed pursuant to Section 162.2 of this title;

2. The legal division or unit established pursuant to Section 236 of this title;

3. The Construction Unit and the Architectural and Engineering Unit or their successor units; and

4. A maximum of five percent (5%) of the maximum number of full-time-equivalent positions authorized by law to the Department of Human Services and selected at the discretion of the Director of the Department of Human Services. Employees retained in the unclassified service under the provisions of this section shall be employees at will. Any classified employee occupying a position selected by the Director pursuant to this paragraph to become an unclassified position may elect to retain classified status. All future appointees to such position shall be in the unclassified service. The Director shall submit a list of such positions to the ~~Office of Personnel Management~~ Office of Management and Enterprise Services by September 1, 2004, and annually thereafter.

D. All other offices, positions and personnel of the Department of Human Services shall be classified and subject to the provisions of the Merit System of Personnel Administration, as provided in the Oklahoma Personnel Act and rules promulgated thereunder.

SECTION 231. AMENDATORY 56 O.S. 2011, Section 59.1, is amended to read as follows:

Section 59.1 A. The Oklahoma Tax Commission shall include on each state individual income tax return form for tax years beginning after December 31, 2001, an opportunity for the taxpayer to donate from a tax refund for the benefit of the Oklahoma Indigent Health Care Fund.

B. There is hereby created in the State Treasury a revolving fund for the Department of Human Services, to be designated the "Indigent Health Care Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies received by the Department of Human Services from:

1. Any state monies appropriated for the purpose of implementing the provisions of the Oklahoma Indigent Health Care Act; and

2. Any monies collected pursuant to this section or any other monies available to the Department of Human Services to implement the provisions of the Oklahoma Indigent Health Care Act.

C. All monies accruing to the credit of the fund are hereby appropriated and shall be budgeted and expended directly to eligible clinics by the Department for the purpose of implementing the Oklahoma Indigent Health Care Act. Expenditures from the fund shall be made upon warrants issued by the State Treasurer against claims

filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 232. AMENDATORY 56 O.S. 2011, Section 189a, is amended to read as follows:

Section 189a. A. 1. The board of county commissioners in each county shall furnish quarters for the local units of the ~~Oklahoma~~ Department of Human Services. Such quarters shall be located in the county courthouse or other suitable building in the county seat and shall be furnished with light, heat and water and adequate toilet facilities. The county excise board shall provide adequate appropriations to enable the county commissioners to comply with the provisions of this subsection.

2. If no suitable quarters or adequate facilities are available in the county courthouse or in the county seat, facilities shall be furnished and supplied in the city or town in the county, but not the county seat thereof, having the greatest population.

3. The Department may enter into an agreement with the board of county commissioners for financial participation, by the Department, in the payment of rent on space leased for use by the Department, or in the cost of repairs of buildings or space used by the Department, or the cost of janitorial services and utility services, if the ~~Oklahoma~~ Commission for Human Services determines that such payment is necessary for adequate space for units of the Department and that

monies for such purpose are available without detriment to programs administered by the Department.

B. 1. If the Commission for Human Services determines that adequate or suitable quarters, office space or facilities for the local units of the Department are not obtainable, the Department may enter into an agreement with the board of county commissioners of the county, or with any state agency or public trust, for the construction or renovation of a building or buildings where local units of the Department may have quarters, office space or facilities; or may enter into a lease agreement for the rental of space and facilities in a building or buildings constructed or renovated by the county, or a state agency, public trust or building authority, for the purpose of providing office space to the Department or any other public agency or agencies.

2. The Department shall not enter into any agreement under the provisions of this subsection unless federal financial participation is obtainable. All such agreements shall contain provisions as to financial participation therein by the parties to the agreement, payments to be made for the use or occupancy of the office space and facilities, and ownership of the building or buildings after payment of the cost of construction or renovation thereof has been completed, consistent with the requirements necessary for the Department to obtain or receive federal funds for such purpose.

C. If the Commission for Human Services determines that adequate or suitable quarters, office space or facilities for local units of the Department are not obtainable from the board of county commissioners of the county, or from any state agency or public trust or building authority pursuant to the provisions of subsection B of this section, the Commission may enter into a lease agreement for the rental of space and facilities in a building or buildings owned or operated by a private vendor for the purpose of providing such quarters, office space or facilities.

D. The Commission for Human Services is authorized to enter into agreements necessary to establish and determine the location of a North Tulsa field office if the Commission determines that state office space available through the ~~Department of Central Services~~ Office of Management and Enterprise Services in Tulsa County is not appropriate and adequate to offer accessible and comprehensive services to clients of the Department of Human Services from North Tulsa County and Southern Osage County communities.

E. If the Commission for Human Services determines that adequate or suitable quarters, office space or facilities for local units of the Department are not obtainable by lease agreement from the board of county commissioners of the county, from any state agency or public trust or building authority, or from a private vendor, the Commission for Human Services may acquire real property for such local units by lease-purchase agreement. The Department is

further authorized to enter into lease-purchase agreements to construct or renovate adequate or suitable quarters, office space or facilities needed by the Department. Local units of the Department shall be exempt from the provisions of the Oklahoma Art in Public Places Act.

SECTION 233. AMENDATORY 56 O.S. 2011, Section 198.11b, is amended to read as follows:

Section 198.11b A. It is the public policy of the State of Oklahoma to:

1. Recognize and support individuals with disabilities by treating them with dignity and respect as productive members of our society in Oklahoma;

2. Acknowledge their contributions as productive and independent citizens in the state and the useful work they perform in their local communities;

3. Support a service delivery system for individuals with disabilities ensuring that the individuals, their families, or guardians are well informed as to the types of services and resources available to such individuals in order to encourage their independence, self-esteem, and self-worth, regardless of the severity of the disability; and

4. Recognize that self-choice on the part of individuals with disabilities is critical and that the most appropriate setting for meeting their needs should be a paramount consideration when

determining appropriate placement of such individuals in community-based programs, residential care facilities, or any other placement or service that benefits the needs and well-being of individuals with disabilities.

B. There is hereby created the Strategic Planning Committee on the Olmstead Decision to continue until July 1, 2010. The purpose of the Committee is to monitor the implementation of the comprehensive, strategic plan for the State of Oklahoma regarding the Olmstead Decision.

C. The Strategic Planning Committee on the Olmstead Decision shall be composed of fifteen (15) appointed members, eighteen (18) ex officio members, and representatives from disability-related organizations, all of whom shall be voting members, as follows:

1. a. The Governor shall appoint:

(1) one person who is a community placement service provider for persons with disabilities,

(2) one person who is an advocate for persons with disabilities,

(3) one parent or personal representative of a person with disabilities,

(4) one member from an organization that provides direct care services within the Advantage Waiver Program, and

(5) one member who is a consumer of disability services.

b. The President Pro Tempore of the Senate shall appoint:

(1) two members of the State Senate,

(2) two members who are consumers of disability services, and

(3) one member with a disability who has moved from an institutional setting into the community.

c. The Speaker of the House of Representatives shall appoint:

(1) two members of the House of Representatives,

(2) one parent or personal representative of a person with disabilities,

(3) one member who is a consumer of disability services, and

(4) one member with a disability who has moved from an institutional setting into the community;

2. The ex officio voting members shall be:

a. the Attorney General, or designee,

b. the Director of the Department of Human Services, or designee,

c. the Division Director of the Developmental Disabilities Division of the Department of Human

Services, if not the designee of the Director of Human Services,

d. the State Commissioner of Health, or designee,

e. the Commissioner of the Department of Mental Health and Substance Abuse Services, or designee,

f. the Administrator of the Oklahoma Health Care Authority, or designee,

g. the Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services, or designee,

h. the Director of the State Department of Rehabilitation Services, or designee,

i. the Director of the Office of Disability Concerns, or designee,

j. the Director of the Oklahoma Employment Security Commission, or designee,

k. the state coordinator for the federal Ticket To Work and Work Incentive Act, if not the designee of the Oklahoma Employment Security Director,

l. the Executive Director of a local housing authority, or designee,

m. the Executive Director of the Oklahoma Housing Finance Agency, or designee,

n. the State Superintendent of Public Instruction, or designee,

o. the Director of the Department of Transportation, or designee,

p. the Commissioner of Labor, or designee,

q. a representative from a local transit authority, or from a Community Action Agency, that provides transportation services to individuals with disabilities, and

r. the Director of the Oklahoma Commission on Children and Youth, or designee; and

3. The membership shall also include as voting members:

a. one representative from the Developmental Disabilities Council,

b. one representative from the Statewide Independent Living Council,

c. two representatives from the Centers for Independent Living,

d. one representative from the Center for Learning and Leadership,

e. one representative from the Oklahoma Disability Law Center,

f. one representative from ABLE-Tech,

g. one representative from the Oklahoma Mental Health Consumer Council, and

h. a representative of a nonprofit agency, in a county of five hundred thousand (500,000) or more population, that collaborates on programs and services for persons with disabilities.

D. 1. Members shall serve at the pleasure of their appointing authorities. A vacancy on the Committee shall be filled by the original appointing authority.

2. A majority of the members of the Committee shall constitute a quorum. A majority of the members present at a meeting may act for the Committee.

3. The President Pro Tempore and the Speaker shall each designate a cochair from among the members of the Committee.

4. The cochairs of the Committee shall annually establish a schedule of each year's meetings. The Committee shall meet at least four times annually.

5. Proceedings of all meetings of the Committee shall comply with the provisions of the Oklahoma Open Meeting Act.

6. The Committee may divide into subcommittees in furtherance of its purpose.

E. 1. The Department of Human Services and the Office of the Attorney General shall serve as lead agencies and as such shall provide primary staffing for the Committee. Appropriate personnel from the Oklahoma Health Care Authority and the Department of Mental

Health and Substance Abuse Services shall also assist with the work of the Committee.

2. The Committee may use the expertise and services of the staffs of the State Senate and the House of Representatives and may, as necessary, employ and contract for the advice and services of experts in the field as well as other necessary professional and clerical staff.

F. All departments, officers, agencies, and employees of this state shall cooperate with the Committee in fulfilling its duties and responsibilities including, but not limited to, providing any information, records, or reports requested by the Committee.

G. Members of the Committee shall receive no compensation for their service, but shall receive travel reimbursement as follows:

1. Legislative members of the Committee shall be reimbursed for necessary travel expenses incurred in the performance of their duties in accordance with the provisions of Section 456 of Title 74 of the Oklahoma Statutes; and

2. Nonlegislative members of the Committee shall be reimbursed by their appointing authorities or respective agencies for necessary travel expenses incurred in the performance of their duties in accordance with the State Travel Reimbursement Act.

H. The duties and responsibilities of the Strategic Planning Committee on the Olmstead Decision shall include, but need not be limited to:

a. monitoring the implementation of the comprehensive, strategic plan for Oklahomans with disabilities, pursuant to the Olmstead Decision,

b. reviewing the service delivery system within the state and the way in which persons with disabilities currently access the services,

c. reviewing existing statutes, policies, programs, services and funding sources that affect Oklahomans with disabilities, including, but not limited to, identifying unique approaches and strategies to funding,

d. identifying and reviewing funding and resource information available to persons with disabilities and their families in this state,

e. identifying gaps and barriers in programs and services to individuals with disabilities and making any recommendations to enhance programs and the delivery system for persons with disabilities in Oklahoma,

f. examining the feasibility of expanding the eligibility criteria for people served by the Developmental Disabilities Services Division of the Department of Human Services to include people with disabilities who are not eligible for the Advantage Waiver program through the Aging Services Division and those with

other diagnoses who are at risk of out-of-home placement,

g. studying the feasibility and impact of requiring that assistive technology suppliers in this state meet national certification requirements, and

h. taking all other actions necessary to monitor and assist with the implementation of the comprehensive strategic plan.

I. The Committee shall prepare and submit a report of its findings and recommendations to the Legislature and Governor by July 15, 2007, and each July 15 thereafter, and shall submit a final report by July 1, 2010.

SECTION 234. AMENDATORY 56 O.S. 2011, Section 202, is amended to read as follows:

Section 202. Premiums on such insurance shall be paid from monies or funds appropriated for the payment of assistance to the needy aged persons qualifying for assistance under subsection ~~(a)~~ A of Section 164 of this title. Monthly claims for such premiums, certified by the Department of Human Services, shall be filed with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for audit and settlement prior to being paid on warrants by the State Treasurer.

SECTION 235. AMENDATORY 56 O.S. 2011, Section 213, is amended to read as follows:

Section 213. The employer's share of the contribution required to be paid by the state to the federal government under the provisions of Public Law 734 and applicable provisions of the Federal Internal Revenue Code, as authorized by Title 51 of the Oklahoma Statutes beginning at Section 121, shall be reserved out of funds available for salaries appropriated or dedicated to each state department, institution or agency at the time payrolls are prepared for payment and shall be set aside in a reserve account in the State Treasury to be paid to the federal government at such time or times as the Federal Security Administrator may by regulations require.

For the purposes of Sections 211 through 215 of this title "dedicated funds" shall include the State Highway Construction and Maintenance Fund, Employment Security Administration Fund, Department of Human Services Administration Fund, revolving funds of all state departments and institutions, Federal Grant-in-aid Funds, Trust and Agency Funds, and any other operating funds of state agencies through which public money is disbursed for specific purposes which do not require specific legislative appropriations to be made.

State agencies making payment of salaries or wages to state employees, independent of the ~~Office of State Finance~~ Office of Management and Enterprise Services, shall deduct the employees' share of the contribution at the time payments are made and shall at the same time set up a reserve out of the same fund for the

employer's share to guarantee the availability of funds when the social security report is required to be made. Any funds received for per diem, travel reimbursement, or expenses incurred while in the performance of official duties and specified statutory amounts received by board or commission members shall not be considered compensation.

SECTION 236. AMENDATORY 56 O.S. 2011, Section 224, is amended to read as follows:

Section 224. There is hereby created in the State Treasury a revolving fund for the Commission ~~of~~ for Human Services, to be designated the "Human Services Disbursing Fund", provided that the fund may be designated by fiscal year designations as the Commission may determine. The fund shall be a continuing fund, not subject to fiscal year limitations. The fund shall consist of receipts from the federal government, monies appropriated to the Department of Human Services by the State Legislature, and other receipts of the Department of Human Services as shall be directed by the Commission for Human Services. All monies accruing to the credit of said fund are hereby appropriated and may be budgeted and expended by the Commission for Human Services as may be necessary in order to carry out the duties imposed upon the said Commission by law, provided that expenditures shall not be made from the Human Services Disbursing Fund to pay any obligation for which there exists authorization for payment from the Oklahoma Medical Center

Disbursing Fund or the Human Services Medical and Assistance Fund. Expenditures from the Human Services Disbursing Fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 237. AMENDATORY 56 O.S. 2011, Section 226, is amended to read as follows:

Section 226. There is hereby created in the State Treasury a fund for the Department of Human Services to be designated the "Department of Human Services Federal Disallowance Fund". The fund shall be a continuing fund, not subject to fiscal year limitations. It shall consist of monies received by the Department of Human Services which, in the opinion of the Commission for Human Services, may be subject to federal disallowances and interest which may accrue on said receipts. All monies accruing to the credit of said fund are hereby appropriated and may be budgeted and expended by the Department of Human Services at the discretion of the Commission for Human Services for eventual settlement of the appropriate pending disallowances. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

The Director of Human Services may request the Director of ~~State Finance~~ the Office of Management and Enterprise Services to transfer

monies between the Department of Human Services Federal Disallowance Fund and the Human Services Disbursing Fund or the Department of Human Services Medical and Assistance Fund, as needed for the expenditure of funds.

SECTION 238. AMENDATORY 56 O.S. 2011, Section 230.70, is amended to read as follows:

Section 230.70 A. The Legislature hereby encourages the establishment of One-stop Career/Employment Centers that link federal, state and local resources and programs and that create collaborative and interorganizational partnerships between state governmental agencies and private and nonprofit entities. Such agencies and private and nonprofit entities shall include, but not be limited to:

1. The Department of Human Services;

2. The State Department of Education;

3. The Oklahoma Department of Career and Technology Education;

4. The Oklahoma Department of Commerce;

5. The Oklahoma Employment Security Commission;

6. The Oklahoma Health Care Authority;

7. The State Department of Health;

8. The State Department of Mental Health and Substance Abuse Services;

9. The Oklahoma Department of Corrections;

10. ~~Office of Personnel Management~~ The Office of Management and Enterprise Services;

11. The Oklahoma State Regents for Higher Education;

12. Community action agencies;

13. Local and municipal groups;

14. Substate planning groups; and

15. Religious and charitable organizations.

B. 1. The purpose of the collaborative and interorganizational partnership shall be to assist persons receiving temporary assistance, persons who are employed in low-wage jobs, underemployed persons, and persons who are unemployed to obtain employment preparation; to explore career, employment and job referral opportunities; to improve skills through education and training; and to obtain information on various services and programs in the state.

2. Employment preparation includes, but is not limited to:

a. education, training, or retraining for specified time limits,

b. private and public work experience, and

c. development of certain career/job training and retraining skills and apprenticeships.

C. The Oklahoma Employment Security Commission, in consultation with entities desiring to form such partnerships, shall develop a local implementation plan for use by all parties desiring to enter into a plan for a one-stop career and employment center. The plan

shall be signed by all partnership entities and shall be submitted to the Oklahoma Employment Security Commission for review and recommendation.

D. The local implementation plan shall include, but not be limited to, the names, addresses, and phone numbers of parties and organizational entities; specific goals, objectives, and plans for implementation of the initiative; the signature of all parties agreeing to the initiative; and the beginning date of the initiative as agreed upon by the parties.

E. Until such time as the collaborative and interorganizational partnerships encouraged by this legislation are fully implemented, the state agencies listed in subsection A of this section which provide services shall each maintain an Internet web site upon which application forms for the services they provide may be accessed and downloaded by individuals wishing to make application for the services provided. Each agency shall also provide a link to the other agencies required by this legislation to provide their application forms on their websites.

SECTION 239. AMENDATORY 56 O.S. 2011, Section 260, is amended to read as follows:

Section 260. There is hereby created in the State Treasury a revolving fund for the Department of Human Services to be designated the "Individual Development Account (IDA) Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations,

and shall consist of all monies appropriated or contributed thereto. All monies accruing to the credit of the fund are hereby appropriated and may be budgeted and expended by the Department for grants awarded pursuant to the provisions of subsection C of Section ~~5~~ 255 of this ~~act~~ title. Expenditures from the fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 240. AMENDATORY 56 O.S. 2011, Section 1003, is amended to read as follows:

Section 1003. A. There is hereby created within the Office of the Attorney General, a Medicaid fraud control unit.

B. The Medicaid fraud control unit shall be the state entity to which all cases of suspected Medicaid fraud shall be referred by the Oklahoma Health Care Authority or its fiscal agents for the purposes of investigation, civil action, criminal action or referral to the district attorney. Provided however, nothing contained in the Oklahoma Medicaid Program Integrity Act shall prohibit the Oklahoma Health Care Authority from investigating or additionally referring to other proper law enforcement agencies cases of suspected Medicaid fraud.

C. 1. In carrying out these responsibilities, the Attorney General shall have all the powers necessary to comply with federal laws and regulations relative to the operation of a Medicaid fraud

unit, the power to cross-designate assistant United States attorneys as assistant attorneys general, the power to investigate cases of patient abuse, the power to issue or cause to be issued subpoenas or other process in aid of investigations and prosecutions, the power to administer oaths and take sworn statements under penalty of perjury, the power to serve and execute in any county, search warrants which relate to investigations authorized by the Oklahoma Medicaid Program Integrity Act and shall have all the powers of a district attorney.

2. Subpoenas ad testificandum or duces tecum issued pursuant to the Oklahoma Medicaid Program Integrity Act may be served by the Attorney General, any peace officer, or any competent person over eighteen (18) years of age, and may require attendance or production at any place in this state. A refusal to obey such subpoena, or willful failure to appear, be sworn, testify, or produce records at the place and time specified shall constitute contempt and shall be enforced by the district court of the county where issued or the county where served, at the election of the Attorney General, as if it was a contempt on that court.

D. The Attorney General shall have authority to collect all fines, penalties, amounts of restitution, or interest accruing on any amount of restitution to be made and any penalties to be paid from and after default in the payment thereof levied pursuant to the provisions of the Oklahoma Medicaid Program Integrity Act, the

Oklahoma Medicaid False Claims Act, or any other charge, cause of action, prelitigation settlement or other settlement which recovers money wrongfully paid by the Oklahoma Health Care Authority on a claim submitted to the Oklahoma Health Care Authority. However, this subsection is not in any way intended to affect the contempt power of any court. Funds collected by the Attorney General pursuant to this section shall be deposited as follows:

1. Restitution recovered and interest thereon shall be returned to the Oklahoma Health Care Authority for deposit to the Oklahoma Health Care Authority Medicaid Program Fund created pursuant to Section 5020 of Title 63 of the Oklahoma Statutes~~.~~;

2. Costs of investigation, litigation, attorney fees, and other expenses shall be retained by the Office of the Attorney General and shall be deposited in the Attorney General's Medicaid Fraud Revolving Fund created pursuant to subsection E of this section~~.~~; and

3. Fines and penalties and other funds recovered and interest thereon shall be deposited in the Attorney General's Medicaid Fraud Revolving Fund; provided, the balance in the Attorney General's Medicaid Fraud Revolving Fund shall not exceed an amount equal to fifty percent (50%) of the current-year budget for operating costs of the Medicaid Fraud Control Unit. Any funds exceeding that amount shall be deposited as follows:

a. seventy-five percent (75%) to the General Revenue Fund, and

b. twenty-five percent (25%) to the Attorney General's Evidence Fund created pursuant to Section 19 of Title 74 of the Oklahoma Statutes.

E. There is hereby created in the State Treasury a revolving fund for the Office of the Attorney General, to be designated the "Attorney General's Medicaid Fraud Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of any monies designated to the fund by law. All monies accruing to the credit of said fund are hereby appropriated and may be budgeted and expended by the Attorney General for activities related to the Medicaid Fraud Control Unit. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 241. AMENDATORY 56 O.S. 2011, Section 2002, is amended to read as follows:

Section 2002. A. For the purpose of providing quality care enhancements, the Oklahoma Health Care Authority is authorized to and shall assess a Nursing Facilities Quality of Care Fee pursuant to this section upon each nursing facility licensed in this state.

Quality of care enhancements include, but are not limited to, the purposes specified in this section.

B. As a basis for determining the Nursing Facilities Quality of Care Fee assessed upon each licensed nursing facility, the Oklahoma Health Care Authority shall calculate a uniform per-patient day rate. The rate shall be calculated by dividing six percent (6%) of the total annual patient gross receipts of all licensed nursing facilities in this state by the total number of patient days for all licensed nursing facilities in this state. The result shall be the per-patient day rate. Beginning July 15, 2004, the Nursing Facilities Quality of Care Fee shall not be increased unless specifically authorized by the Legislature.

C. The Nursing Facilities Quality of Care Fee owed by a licensed nursing facility shall be calculated by the Oklahoma Health Care Authority by adding the daily patient census of a licensed nursing facility, as reported by the facility for each day of the month, and by multiplying the ensuing figure by the per-patient day rate determined pursuant to the provisions of subsection B of this section.

D. Each licensed nursing facility which is assessed the Nursing Facilities Quality of Care Fee shall be required to file a report on a monthly basis with the Oklahoma Health Care Authority detailing the daily patient census and patient gross receipts at such time and in such manner as required by the Oklahoma Health Care Authority.

E. 1. The Nursing Facilities Quality of Care Fee for a licensed nursing facility for the period beginning October 1, 2000, shall be determined using the daily patient census and annual patient gross receipts figures reported to the Oklahoma Health Care Authority for the calendar year 1999 upon forms supplied by the Authority.

2. The Nursing Facilities Quality of Care Fee for the fiscal year beginning July 1, 2001, and each fiscal year thereafter shall be determined by:

a. using the daily patient census and patient gross receipts reports received by the Authority covering the six-month period October 1 through March 31 of the prior fiscal year, and

b. annualizing those figures.

For the 2005 fiscal year and each fiscal year thereafter, the annualization of the Nursing Facilities Quality of Care Fee specified in this paragraph shall be subject to the limitation in subsection B of this section.

F. The payment of the Nursing Facilities Quality of Care Fee by licensed nursing facilities shall be an allowable cost for Medicaid reimbursement purposes.

G. 1. There is hereby created in the State Treasury a revolving fund to be designated the "Nursing Facility Quality of Care Fund".

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

a. all monies received by the Authority pursuant to this section and otherwise specified or authorized by law,

b. monies received by the Authority due to federal financial participation pursuant to Title XIX of the Social Security Act, and

c. interest attributable to investment of money in the fund.

3. All monies accruing to the credit of the fund are hereby appropriated and shall be budgeted and expended by the Authority for:

a. reimbursement of the additional costs paid to Medicaid-certified nursing facilities for purposes specified by Sections 1-1925.2, 5022.1 and 5022.2 of Title 63 of the Oklahoma Statutes,

b. reimbursement of the Medicaid rate increases for intermediate care facilities for the mentally retarded (ICFs/MR),

c. nonemergency transportation services for Medicaid-eligible nursing home clients,

d. eyeglass and denture services for Medicaid-eligible nursing home clients,

e. ten additional ombudsmen employed by the Department of Human Services,

f. ten additional nursing facility inspectors employed by the State Department of Health,

g. pharmacy and other Medicaid services to qualified Medicare beneficiaries whose incomes are at or below one hundred percent (100%) of the federal poverty level; provided however, pharmacy benefits authorized for such qualified Medicare beneficiaries shall be suspended if the federal government subsequently extends pharmacy benefits to this population,

h. costs incurred by the Oklahoma Health Care Authority in the administration of the provisions of this section and any programs created pursuant to this section,

i. durable medical equipment and supplies services for Medicaid-eligible elderly adults, and

j. personal needs allowance increases for residents of nursing homes and Intermediate Care Facilities for the Mentally Retarded (ICFs/MR) from Thirty Dollars ($30.00) to Fifty Dollars ($50.00) per month per resident.

4. Expenditures from the fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by

law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

5. The fund and the programs specified in this section funded by revenues collected from the Nursing Facilities Quality of Care Fee pursuant to this section are exempt from budgetary cuts, reductions, or eliminations.

6. The Medicaid rate increases for intermediate care facilities for the mentally retarded (ICFs/MR) shall not exceed the net Medicaid rate increase for nursing facilities including, but not limited to, the Medicaid rate increase for which Medicaid-certified nursing facilities are eligible due to the Nursing Facilities Quality of Care Fee less the portion of that increase attributable to treating the Nursing Facilities Quality of Care Fee as an allowable cost.

7. The reimbursement rate for nursing facilities shall be made in accordance with Oklahoma's Medicaid reimbursement rate methodology and the provisions of this section.

8. No nursing facility shall be guaranteed, expressly or otherwise, that any additional costs reimbursed to the facility will equal or exceed the amount of the Nursing Facilities Quality of Care Fee paid by the nursing facility.

H. 1. In the event that federal financial participation pursuant to Title XIX of the Social Security Act is not available to the Oklahoma Medicaid program, for purposes of matching expenditures

from the Nursing Facility Quality of Care Fund at the approved federal medical assistance percentage for the applicable fiscal year, the Nursing Facilities Quality of Care Fee shall be null and void as of the date of the nonavailability of such federal funding, through and during any period of nonavailability.

2. In the event of an invalidation of this section by any court of last resort under circumstances not covered in subsection I of this section, the Nursing Facilities Quality of Care Fee shall be null and void as of the effective date of that invalidation.

3. In the event that the Nursing Facilities Quality of Care Fee is determined to be null and void for any of the reasons enumerated in this subsection, any Nursing Facilities Quality of Care Fee assessed and collected for any periods after such invalidation shall be returned in full within sixty (60) days by the Oklahoma Health Care Authority to the nursing facility from which it was collected.

I. 1. If any provision of this section or the application thereof shall be adjudged to be invalid by any court of last resort, such judgment shall not affect, impair or invalidate the provisions of the section, but shall be confined in its operation to the provision thereof directly involved in the controversy in which such judgment was rendered. The applicability of such provision to other persons or circumstances shall not be affected thereby.

2. This subsection shall not apply to any judgment that affects the rate of the Nursing Facilities Quality of Care Fee, its

applicability to all licensed nursing homes in the state, the usage of the fee for the purposes prescribed in this section, and/or the ability of the Oklahoma Health Care Authority to obtain full federal participation to match its expenditures of the proceeds of the fee.

J. The Oklahoma Health Care Authority shall promulgate rules for the implementation and enforcement of the Nursing Facilities Quality of Care Fee established by this section.

K. The Authority shall provide for administrative penalties in the event nursing facilities fail to:

1. Submit the Quality of Care Fee;

2. Submit the fee in a timely manner;

3. Submit reports as required by this section; or

4. Submit reports timely.

L. As used in this section:

1. "Nursing facility" means any home, establishment or institution, or any portion thereof, licensed by the State Department of Health as defined in Section 1-1902 of Title 63 of the Oklahoma Statutes;

2. "Medicaid" means the medical assistance program established in Title XIX of the federal Social Security Act and administered in this state by the Oklahoma Health Care Authority;

3. "Patient gross revenues" means gross revenues received in compensation for services provided to residents of nursing facilities including, but not limited to, client participation. The

term "patient gross revenues" shall not include amounts received by nursing facilities as charitable contributions; and

4. "Additional costs paid to Medicaid-certified nursing facilities under Oklahoma's Medicaid reimbursement methodology" means both state and federal Medicaid expenditures including, but not limited to, funds in excess of the aggregate amounts that would otherwise have been paid to Medicaid-certified nursing facilities under the Medicaid reimbursement methodology which have been updated for inflationary, economic, and regulatory trends and which are in effect immediately prior to the inception of the Nursing Facilities Quality of Care Fee.

M. If any provision of this section, or the application thereof, is determined by any controlling federal agency, or any court of last resort to prevent the state from obtaining federal financial participation in the state's Medicaid program, such provision shall be deemed null and void as of the date of the ~~non-availability~~ nonavailability of such federal funding and through and during any period of ~~non-availability~~ nonavailability. All other provisions of the bill shall remain valid and enforceable.

SECTION 242. AMENDATORY 56 O.S. 2011, Section 2004, is amended to read as follows:

Section 2004. A. As used in this section:

1. "Additional costs reimbursed to the contracted community-based service provider" means both state and federal Medicaid

expenditures in excess of the aggregate amounts that would otherwise have been paid to a contracted community-based service provider including, but not limited to, costs related to an audit required by the Department of Human Services, the Oklahoma Health Care Authority, or the State Auditor and Inspector;

2. "Contracted community-based service provider" means any entity contracted by the Department of Human Services, the Oklahoma Health Care Authority, or any private person providing the support, or promotion of support, for a service recipient to remain in such person's home or residence and shall include, but not be limited to, entities and persons providing personal support, professional support, case management, transportation services, and services through a Home and Community-Based Waiver or Advantage Waiver as defined by Title XIX of the Social Security Act, Section 1915 (C);

3. "Gross receipts" means annual gross revenues received in compensation for services rendered by a contracted community-based service provider, but shall not include any amount received by a contracted service provider as a charitable contribution or any amount received by a provider as compensation for services rendered that is not reimbursed; and

4. "Medicaid" means the medical assistance program established in Title XIX of the federal Social Security Act and administered in the state by the Oklahoma Health Care Authority.

B. Information required to calculate the Home-Based Support Quality Assurance Assessment provided in Section ~~2~~ 4002 of ~~this act~~ Title 68 of the Oklahoma Statutes for a contracted community-based service provider shall be reported to the Oklahoma Health Care Authority using forms supplied by the Oklahoma Health Care Authority.

C. The payment of the Home-Based Quality Assurance Assessment by contracted community-based service providers shall be an allowable cost for Medicaid reimbursement purposes.

D. 1. There is hereby created in the State Treasury a revolving fund for the Oklahoma Health Care Authority to be designated the "Home-Based Quality Assurance Fund".

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

a. all monies received by the Oklahoma Health Care Authority pursuant to Section ~~2~~ 4002 of ~~this act~~ Title 68 of the Oklahoma Statutes and otherwise specified or authorized by law,

b. monies received by the Oklahoma Health Care Authority due to federal financial participation pursuant to Title XIX of the Social Security Act, and

c. interest attributable to investment of money in the Home-Based Quality Assurance Fund.

3. All monies accruing to the credit of the fund are appropriated and may be budgeted and expended by the Oklahoma Health Care Authority for Medicaid services provided by contracted community-based service providers.

4. Expenditures from the fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

5. The Home-Based Quality Assurance Fund and the programs specified in this section that are funded by revenues collected from the Home-Based Quality Assurance Assessment pursuant to this section are exempt from budgetary cuts, reductions, or eliminations.

6. The reimbursement rate for contracted community-based service providers shall be made in accordance with Oklahoma's Medicaid reimbursement rate methodology and the provisions of this section.

7. No contracted community-based service provider shall be guaranteed, expressly or otherwise, that any additional costs reimbursed to the contracted community-based service provider shall equal or exceed the amount of the Home-Based Quality Assurance Assessment paid by the contracted community-based service provider.

E. 1. If federal financial participation pursuant to Title XIX of the Social Security Act is not available to the Oklahoma Medicaid program, for purposes of matching expenditures from the Home-Based

Quality Assurance Fund at the approved federal medical assistance percentage for the applicable fiscal year, the Home-Based Quality Assurance Assessment shall be null and void as of the date of the nonavailability of such federal funding, through and during any period of nonavailability.

2. If this section is invalidated by any court of last resort under circumstances not covered in subsection F of this section, the Home-Based Quality Assurance Assessment shall be void as of the effective date of that invalidation.

3. If the Home-Based Quality Assurance Assessment is determined to be void for any of the reasons enumerated in this section, any Home-Based Quality Assurance Assessment assessed and collected for any periods after such invalidation shall be returned in full within sixty (60) days by the Oklahoma Health Care Authority to the contracted community-based service provider from which it was collected.

4. If any provision of this section, or the application thereof, is determined by any court of last resort to prevent the state from obtaining federal financial participation in the state Medicaid program, such provision shall be deemed void as of the date of the nonavailability of such federal funding and through and during any period of nonavailability.

F. 1. If any provision of this section or the application thereof shall be adjudged to be invalid by any court of last resort,

such judgment shall not affect, impair or invalidate the remaining provisions of the section, but shall be confined in its operation to the provision thereof directly involved in the controversy in which such judgment was rendered. The applicability of such provision to other persons or circumstances shall not be affected thereby.

2. This subsection shall not apply to any judgment that affects the rate of the Home-Based Quality Assurance Assessment, its applicability to all contracted community-based service providers in the state, the usage of the fee for the purposes prescribed in this section, or the ability of the Oklahoma Health Care Authority to obtain full federal participation to match its expenditures of the proceeds of the assessment.

G. The Oklahoma Health Care Authority shall:

1. Promulgate rules for the implementation and enforcement of the Home-Based Quality Assurance Assessment established by this section; and

2. Provide for administrative penalties in the event a contracted community-based service provider fails to:

a. submit the Home-Based Quality Assurance Assessment,

b. submit the Home-Based Quality Assurance Assessment in a timely manner, or

c. submit reports as required by this section or by the Oklahoma Health Care Authority.

SECTION 243. AMENDATORY 56 O.S. 2011, Section 3002, is amended to read as follows:

Section 3002. A. The following agencies are directed to jointly design and implement a coordinated system of information, referral and follow-up services for older Oklahomans:

1. The Aging Services Division of the Department of Human Services;

2. The State Department of Health;

3. The Department of Mental Health and Substance Abuse Services;

4. The Oklahoma Health Care Authority;

5. The Oklahoma Department of Veterans Affairs; and

6. The ~~Office of State Finance~~ Office of Management and Enterprise Services.

B. 1. The Aging Services Division of the Department of Human Services shall be the lead agency for the design and implementation of the system required by the Coordination of Services for Older Oklahomans Act and shall be responsible for convening meetings and providing meeting space, administrative, staff and other necessary support services. The Division shall convene the first meeting of the agencies on or before July 1, 1996.

2. The remaining agencies listed in subsection A of this section shall be responsible for providing information, staff and

other assistance as necessary to design and implement the system required by the Coordination of Services for Older Oklahomans Act.

3. The Aging Services Division shall invite representatives of the Area Agencies on Aging, Eldercare, managed health care organizations and other appropriate public and private entities to participate in the design of the system required by the Coordination of Services for Older Oklahomans Act.

4. The ~~Office of State Finance~~ Office of Management and Enterprise Services shall provide technical assistance and support necessary for the development of the shared, computerized data base required by the Coordination of Services for Older Oklahomans Act.

C. On or before December 1 of each year, the agencies listed in subsection A of this section shall jointly submit a report to the Governor, the Speaker of the House of Representatives, the President Pro Tempore of the Senate, and the chairs of the appropriate legislative committees. The report shall include, but not be limited to:

1. A statement on the progress in the design and implementation of the system required by the Coordination of Services for Older Oklahomans Act; and

2. Identification of any statutory changes and funding necessary to implement the system.

SECTION 244. AMENDATORY 57 O.S. 2011, Section 508.2c, is amended to read as follows:

Section 508.2c A. There is hereby created the Oklahoma Integrated Justice Information Systems (OIJIS) Steering Committee which shall serve as an advisory board to the Oklahoma Legislature regarding issues pertinent to the strategic planning, development, funding, implementation, and operations of the justice information systems of the state.

B. The Committee shall be composed of the following members, except as otherwise provided by this section:

1. Two senators appointed by the President Pro Tempore of the Senate;

2. Two representatives appointed by the Speaker of the House of Representatives;

3. The Commissioner of Public Safety or a designee;

4. A judge appointed by the Chief Justice of the Oklahoma Supreme Court or a designee;

5. The Executive Coordinator of the District Attorneys Council or a designee;

6. The Director of the Oklahoma State Bureau of Investigation or a designee;

7. The Director of the Department of Corrections or a designee;

8. The Executive Director of the Office of Juvenile Affairs or a designee;

9. The Executive Director of the Oklahoma Association of Chiefs of Police or a designee;

10. The Executive Director of the Oklahoma Sheriffs' Association or a designee;

11. The Director of the Oklahoma State Bureau of Narcotics and Dangerous Drugs Control or a designee;

12. The Director of the Oklahoma Indigent Defense System or a designee; and

13. The Attorney General or a designee.

C. Each committee member shall be required to attend the meetings of the committee. While designees are allowed, the member shall identify the designee in writing to the Chair of the committee prior to any meeting. The committee will meet twice a year and at any other time as the Chair may call a meeting, upon such notice and in such manner as may be fixed by the rules of the committee. Failure to attend two consecutive meetings by a designee shall automatically result in the removal of the designee from the committee and the individual making the designation shall select a new designee.

D. The committee shall be chaired by one of the appointed members from the Senate, selected by the President Pro Tempore of the Senate, in the odd-numbered years and one of the appointed members of the House of Representatives, selected by the Speaker of the House of Representatives, in the even-numbered years. A majority of the members shall constitute a quorum for purposes of transacting business. Committee members shall not be compensated

but shall be reimbursed their actual and necessary travel expenses as provided in the State Travel Reimbursement Act for members who are not members of the Legislature, and as provided in Section 456 of Title 74 of the Oklahoma Statutes for legislative members.

E. The duties of the committee shall be to:

1. Serve as the Executive Committee for oversight of the strategic planning, development, funding, implementation, and operations of the justice information systems of the state;

2. Review and discuss issues pertaining to justice information systems;

3. Make recommendations of issues relating to justice information systems to the President Pro Tempore of the Senate, the Speaker of the House of Representatives, the Governor, and the Secretary of the Safety and Security Cabinet;

4. Establish policy for the OIJIS Steering Committee;

5. Create an Operational Subcommittee for the OIJIS Steering Committee derived from the member agencies. Tasks for the Operational Subcommittee are:

a. to meet monthly or more frequently as needed,

b. to elect a Chair and Vice-Chair of the Operational Subcommittee from their membership, each of whom will serve a two-year period with the Vice-Chair assuming the duties automatically of the Chair upon completion

of the two-year period of the Chair, or earlier in the case of the early loss of the Chair,

c. to review current justice information systems,

d. to create, annually update, and implement a strategic plan for improving the accuracy, completeness, and timeliness of criminal history information within the state,

e. to create, annually update, and implement a statewide plan for the integration of the justice information systems of the state, and

f. to assist as requested, review, and make recommendations on grant applications relative to justice information systems; and

6. Advise the Chief Information Officer and the State Governmental Technology Applications Review Board on necessary security protocols to be followed by employees of the Information Services Division of the ~~Office of State Finance~~ Office of Management and Enterprise Services who are assigned to service law enforcement agencies.

F. The committee is hereby authorized to enlist the aid of any agency of state government for assistance or for information to enable the committee to perform the duties charged in this section.

G. The committee shall make a written report each year to the President Pro Tempore of the Senate, the Speaker of the House of

Representatives, the Governor, and the Secretary of the Safety and Security Cabinet on any findings or recommendations concerning needed legislation, the potential impact, including fiscal estimates, of existing or proposed legislation, and the impact of agency policies which affect the justice information systems.

H. The Oklahoma State Bureau of Investigation shall provide the administrative support in scheduling of meetings, providing records of the meetings, publication of reports, and any other support as required of and approved by the committee.

SECTION 245. AMENDATORY 57 O.S. 2011, Section 509, is amended to read as follows:

Section 509. The Oklahoma State Penitentiary shall be located at McAlester in Pittsburg County, State of Oklahoma; and the Oklahoma State Reformatory shall be located at Granite in Greer County, State of Oklahoma; and the Lexington Assessment and Reception Center shall be located at Lexington in Cleveland County, State of Oklahoma; and the Jackie Brannon Correctional Center shall be located at McAlester in Pittsburg County, State of Oklahoma; and the Joseph Harp Correctional Center shall be located at Lexington in Cleveland County, State of Oklahoma; and the Howard C. McLeod Correctional Center shall be located at Farris in Atoka County, State of Oklahoma; and the Mack H. Alford Correctional Center shall be located at Stringtown in Atoka County, State of Oklahoma; and the Jim E. Hamilton Correctional Center shall be located at Hodgen in

LeFlore County, State of Oklahoma; and the Mabel Bassett Correctional Center shall be located at McLoud, in Pottawatomie County, State of Oklahoma; and the R.B. "Dick" Conner Correctional Center shall be located at Hominy in Osage County, State of Oklahoma; and the James Crabtree Correctional Center shall be located at Helena in Alfalfa County, State of Oklahoma; and the Jess Dunn Correctional Center shall be located at Taft in Muskogee County, State of Oklahoma; and the Northeast Oklahoma Correctional Center shall be located at Vinita in Craig County, State of Oklahoma; and the John Lilley Correctional Center shall be located at Boley in Okfuskee County, State of Oklahoma; and the William S. Key Correctional Center shall be located at Fort Supply in Woodward County, State of Oklahoma; and the Dr. Eddie Walter Warrior Correctional Center shall be located at Taft in Muskogee County, State of Oklahoma; and the Clara Waters and Kate Barnard Community Corrections Centers shall be located at Oklahoma City in Oklahoma County, State of Oklahoma; and the Muskogee Community Corrections Center shall be located at Muskogee in Muskogee County, State of Oklahoma; and the Lawton Community Corrections Center shall be located at Lawton in Comanche County, State of Oklahoma; and the Enid Community Corrections Center shall be located at Enid in Garfield County, State of Oklahoma; the Charles E. "Bill" Johnson Correctional Center shall be located east of Alva in Woods County, State of Oklahoma; and said institutions and community corrections

centers are hereby established within the Department. Said Department shall be the legal successor of and, except as otherwise provided in the Oklahoma Corrections Act of 1967, shall have the powers and duties vested by law in the ~~Department of Central Services~~ Office of Management and Enterprise Services in all matters relating to penal institutions, heretofore or hereafter established by the Department, which institutions and community corrections centers shall be under the administrative direction and control of the Department.

SECTION 246. AMENDATORY 57 O.S. 2011, Section 510.6a, is amended to read as follows:

Section 510.6a A. Persons certified to teach in the State of Oklahoma and meeting all minimum qualifications set by the ~~Office of Personnel Management~~ Office of Management and Enterprise Services, who are hired or employed as Correctional Teachers or Vocational Instructors by the Department of Corrections educational program, shall receive in salary the minimum amounts specified in Section 18-114.12 of Title 70 of the Oklahoma Statutes multiplied by a factor of 1.20. Correctional Teachers serving as lead workers with supervisory responsibilities shall receive the minimum amounts specified above multiplied by a factor of 1.25. Correctional Teachers who have a special education certificate shall receive salary of an additional five percent (5%). Correctional Teachers shall receive the benefits set forth in Sections 1370 and 1707 of

Title 74 of the Oklahoma Statutes; provided, however, Correctional Teachers shall not be eligible for longevity payments pursuant to Section 840-2.18 of Title 74 of the Oklahoma Statutes.

B. Persons employed by the Department of Corrections school system as nonteaching administrators shall be in the unclassified service and shall not be placed under the classified service; however, any classified employee occupying an administrative position prior to July 1, 2000, shall retain the right to remain in the classified service. At such time as such position becomes vacant, it shall be placed in the unclassified service.

C. Except as provided by this section of law, the employment of persons by the Department of Corrections educational program as teachers or administrators shall be entirely governed by the provisions of Title 74 of the Oklahoma Statutes and any other laws or rules regarding state employees and their employment; however, no Department of Corrections Correctional Teacher or Vocational Instructor, whose salary is calculated in accordance with the provisions of this section, shall be entitled to receive any pay increases for state employees authorized elsewhere in statute, rule or law. Correctional Teachers or Vocational Instructors shall receive any legislated pay increases granted in addition to the Title 70 minimum salary schedule; provided, such increases are given to all common education/vocational technical teachers.

D. The salaries for all Correctional Teachers and Vocational Instructors shall be adjusted annually on July 1 unless legislation authorizes a pay raise for educators with an implementation date other than July 1, in which case the annual adjustment shall occur on the date of the pay raise implementation.

E. The monthly salaries of Correctional Teachers and Vocational Instructors employed by the Department of Corrections on the effective date of this act will be adjusted according to the procedures authorized in subsection A of this section on the first day of the month following the effective date of this act. Longevity payments will be eliminated in the month following the effective date of this act for Correctional Teachers and Vocational Instructors whose salaries are calculated according to the provisions of this section. The salaries of the employees governed by this section who are employed on the effective date of this act will be recalculated. The recalculation will be based on the provisions of subsection A of this section for actual time employed as a Department of Corrections Correctional Teacher or Vocational Instructor between July 1, 2004, and the last day of the month in which this act becomes effective. Authorized employees will receive a one-time payment equal to the difference between the recalculated salary amount and the compensation received.

SECTION 247. AMENDATORY 57 O.S. 2011, Section 513.1, is amended to read as follows:

Section 513.1 To satisfy the requirements of subsections A and B of Section 513 of this title, and to timely acquire goods and services that cannot be secured through normal purchasing and invoice processes, there is hereby created a petty cash fund within the Department of Corrections. The Director of ~~State Finance~~ the Office of Management and Enterprise Services and the Director of the Department of Corrections are authorized to fix the maximum amount of the petty cash fund, and the Director of ~~State Finance~~ the Office of Management and Enterprise Services shall prescribe the rules and procedures for the administration of the petty cash fund. The Department of Corrections is directed to develop a written policy to specify which units, facilities and institutions within the Department are authorized to make disbursements from the petty cash fund.

SECTION 248. AMENDATORY 57 O.S. 2011, Section 521.1, is amended to read as follows:

Section 521.1 A. Upon the effective date of this act, a Reentry Policy Council shall be created for the purpose of providing oversight of the reentry policies and programs operated by the Department of Corrections. The Council shall consist of eleven (11) members and shall be appointed as follows:

1. Three members shall be appointed by the Governor as follows:

a. one member shall be a law enforcement officer,

b. one member shall be a corrections official, and

c. one member shall be a crime victim;

2. Four members shall be appointed by the Speaker of the Oklahoma House of Representatives as follows:

a. one member shall be a member of the Oklahoma House of Representatives,

b. one member shall be a representative of a faith-based organization involved with the reintegration of inmates,

c. one member shall be a person who has been previously convicted of a criminal offense in Oklahoma, and

d. one member shall be a mental health and substance abuse official; and

3. Four members shall be appointed by the President Pro Tempore of the Oklahoma State Senate as follows:

a. one member shall be a member of the Oklahoma State Senate,

b. one member shall be a representative from a for-profit half-way house who specializes in reintegration of inmates,

c. one member shall be a representative from a nonprofit entity involved with the reintegration of inmates, and

d. one member shall be a district attorney, or his or her designee.

B. The Council shall:

1. Review corrections policies, programs and procedures to ensure that the primary purpose of each is public safety during imprisonment and after release;

2. Identify gaps in reentry programs and services as well as overlapping efforts, and recommend changes to address those issues;

3. Review policies to ensure that corrections facilities recruit and welcome volunteers;

4. Review the licensing procedures within this state to eliminate barriers to employment that are unrelated to the conduct underlying the conviction; and

5. Report annually to the Legislature and the Governor on the progress of the reentry initiative, including the impact on recidivism, effectiveness of agency coordination and communications, and the implementation of reentry plans and use of funding.

C. 1. Legislative members of the Council shall be reimbursed for their necessary travel expenses incurred in the performance of their duties in accordance with Section 456 of Title 74 of the Oklahoma Statutes from the legislative body in which they serve;

2. State agency employees who are members of the Council shall be reimbursed for their travel expenses incurred in the performance of their duties by their respective agencies in accordance with the State Travel Reimbursement Act; and

3. All other Council members shall be reimbursed by the ~~Department of Central Services~~ Office of Management and Enterprise

Services for travel expenses incurred in the performance of their duties on the Council in accordance with the State Travel Reimbursement Act.

SECTION 249. AMENDATORY 57 O.S. 2011, Section 521.2, is amended to read as follows:

Section 521.2 A. There is hereby created until July 1, 2010, the "Transformational Justice Interagency Task Force". The Transformational Justice Interagency Task Force shall be composed of the following members:

1. The Director of the Department of Corrections, or a designee;

2. The Executive Director of the Office of Juvenile Affairs, or a designee;

3. The Attorney General, or a designee;

4. The State Commissioner of ~~the State Department of~~ Health, or a designee;

5. The Director of the Department of Human Services, or a designee;

6. The Commissioner of ~~the Department of~~ Mental Health and Substance Abuse Services, or a designee;

7. The Presiding Judge of the Oklahoma Court of Criminal Appeals, or a designee;

8. The Executive Coordinator of the District Attorneys Council, or a designee;

9. The Executive Director of the Oklahoma Indigent Defense System, or a designee;

10. Two members of the Oklahoma House of Representatives appointed by the Speaker of the Oklahoma House of Representatives; and

11. Two members of the Oklahoma State Senate appointed by the President Pro Tempore of the Senate.

B. The chair shall be appointed by the Speaker of the Oklahoma House of Representatives on or before December 1, 2007. The vice-chair shall be appointed by the President Pro Tempore of the Oklahoma State Senate on or before December 1, 2007. The chair shall convene the first meeting of the Task Force on or before January 1, 2008. The members of the Task Force shall elect any other officers during the first meeting and upon a vacancy in any office. The Task Force shall meet as often as necessary. Task Force members employed by the state shall be reimbursed for travel expenses related to their service on the Task Force by their respective agencies pursuant to the provisions of the State Travel Reimbursement Act. Legislative members of the Task Force shall be reimbursed for their necessary travel expenses incurred in the performance of their duties in accordance with Section 456 of Title 74 of the Oklahoma Statutes. Remaining Task Force members shall be reimbursed travel expenses related to their service on the Task

Force by their appointing authorities pursuant to the provisions of the State Travel Reimbursement Act.

C. The Transformational Justice Interagency Task Force shall:

1. Establish goals for reducing the rate of recidivism among inmates;

2. Coordinate the reentry programs of the state to help inmates find jobs, housing, substance abuse treatment, medical care, and mental health services;

3. Ensure that those who supervise offenders in prison are linked to those that will supervise them after release;

4. Identify methods to improve collaboration and coordination of reentry programs and services, including cross-training, management information systems that are accessible to partner agencies, screening procedures to assess and refer efficiently across federal, state and local boundaries, and policies and procedures that measure offender reentry management with well-defined performance-based outcomes;

5. Seek partnerships with faith-based and community groups to provide programs and services;

6. Identify effective evidence-based practices in reentry support, treatment and intervention programs;

7. Encourage expansion of family-based treatment centers that offer family-based comprehensive treatment services for parents and their children as a complete family unit;

8. Develop and establish a parenting skills program to be implemented by the Department of Corrections for inmates who are within one (1) year of being released from incarceration. The parenting skills program shall provide education and training to develop and enhance inmate parenting skills with an emphasis on providing techniques to teach the inmate how to raise a healthier child who will be less at risk of engaging in future criminal activities;

9. Establish collaboration among corrections and community corrections, technical schools, community colleges, and the workforce development and employment service sectors to:

a. promote, where appropriate, the employment of people released from prison and jail, through federal efforts such as educating employers about existing financial incentives and facilitate the creation of job opportunities, including transitional jobs, for this population that will benefit communities,

b. connect inmates to employment, including supportive employment and employment services, before their release to the community, and

c. address barriers to employment;

10. Include victims in the reentry process and facilitate victim-offender dialogue when the victim is willing; and

11. Communicate regularly with local agencies and faith-based and community groups.

D. There is hereby created in the State Treasury a revolving fund for the Office of Faith-Based Initiatives to be designated the "Reintegration of Inmates Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of monies received from appropriated funds to be used for grants to volunteer organizations including, but not limited to, faith-based organizations which provide health, educational or vocational training and programs that assist the reintegration efforts of the Reentry Policy Council. All monies accruing to the credit of the fund are hereby appropriated and may be budgeted and expended by the Office of Faith-Based Initiatives. Expenditures from the fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

E. There is hereby created in the State Treasury a revolving fund for the Department of Corrections to be designated the "Transformational Justice Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of monies received from appropriated funds to be used for bonuses to corrections officials who demonstrate improvement in recidivism rates of inmates that were previously under the custody

of the Department of Corrections. All monies accruing to the credit of the fund are hereby appropriated and may be budgeted and expended by the Department of Corrections. Expenditures from the fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

F. The Department of Corrections shall develop rules and policies which ensure that recidivism rates are included in the performance reviews, promotions and compensation adjustments of correctional officers.

SECTION 250. AMENDATORY 57 O.S. 2011, Section 537.1, is amended to read as follows:

Section 537.1 A. There is hereby created in the State Treasury a revolving fund for the Department of Corrections to be designated the "Department of Corrections Inmate and Employee Welfare and Canteen System Support Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all profits generated from the canteen system, any inmate telephone system and any inmate electronic mail system. All monies accruing to the credit of the fund are hereby appropriated and may be budgeted and expended by the Department of Corrections and the Canteen System Board of Directors for the benefit of inmates of the various institutions and personnel of the Department and to support

canteen system operations according to written Department policy, welfare budget limitations, and upon approval of the Canteen System Board. Expenditures from the fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment. All expenditures from this fund shall comply with the applicable provisions of The Oklahoma Central Purchasing Act, unless specifically exempted by subsection E of Section 537 of ~~Title 57 of the Oklahoma Statutes~~ this title.

B. All cash balances credited to the various Department canteen fund accounts that were previously budgeted and approved for inmate and staff welfare expenditures prior to November 1, 2008, but are not encumbered or expended as of June 30, 2008, shall be transferred to the Department of Corrections Inmate and Employee Welfare and Canteen System Support Revolving Fund upon implementation of the Department of Corrections consolidated canteen, trust and restitution accounting system. Effective November 1, 2008, profits generated from the canteen system, any inmate telephone systems, and any inmate electronic mail systems shall be identified and deposited in the Department of Corrections Inmate and Employee Welfare and Canteen System Support Revolving Fund.

SECTION 251. AMENDATORY 57 O.S. 2011, Section 541, is amended to read as follows:

Section 541. A. There is hereby created in the State Treasury an Industries Revolving Fund for the Department of Corrections.

B. The revolving fund shall consist of earnings derived from prison industries operated by the Department of Corrections and from that portion of the prisoner's income apportioned and paid into the prison system to recover the cost of incarceration of the prisoners as provided by law. Funds derived from prisoner wages shall be maintained and accounted for separately in this fund. The Industries Revolving Fund shall be a continuing fund, not subject to fiscal year limitations, and shall be under the control and management of the State Board of Corrections.

C. Expenditures from the Industries Revolving Fund shall be budgeted and expended pursuant to the laws of the state and the statutes relating to public finance and to the institution. The fund may be used to purchase, maintain and repair machinery, to purchase materials and supplies for the prison industries and to defray any other expenses necessary to operation of the industries, with first priority being given to repairs, replacement and modernization of industrial or agricultural machinery or equipment. These funds may also be used to support the overall operation of the Department of Corrections~~,~~; provided however, no funds shall be used for purposes other than prison industries, except pursuant to legislative appropriation. Expenditures from the fund derived from prisoner's income may be used for the maintenance of prisoners in

prison institutions and all expenses related thereto under such rules as may be established by the State Board of Corrections. Warrants for expenditures from the Industries Revolving Fund shall be based on claims signed by an authorized employee or employees of the Department, and approved for payment by the Director of ~~State Finance~~ the Office of Management and Enterprise Services. The Department shall maintain a separate accounting of receipts and expenditures for each industry for periodic review by the Legislature. The fund may not be used to employ personnel in excess of those authorized by legislative action.

D. All funds in the Department of Corrections' Industries Revolving Funds not encumbered or obligated upon the operative date of this section shall be transferred to a single Industries Revolving Fund of the Department of Corrections.

E. The Administrator of Industrial Production will determine the prices of all goods produced through the state prison industries and the Administrator of Agri-Services will determine the prices of all goods produced by Agri-Service units. These prices will be filed with the Budget Office.

When industrial or agricultural items or products are furnished to the institutions of the Department, or sold to other governmental agencies, payment therefor shall be made within thirty (30) days for deposit in the revolving account to be used in purchasing expendable items, raw materials or other items needed to produce additional

such products or items, and for such other purposes as are authorized by law. The Administrator of Industrial Production or Administrator of Agri-Services may establish higher prices for sale of products to governmental agencies, according to the current market value of each product.

F. The Department of Corrections is authorized to pay inmates for productive work in accordance with policies set by the Board of Corrections. The Board of Corrections shall certify the positions to be paid and the rate of pay in accordance with the responsibilities and skills required for the position. The Department of Corrections shall develop policies for payment of inmates in the Industries Program that promote productivity as well as compensate for responsibilities and skills. The Department shall file such policy statements with the Chairmen of the appropriate committees of both the Senate and the House of Representatives as designated by the President Pro Tempore of the Senate and the Speaker of the House of Representatives. Any change in this policy by the Board of Corrections may be voided by legislative action to rescind such policy.

SECTION 252. AMENDATORY 57 O.S. 2011, Section 549.1, is amended to read as follows:

Section 549.1 A. The Department of Corrections is authorized to purchase in the manner prescribed by law, facilities, equipment, raw materials and supplies, and to engage the supervisory personnel

necessary to establish and maintain for this state at the penal institutions, now or hereafter under the control of the State Board of Corrections, industries and agricultural programs for the utilization of services of prisoners in the manufacture or production of the articles or products as may be needed for the construction, operation, maintenance or use of any office, department, institution or agency supported in whole or in part by this state and the political subdivisions thereof. Upon the request of the Oklahoma Historical Society or the Oklahoma Tourism and Recreation Department, the Department of Corrections shall provide labor for and shall produce or manufacture articles, products or materials needed for the repair, construction and maintenance of historical sites and state parks including, but not limited to, the production of materials and products needed for the reconstruction of historic forts in the state.

B. All articles and services provided by the Department of Corrections in the state correctional institutions, and not required for use therein, shall be purchased as required by all offices, departments, institutions, agencies, counties, schools, colleges, universities, or political subdivisions or any agency thereof of this state which are supported in whole or in part by this state, if such article or service is the lowest and best bid, and no such article or product may be purchased by any such office, department, institution, agency, county, school, college, university, or

political subdivisions or agency thereof from any other source unless excepted from the provisions as hereinafter provided. Purchases made by the above-described state agencies may be made by submitting the proper requisition through the ~~Department of Central Services~~ Office of Management and Enterprise Services or by direct order to the prison industries program of the Department of Corrections.

C. If a requisition is received by the ~~Department of Central Services~~ Office of Management and Enterprise Services or a direct order is received by the Prison Industries Program of the Department of Corrections from a state agency for any product or service provided by the Department of Corrections and such product or service is also available from a severely handicapped person or a qualified nonprofit agency for the severely handicapped as provided in Section 3001 et seq. of Title 74 of the Oklahoma Statutes at a comparable price, then the product or service shall be purchased from such severely handicapped person or qualified nonprofit agency for the severely handicapped. If the product or service is not available within the time period required by the purchasing state agency, then such product or service shall be purchased from the Department of Corrections under the provisions of this section.

D. All offices, departments, institutions, agencies, counties, cities, districts or political subdivisions, schools, colleges, or universities, or any agency thereof, or any agencies of the state,

which are supported in whole or in part by this state, may purchase the goods or services produced by the prison industries of the Department of Corrections through their properly authorized purchasing authority, or they may place a direct order without competitive bid, with the prison industries of the Department of Corrections.

E. Not-for-profit corporations or charitable agencies chartered in Oklahoma or other states may purchase such goods and services. Units of the federal government and units of government in other states may also purchase such goods and services. All entities which contract with the state, its political units, its agencies, its public institutions, not-for-profit corporations or charitable agencies chartered in Oklahoma may purchase goods or services from the Department of Corrections which are used in the performance of such contracts. Any church located in the State of Oklahoma may also purchase goods and services produced by the prison industries of the Department of Corrections. Any community action agency or council of governments within this state may purchase housing components produced by the prison industries of the Department of Corrections. Nothing shall prohibit the Department from bidding on portions of a state contract which are subcontracted by the primary contractor.

F. Others are prohibited from purchasing such goods and services, with the exception that all surplus agricultural products

may be sold on the open market or bartered and exchanged for other food, feed or seed products of comparable value. The Department of Corrections shall keep complete and accurate records of any such barters or exchanges in such form and manner as the ~~Department of Central Services~~ Office of Management and Enterprise Services may prescribe. A copy of such records shall be filed with the ~~Department of Central Services~~ Office of Management and Enterprise Services no later than March 1 of each year for all barters or exchanges occurring in the previous calendar year.

G. Products manufactured by the Department of Corrections shall be of styles, patterns, designs and quantities specified by the Department of Corrections except where the same have been or may be specified by the ~~Department of Central Services~~ Office of Management and Enterprise Services. Products shall be provided at a fair market price for comparable quality.

H. State agencies shall make maximum utilization of such products and no similar products shall be purchased by state agencies from any other source than the Department of Corrections except as provided in subsection C of this section, unless the Department of Corrections certifies to the State Purchasing Director that it is not able to provide products, and no claim therefor shall be paid without such certification.

I. Exceptions from the mandatory provisions hereof may be made in any case where, in the opinion of the ~~Department of Central~~

~~Services~~ Office of Management and Enterprise Services, the article or product does not meet the reasonable requirements of or for such offices, departments, institutions or agencies, or in any case where the requisitions made cannot be reasonably complied with. No such offices, departments, institutions or agencies, shall be allowed to evade the intent and meaning of this section by slight variations from standards adopted by the ~~Department of Central Services~~ Office of Management and Enterprise Services, when the articles, services or products produced or manufactured by the Department of Corrections, in accordance with established standards, are reasonably adapted to the actual needs of such offices, departments, institutions or agencies.

J. In the event of disagreement between the Department of Corrections and the State Purchasing Director on fairness of price, ability to comply to specifications, reasonableness of specifications and timeliness of delivery of products the matter will be resolved by the Central Purchasing Director.

K. The ~~Department of Central Services~~ Office of Management and Enterprise Services shall cooperate with the Department of Corrections in seeking to promote for use in state agencies and by all other eligible customers, the products manufactured and services provided by the prison industries.

L. The Department of Corrections shall prepare catalogs containing the description of all goods and services provided, with

the pricing of each item. Copies of such catalog shall be sent by the Department of Corrections to all offices, departments, institutions and agencies of this state, and shall be available for distribution to all other eligible customers.

SECTION 253. AMENDATORY 57 O.S. 2011, Section 557, is amended to read as follows:

Section 557. A. There is hereby created in the State Treasury a revolving fund for the Department of Corrections to be known as the Department of Corrections Revolving Fund. This revolving fund shall consist of monies received by each institution of the Department as reimbursements for noninmate individual food consumption; reimbursements from other state agencies and entities of government; receipts from sale of excess by-products, excess property, and salvage items; receipts from other ancillary services of the institution, not otherwise provided by law; receipts from the fees provided for in Sections 982 and 991d of Title 22 of the Oklahoma Statutes; monitoring fees for electronically monitored home detention; receipts from the fees provided for in Section 153 of Title 28 of the Oklahoma Statutes for convictions for driving under the influence of alcohol or other intoxicating substance; monies received for providing primary health care and outpatient services to prisoners in county jails; receipts by the Department for institutional care from wages earned by inmates while participating in the work release program; funds for prison rodeos and other

special events; and any other receipts accruing to the credit of the Department of Corrections which are not directed by law to be deposited in another fund. Expenditures from said fund shall be for the general operating expenses of the Department of Corrections.

B. The Department of Corrections Revolving Fund shall also consist of those monies that are transferred to it by the Department of Corrections from the Industries Revolving Fund of the Department of Corrections for purposes as provided for in Section 541 of this title and expenditures shall be in accordance therewith. On July 1, 1983, any cash remaining in the Department of Corrections Industries Subsidiary Revolving Fund in excess of allotment balances or encumbrances for the fiscal year ending June 30, 1983, shall be transferred to the Department of Corrections Revolving Fund and on November 15, 1983, all cash remaining in the Department of Corrections Industries Subsidiary Revolving Fund shall be transferred to the Department of Corrections Revolving Fund.

C. The fund created by subsection A of this section shall be a continuing fund, under the control of the administrative authority of the Department of Corrections, and not subject to fiscal year limitations. Expenditures shall be made pursuant to the laws of the state and the statutes relating to the Department of Corrections and its institutions, and without legislative appropriation. Warrants for expenditures from said revolving fund shall be based on claims signed by an authorized employee or employees of the Department of

Corrections and approved for payment by the Director of ~~State Finance~~ the Office of Management and Enterprise Services.

SECTION 254. AMENDATORY 57 O.S. 2011, Section 557.2, is amended to read as follows:

Section 557.2 There is hereby created in the State Treasury a revolving fund for the Community Sentencing Division within the Department of Corrections to be designated the "Oklahoma Community Sentencing Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all funds appropriated to it by the Legislature, grants, gifts, bequests and any other lawful money received for the benefit of the statewide community sentencing system. All funds received shall be deposited to the fund. All monies accruing to the credit of said fund are hereby appropriated and may be budgeted and expended by the Division for state funding to approved community sentencing systems established pursuant to the provisions of the Oklahoma Community Sentencing Act. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 255. AMENDATORY 57 O.S. 2011, Section 561, is amended to read as follows:

Section 561. A. The Department of Corrections is hereby authorized to provide for incarceration, supervision, and

residential treatment at facilities other than those operated by the Department of Corrections. Services offered for persons under the custody or supervision of the Department are to include, but not be limited to, housing, alcoholism or drug treatment, mental health services, nursing home care, or halfway house placement. Such services must meet standards prescribed and established by the State Board of Corrections for implementing such a program, including but not limited to standards concerning internal and perimeter security, discipline of inmates, educational and vocational training programs, employment of inmates, and proper food, clothing, housing, and medical care. Such services must be contracted for in accordance with Section 85.7 of Title 74 of the Oklahoma Statutes. Such services, if provided by private prison contractors, shall be contracted for as required by this section.

B. The Department of Corrections is authorized to lease existing facilities or portions thereof from private prison contractors, counties or other governmental entities and operate such facilities or portions thereof in the same manner as other state owned and operated prison facilities. All lease agreements entered into pursuant to this section shall be negotiated between the Department and the lessor. The ~~Department of Central Services~~ Office of Management and Enterprise Services shall assist in the negotiations if requested by the Department of Corrections.

C. Subject to the requirements of this section and Section 561.1 of this title, the Department of Corrections is hereby authorized to provide for the construction or operation or both construction and operation of correctional institutions of the Department of Corrections by private prison contractors. Such operation shall meet standards prescribed by the State Board of Corrections, including but not limited to, standards concerning internal and perimeter security, discipline of inmates, educational and vocational training programs, and proper food, clothing, housing, transportation, and medical care. Such services shall be contracted for in accordance with the provisions of Section 561.1 of this title and the provisions of this section.

D. A comprehensive file for all private prison contractors interested in and capable of operating an institution within the Department of Corrections or providing for the housing, care, and control of inmates in a facility owned and operated by the contractor shall be maintained by the Department. These files shall include:

1. A completed application form;

2. A resume of the contractor's staff and capability;

3. A completed performance evaluation form for past projects on which the contractor has provided private prison services;

4. A list of past contracts with this state;

5. A list of contracts to provide similar services to other states or to the United States; and

6. The mailing address of each private prison contractor.

Any person or firm wishing to be a private prison contractor may request at any time to be included in the comprehensive file, and shall be provided necessary forms within twenty (20) days of the request and the Department shall add such contractor to the list within twenty (20) days of receipt of a properly completed application.

The Department may solicit evaluation of work done by private prison contractors from members of the private sector, which evaluation shall be part of the comprehensive file.

E. If the Department intends to secure the services of a private prison contractor, all persons and firms included in the file shall be notified through the mail of such intent. Such notification shall contain the following information:

1. Description and scope of the project or projects;

2. Estimated time schedule for project;

3. Last date for submitting notice of interest in performing services to the Director; and

4. Other pertinent data.

Private prison contractors desiring consideration shall meet the requirements of this section and to be considered shall submit a letter expressing interest in the project to the Department within

thirty (30) days of the postmark date of the letter of notification mailed by the Department. Contractors shall file an updated application form at the request of the Department.

F. The Department shall define the scope of a proposed project, determine the various project components, phases and timetables, and prepare detailed project descriptions to guide prospective contractors. Before the Department awards a contract to a private prison contractor, the plans shall be approved by the State Board of Corrections.

G. The Department shall review the files of the private prison contractors desiring consideration for the project. After performing the analysis required by Section 561.1 of this title, the Department shall select no less than three and no more than five contractors for more detailed consideration. In the event interviews for more than one contract are being considered at the same time, the number of contractors selected for more detailed consideration should be at least twice the number of contracts contemplated. This initial screening should consider the requirements of the project, as well as the following factors to be determined from the comprehensive file, and replies to inquiries to former clients:

1. Specialized experience in the type of work contemplated;

2. Capacity of the contractor to accomplish the work in the required time; and

3. Past performance, from the performance evaluation form.

H. A full report of the evaluation procedures and recommendations of the Department shall be prepared by the Department and submitted to the State Board of Corrections for the independent review of the entire process.

I. 1. The Department shall select the contractor whose qualifications and project proposal most substantially meet the criteria of the project description.

2. The Department shall execute the contract with the selected contractor, which contract shall include a fair and reasonable fee.

3. The negotiated scope and fee shall be reported to the Board for the approval of the award of the contract.

J. The ~~Department of Central Services~~ Office of Management and Enterprise Services shall render assistance to the Department of Corrections in implementing the contracting procedures provided for in this section. The ~~Department of Central Services~~ Office of Management and Enterprise Services may have a representative at any meeting involving negotiations of a contract between the Department and a private prison contractor. Before submission of the proposed contract to the ~~Legislative and Executive Bond Oversight Commissions~~ Council on Bond Oversight, and prior to the date as of which the proposed contract is executed by the State Board of Corrections, the Attorney General and the Director of the ~~Department of Central Services~~ Office of Management and Enterprise Services shall review

the proposed final version of the contract. The Attorney General and the Director of the ~~Department of Central Services~~ Office of Management and Enterprise Services shall have a period of fifteen (15) days from receipt of the proposed final version of the contract to approve the contract and execute the document. If either the Attorney General or the Director of the ~~Department of Central Services~~ Office of Management and Enterprise Services has objections to the proposed contract, the objections shall be communicated in writing to the Department of Corrections. The Department of Corrections shall take appropriate action regarding the objections and shall resubmit the proposed contract for additional review. The Attorney General and the ~~Department of Central Services~~ Office of Management and Enterprise Services shall have an additional fifteen-day period to approve the proposed contract and to execute the document. Failure of the Attorney General or the Director of the ~~Department of Central Services~~ Office of Management and Enterprise Services, respectively, to act within the fifteen-day period shall constitute approval of the respective official to the proposed final version of the contract. The contract shall contain a separate signature block or line for signature by the Attorney General and the ~~Department of Central Services~~ Office of Management and Enterprise Services. The contract shall contain a statement to be executed by the Attorney General and the Director of the ~~Department of Central Services~~ Office of Management and Enterprise Services

that each one of them, respectively, has reviewed the proposed contract for compliance with the provisions of this section and Section 561.1 of this title, and all other applicable provisions of law and that the contract conforms with those requirements. Neither the private prison contractor nor the State Board of Corrections shall execute the contract until the document has been executed by the Attorney General and the Director of the ~~Department of Central Services~~ Office of Management and Enterprise Services as required by this subsection unless the approval of the respective official has been made as a result of failure to take action within the fifteen-day period prescribed by this subsection.

K. The Director of ~~Central Services~~ the Office of Management and Enterprise Services is authorized to lease real property and improvements thereon to a private prison contractor in conjunction with a contract for private management of a state correctional institution located or to be built on the property. Said lease may be entered into for one (1) year periods, renewable at the sole option of the State of Oklahoma, but not to exceed a cumulative period of fifty (50) years.

L. Contracts awarded to private prison contractors pursuant to the provisions of this section shall be entered into for a period specified in each contract, subject to availability of funds annually appropriated by the Legislature for that purpose. No

contract awarded pursuant to this section shall provide for the encumbrance of funds beyond the amount available for a fiscal year.

M. No contract authorized by the provisions of this section shall be awarded until the private prison contractor demonstrates to the satisfaction of the State Board of Corrections:

1. That the contractor possesses the necessary qualifications and experience to provide the services specified in the contract;

2. That the contractor can provide the necessary qualified personnel to implement the terms of the contract;

3. That the financial condition of the contractor is such that the terms of the contract can be fulfilled;

4. That the contractor has the ability to comply with applicable court orders and corrections standards; and

5. That, in the case of a contractor who will be providing the services in a nondepartmental facility operated by said contractor, the contractor shall be able to meet accreditation standards and receive accreditation, as required by the terms of the contract pursuant to subsection C of Section 561.1 of this title.

N. No contract authorized by the provisions of this section shall be awarded until the private prison contractor demonstrates to the satisfaction of the Board that the contractor can obtain insurance or provide self-insurance to:

1. Indemnify the state against possible lawsuits arising from the operation of prison facilities by the contractor; and

2. Compensate the state for any property damage or expenses incurred due to the operation of prison facilities.

O. A private prison contractor shall not be bound by state laws or other legislative enactments governing the appointment, qualifications, duties, salaries, or benefits of wardens, superintendents, or other correctional employees, except that any personnel authorized to carry and use firearms shall comply with the certification standards required by the provisions of Section 3311 of Title 70 of the Oklahoma Statutes and be authorized to use firearms only to prevent a felony, to prevent escape from custody, or to prevent an act which would cause death or serious bodily injury to the personnel or to another person.

P. Any offense which would be a crime if committed within a state correctional institution also shall be a crime if committed in an institution or facility operated by a private prison contractor.

Q. The Director or his designee shall monitor the performance of the contractor.

SECTION 256. AMENDATORY 57 O.S. 2011, Section 561.1, is amended to read as follows:

Section 561.1 A. Except as otherwise provided by subsection K of this section, prior to entering into a contract with any private prison contractor for construction or operation, or both, of a correctional facility, the Department of Corrections shall establish a process for requesting proposals or negotiated contracts from such

contractors. The Department of Corrections shall develop criteria for the process by which a contractor for the construction or operation, or both, of a private prison is to be awarded a contract. The criteria shall be subject to approval by the State Board of Corrections. The criteria for selection of a site for a proposed facility to be constructed or operated, or both, by a private contractor shall include, but shall not be limited to, the availability of medical services, support services, transportation services and the availability of potential employees who would be qualified to perform required functions at a state correctional facility.

B. Any contract between the Department of Corrections and a private prison contractor, whereby the contractor provides for the housing, care, and control of inmates in a nondepartmental facility operated by the contractor, shall contain, in addition to other provisions, terms and conditions:

1. Requiring the contractor to provide said services in a facility which meets accreditation standards established by the American Correctional Association;

2. Requiring the contractor to receive accreditation for said facility from the American Correctional Association, within three (3) years of commencement of operations of the facility;

3. Requiring the contractor to obtain written authorization from the governing board of any municipality in which the facility

is to be located, or if the facility is not to be located within a municipality, written authorization from the board of county commissioners of the county in which the facility is to be located; and

4. Granting the Department the option at the beginning of each fiscal year pursuant to an agreement, to purchase any such facility, with or without inventory or other personal property, at a predetermined price, which shall be negotiated and included in a schedule or a formula to be contained in the original agreement. Such agreements relating to a correctional facility, the construction of which was financed or is to be financed by obligations issued from a local governmental entity the repayment of which is to be made in whole or in part from rentals from the State of Oklahoma or the Department of Corrections, shall be submitted to the ~~Oklahoma Bond Oversight Commissions~~ Council on Bond Oversight as provided in subsection I of this section.

C. A contractor proposing to enter a contract with the Department of Corrections for construction or operation, or both, of a correctional facility pursuant to this section must demonstrate:

1. The qualifications and the operations and management experience to carry out the terms of the contract; and

2. The ability to comply with the standards of the American Correctional Association and with specific court orders.

D. In addition to meeting the requirements specified in the requests for proposals, a proposal for the construction and operation of a correctional facility must:

1. Provide for regular, on-site monitoring by the Department of Corrections;

2. Acknowledge that payment by the state is subject to the availability of appropriations;

3. Provide for payment of a maximum amount per fiscal year;

4. Demonstrate a cost benefit to the State of Oklahoma when compared to the level and quality of programs provided by state-operated facilities that have similar types of inmates at an operational cost not more than the cost of housing inmates in similar facilities and providing similar programs to those types of inmates in state-operated facilities. The Department of Corrections shall be responsible for determining the cost/benefit of the proposal;

5. Permit the state to terminate the contract for cause;

6. Contain a proposed per diem operational cost per inmate for the initial year and subsequent years of operations;

7. Subject to appropriations, provide that cost adjustments may be made only once each fiscal year, to take effect at the beginning of the next fiscal year using as the maximum percentage increase, if any, an increase not to exceed the previous year's Consumer Price Index for All Urban Consumers (CPI-U) as prepared by the United

States Bureau of Labor Statistics, except as otherwise provided by subsection K of this section;

8. Have an initial contract term of not more than one (1) year, with an option to renew for additional periods not to exceed twenty (20) years;

9. If the proposal includes construction of a facility, contain a performance bond approved by the Department that is adequate and appropriate for the proposed contract;

10. Provide for assumption of liability by the private vendor for all claims arising from the services performed under the contract by the private vendor;

11. Provide for an adequate plan of insurance for the private vendor and its officers, employees, and agents against all claims, including claims based on violations of civil rights arising from the services performed under the contract by the private vendor;

12. Provide for an adequate plan of insurance to protect the state against all claims arising from the services performed under the contract by the private vendor and to protect the state from actions by a third party against the private vendor, its officers, employees, and agents as a result of the contract;

13. Provide plans for the purchase and assumption of operations by the state in the event of the bankruptcy of the private vendor; and

14. Contain comprehensive standards for conditions of confinement.

E. At the beginning of each fiscal year, the Department of Corrections shall determine the budgeted average daily cost per inmate. There shall be a separate computation of budgeted average daily cost for maximum security, medium security, minimum security, and community facilities. This information shall be presented to the State Board of Corrections for informational purposes only. After the close of each fiscal year, the Department shall determine the actual average daily cost per inmate for the operational costs at each major category of correctional facility. There shall be a separate computation of the average daily rate for maximum security, medium security, minimum security, and community facilities. The Department shall present to the State Board of Corrections at its January meeting comparative data on budgeted daily cost versus actual daily cost, and, after appropriate review and analysis, the Board shall adopt as a final action of the Board an average daily cost per inmate by facility category for the immediately preceding fiscal year.

F. If a request for proposal process is utilized and no proposals conform to the established criteria, the Department shall prepare an additional request for proposals. The Department of Corrections shall evaluate the proposals within thirty (30) days of receipt from the prospective contractor. The Department of

Corrections shall specifically determine whether a proposal meets the requirements of paragraph 4 of subsection D of this section by comparing the daily rate for housing and care of inmates pursuant to any proposed contract with a private contractor to the daily rate for housing and care of inmates at the comparable type of facility operated by the Department of Corrections using the information provided pursuant to paragraph 6 of subsection D of this section. The Department shall evaluate proposals taking into account any direct or indirect costs that would continue to be paid by the Department of Corrections including, but not limited to, transportation, records management, discipline, general administration, management of inmate trust funds, and major medical coverage. Such costs shall be added to the proposed per diem of the private vendor when comparing the total per diem costs of the state operating facilities.

G. If the Department of Corrections proposes to enter into a contract for the construction or the operation, or both, of a private prison, the Department shall compare both the capital costs and the operating costs for the facility to the imputed capital costs and the projected operating costs of a comparable facility constructed and operated by the Department of Corrections.

H. The Department of Corrections shall deliver to the State Board of Corrections the top three qualified prospective private prison contractors identified pursuant to this section and pursuant

to Section 561 of this title together with the information reviewed and analyzed by the Department of Corrections during analysis of the proposals as required by this section. The Board of Corrections shall evaluate the information provided and shall make a final decision selecting the contractor within fifteen (15) days of receipt of the information.

I. Any contract subject to the provisions of this section entered into by the Board of Corrections shall be subject to the approval of the Council on Bond Oversight in the same manner as provided by law for the review of issuance of obligations by State Governmental Entities as prescribed by Section 695.8 of Title 62 of the Oklahoma Statutes.

J. Before submission of the proposed contract to the Council on Bond Oversight, and prior to the date as of which the proposed contract is executed by the Board of Corrections, the Attorney General and the Director of the ~~Department of Central Services~~ Office of Management and Enterprise Services shall review the proposed final version of the contract. The Attorney General and the Director of the ~~Department of Central Services~~ Office of Management and Enterprise Services shall have a period of fifteen (15) days from receipt of the proposed final version of the contract to approve the contract and execute the document. If either the Attorney General or the Director of the ~~Department of Central Services~~ Office of Management and Enterprise Services has objections

to the proposed contract, the objections shall be communicated in writing to the Department of Corrections. The Department of Corrections shall take appropriate action regarding the objections and shall resubmit the proposed contract for additional review. The Attorney General and the ~~Department of Central Services~~ Office of Management and Enterprise Services shall have an additional fifteen-day period to approve the proposed contract and to execute the document. Failure of the Attorney General or the Director of the ~~Department of Central Services~~ Office of Management and Enterprise Services, respectively, to act within the fifteen-day period shall constitute approval of the respective official to the proposed final version of the contract. The contract shall contain a separate signature block or line for signature by the Attorney General and the ~~Department of Central Services~~ Office of Management and Enterprise Services. The contract shall contain a statement to be executed by the Attorney General and the Director of the ~~Department of Central Services~~ Office of Management and Enterprise Services that each one of them, respectively, has reviewed the proposed contract for compliance with the provisions of this section and Section 561 of this title, and all other applicable provisions of law and that the contract conforms with those requirements. Neither the private prison contractor nor the State Board of Corrections shall execute the contract until the document has been executed by the Attorney General and the Director of the ~~Department of Central~~

~~Services~~ Office of Management and Enterprise Services as required by this subsection unless the approval of the respective official has been made as a result of failure to take action within the fifteen-day period prescribed by this subsection.

K. The State Board of Corrections may renew a private prison contract which is in effect for any time period during the fiscal year ending June 30, 2009, if the Board determines that the renewal of such contract will result in a reduced per diem in the fiscal year ending June 30, 2010. If the State Board of Corrections makes such determination, the contract shall not be subject to the restrictions of paragraph 7 of subsection D of this section and the Board shall negotiate the contract based upon such terms as the Board deems to be in the best interest of operational efficiency, including the inmate population, per inmate cost, public safety and such other terms as the State Board of Corrections determines to be relevant to such contract. The State Board of Corrections shall have the authority to negotiate the term of any contract executed pursuant to the provisions of this subsection subject to the availability of appropriations to the Department of Corrections each year.

SECTION 257. AMENDATORY 57 O.S. 2011, Section 561.2, is amended to read as follows:

Section 561.2 A. The ~~Oklahoma~~ Department of Corrections shall develop criteria for selection of a site upon which to construct the

correctional facilities described in subsection B of Section ~~79~~ 183 of ~~this act~~ Title 73 of the Oklahoma Statutes. The criteria shall include, but shall not be limited to, the availability of medical services, support services, transportation services, the availability of potential employees who would be qualified to perform required functions at a state correctional facility and any benefits or incentives offered by the applicant. The criteria shall be subject to approval by the State Board of Corrections.

B. The ~~Oklahoma~~ Department of Corrections shall establish a process for requesting proposals to construct a correctional facility built with the funds authorized pursuant to Section ~~79~~ 183 of ~~this act~~ Title 73 of the Oklahoma Statutes.

C. Proposals shall be submitted not later than thirty (30) days after receipt of the request. The Department shall identify the proposals meeting the criteria approved pursuant to subsection A of this section within thirty (30) days after receipt of the proposals. The Department of Corrections shall identify by appropriate review and analysis the proposals submitted and shall select a maximum of three proposals which conform to the criteria set out in subsection A of this section and shall forward the proposals meeting criteria to the State Board of Corrections.

D. The Department of Corrections shall deliver to the State Board of Corrections the top three qualified proposals identified pursuant to this section together with the information reviewed and

analyzed by the Department of Corrections during analysis of the proposals as required by this section. The State Board of Corrections shall evaluate the information provided and shall make a final decision selecting the best site for the correctional facility within fifteen (15) days of receipt of the information.

E. Any plans developed pursuant to the process for selection of a contractor for construction of a facility authorized pursuant to Section ~~79~~ 183 of ~~this act~~ Title 73 of the Oklahoma Statutes shall become the nonexclusive property of the State of Oklahoma as a condition of the award of the final contract for construction of the facility. The State of Oklahoma shall not be obligated to obtain any further permission for use of the plans or to make payment to any person or other legal entity for the further use of the plans as may be needed for additional projects for site adaptation for buildings, structures, or both, for use by the Department of Corrections.

F. The ~~Department of Central Services~~ Office of Management and Enterprise Services shall be responsible for any changes or updates of such plans for construction of any additional correctional facility constructed using the plans described in subsection E of this section. The ~~Oklahoma~~ Department of Transportation and the ~~Department of Central Services~~ Office of Management and Enterprise Services shall provide such architectural, engineering and consulting services as the Department of Corrections may require in

order to adapt existing plans for use in construction of additional correctional facilities.

G. If the Department of Corrections requires architectural, engineering or other consulting services in addition to those services authorized by subsection F of this section, the ~~Department of Central Services~~ Office of Management and Enterprise Services shall be authorized to enter into a contract with an architect, engineer or for other necessary services, as may be required in order to adapt existing plans for new sites for additional correctional facilities. The costs of any such services shall be paid by the Department of Corrections.

SECTION 258. AMENDATORY 57 O.S. 2011, Section 561.4, is amended to read as follows:

Section 561.4 There is hereby created in the State Treasury a revolving fund for the Department of Corrections to be designated the "Private Prison and Halfway House Capacity Development Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies received by the Department of Corrections from such sources as may be provided by law. All monies accruing to the credit of said fund are hereby appropriated and may be budgeted and expended by the Department of Corrections for the purpose of making payments required pursuant to contracts with entities owning and operating private prisons according to the requirements of Section ~~3~~ 561.5 of this ~~act~~ title.

Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 259. AMENDATORY 57 O.S. 2011, Section 613, is amended to read as follows:

Section 613. On or before January 1, 1995, the Central Region Probation and Parole offices currently located at 4545 North Lincoln Boulevard, Oklahoma City, Oklahoma County, 4512 South May Avenue, Oklahoma City, Oklahoma County, 611 West Sheridan, Oklahoma City, Oklahoma County, and 1128 North Midwest Boulevard, Midwest City, Oklahoma County, may be relocated to one site in Oklahoma County. The new office location shall be accessible to the offenders assigned to the Central Region Probation and Parole offices and the new office space shall consist of sufficient square footage to accommodate staff offices, classrooms, program areas, staff conference areas, records and computer areas, general storage areas, offender interview rooms, mail room, reception area, laboratory area, photo area, secure firearms storage areas, security equipment storage areas and other necessary areas for operation of the probation and parole services to offenders. The Department of Corrections is hereby authorized to purchase a building or enter into a lease-purchase agreement for such building, subject to legislative appropriations. The Department of Corrections shall

comply with those provisions of the ~~Department of Central Services~~ Office of Management and Enterprise Services pertaining to building purchases, lease-purchase agreements and acquisition of office space.

SECTION 260. AMENDATORY 59 O.S. 2011, Section 154, is amended to read as follows:

Section 154. There is hereby created in the State Treasury a revolving fund for the Board of Podiatric Medical Examiners, to be designated as the "Board of Podiatric Medical Examiners' Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies received by the Board pursuant to the provisions of the Podiatric Medicine Practice Act. All monies accruing to the credit of said fund are hereby appropriated and may be budgeted and expended by the Board for the purpose of implementing and enforcing the provisions of the Podiatric Medicine Practice Act. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims signed by the secretary-treasurer of the Board or by an authorized employee or employees of the Board and filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 261. AMENDATORY 59 O.S. 2011, Section 161.20, is amended to read as follows:

Section 161.20 There is hereby created in the State Treasury a revolving fund for the Board of Chiropractic Examiners, to be designated as the "Board of Chiropractic Examiners' Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies received by the Board pursuant to the provisions of the Oklahoma Chiropractic Practice Act. All monies accruing to the credit of said fund are hereby appropriated and may be budgeted and expended by the Board for the purpose of implementing and enforcing the provisions of the Oklahoma Chiropractic Practice Act. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims signed by the secretary-treasurer of the Board or by an authorized employee or employees of the Board and filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 262. AMENDATORY 59 O.S. 2011, Section 199.15, is amended to read as follows:

Section 199.15 A. There is hereby created in the State Treasury for the ~~Oklahoma~~ State Board of Cosmetology a revolving fund to be designated the State Cosmetology Fund. The fund shall be a continuing fund not subject to fiscal year limitations and shall consist of all fees and penalties collected pursuant to the Oklahoma Cosmetology Act or rules promulgated thereto and any other funds obtained or received by the State Board of Cosmetology pursuant to

the Oklahoma Cosmetology Act. All monies accruing to the credit of said fund are hereby appropriated and may be budgeted and shall be expended by the Board for the purposes of implementing, administering and enforcing the Oklahoma Cosmetology Act. Expenditures from the fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

B. At the close of each fiscal year the Board shall pay into the General Revenue Fund of the state ten percent (10%) of the gross fees and penalties so charged, collected and received by the Board. Other than the ten percent (10%) all fees and penalties charged and monies collected and received, are hereby dedicated, appropriated and pledged to the accomplishment and fulfillment of the purposes of the Oklahoma Cosmetology Act.

C. All expenses, per diem, salaries, wages, travel, rents, printing, supplies, maintenance, and other costs incurred by the Board in the performance of its duty and in accomplishment and fulfillment of the purposes of the Oklahoma Cosmetology Act shall be a proper charge against and paid from the State Cosmetology Fund. In no event shall any claim or obligation accrue against the State of Oklahoma nor against the Cosmetology Fund in excess of the ninety percent (90%) or the amount of fees and penalties collected and paid

into the State Treasury pursuant to the provisions of the Oklahoma Cosmetology Act.

SECTION 263. AMENDATORY 59 O.S. 2011, Section 328.42, is amended to read as follows:

Section 328.42 There is hereby created in the State Treasury a revolving fund for the Board of Dentistry to be designated as "The State Dental Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies received by the Board pursuant to the provisions of the State Dental Act. All monies accruing to the credit of this fund are hereby appropriated and may be budgeted and expended by the Board for the purpose of implementing and enforcing the provisions of the State Dental Act. Expenditures from this fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 264. AMENDATORY 59 O.S. 2011, Section 396.1C, is amended to read as follows:

Section 396.1C The executive director of the Board shall keep and preserve all records of the Board, issue all necessary notices to the embalmers, funeral directors and apprentices of the state, and perform such other duties as may be imposed upon the executive director by the Board. The executive director is hereby authorized and empowered to collect, in the name and on behalf of the Board,

the fees prescribed in the Funeral Services Licensing Act, and all fees so collected shall at the end of each month be deposited by the executive director with the State Treasurer. The State Treasurer shall place ten percent (10%) of the money so received in the general fund of the state, and the balance in a special fund to be known as the "Fund of the Oklahoma Funeral Board". Payment from the fund shall be upon warrants drawn by the State Treasurer against claims submitted by the Board to the Director of ~~State Finance~~ the Office of Management and Enterprise Services for ~~audit~~ approval and payment. All monies so received by the fund may be used by the Board in carrying out the provisions of the Funeral Services Licensing Act.

SECTION 265. AMENDATORY 59 O.S. 2011, Section 587, is amended to read as follows:

Section 587. The fee for such examinations shall be set by rules promulgated by the Board of Examiners in Optometry, not to be less than One Hundred Dollars ($100.00) and not to exceed Two Hundred Dollars ($200.00), and a yearly license fee set by rules promulgated by the Board of Examiners in Optometry, not to exceed Three Hundred Dollars ($300.00), shall be paid each fiscal year by all persons holding a license to practice optometry in this state, and shall be paid not later than the 30th day of June of each year. In the event of default of payment of such license fee by any person, his or her certificate shall be revoked by the Board of

Examiners who shall take such action only after notifying the person in default by registered mail and allowing that person fifteen (15) days in which to comply with this requirement. The Board shall be paid travel expenses as provided in the State Travel Reimbursement Act, Section 500.1 et seq. of Title 74 of the Oklahoma Statutes. The secretary-treasurer shall receive compensation fixed by the Board, not to exceed Two Hundred Dollars ($200.00) per month. All fees and charges collected by the secretary-treasurer of the Board shall be paid on the first day of each month into a revolving fund in the State Treasury to be designated as the "Optometry Board Revolving Fund". This fund shall consist of all monies received by the Board of Optometry other than appropriated funds. The revolving fund shall be a continuing fund not subject to fiscal year limitations and shall be under the control and management of the Board of Optometry. Expenditures from this fund shall be made pursuant to the purposes of Sections 581 through 606 of this title and without legislative approval. Warrants for expenditures shall be drawn by the State Treasurer based on claims signed by an authorized employee or employees of the Board of Optometry and approved for payment by the Director of ~~State Finance~~ the Office of Management and Enterprise Services.

SECTION 266. AMENDATORY 59 O.S. 2011, Section 644, is amended to read as follows:

Section 644. There is hereby created in the State Treasury a revolving fund for the State Board of Osteopathic Examiners, to be designated the "State Board of Osteopathic Examiner's Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies received by the Board pursuant to the provisions of the Oklahoma Osteopathic Medicine Act. All monies accruing to the credit of said fund are hereby appropriated and may be budgeted and expended by the Board for the purpose of enforcing the laws of this state which prohibit the unlawful practice of osteopathic medicine, for the dissemination of information to prevent the violation of such laws, and for the purchase of supplies and such other expense as is necessary to properly implement the provisions of the Oklahoma Osteopathic Medicine Act. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims signed by an authorized employee or employees of the State Board of Osteopathic Examiners and filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 267. AMENDATORY 59 O.S. 2011, Section 698.28, is amended to read as follows:

Section 698.28 There is hereby created in the State Treasury a revolving fund to be designated the "Veterinary Medical Examiners Fund" which shall consist of all monies received by the State Board

of Veterinary Medical Examiners as provided by statute. The fund shall be a continuing fund not subject to fiscal year limitations. Monies accruing to the credit of the fund are hereby appropriated and may be expended by the Board for carrying out the provisions of the Oklahoma Veterinary Practice Act. Expenditures from the fund shall be made upon warrants issued by the State Treasurer against claims submitted by the Board to the Director of ~~State Finance~~ the Office of Management and Enterprise Services for ~~audit~~ approval and payment.

SECTION 268. AMENDATORY 59 O.S. 2011, Section 858-205, is amended to read as follows:

Section 858-205. A. There is hereby created in the State Treasury a revolving fund for the Oklahoma Real Estate Commission, to be designated the "Oklahoma Real Estate Commission Revolving Fund". The fund shall consist of all monies received by the Oklahoma Real Estate Commission other than the Oklahoma Real Estate Education and Recovery Fund fees or appropriated funds. The revolving fund shall be a continuing fund not subject to fiscal year limitations and shall be under the control and management of the Oklahoma Real Estate Commission.

B. The Oklahoma Real Estate Commission may invest all or part of the monies of the fund in securities offered through the "Oklahoma State Treasurer's Cash Management Program". Any interest or dividends accruing from the securities and any monies generated

at the time of redemption of the securities shall be deposited in the General Operating Fund of the Oklahoma Real Estate Commission. All monies accruing to the credit of the fund are hereby appropriated and may be budgeted and expended by the Oklahoma Real Estate Commission.

C. Expenditures from this fund shall be made pursuant to the purposes of this Code and without legislative appropriation. Warrants for expenditures shall be drawn by the State Treasurer based on claims signed by an authorized employee or employees of the Oklahoma Real Estate Commission and approved for payment by the Director of ~~State Finance~~ the Office of Management and Enterprise Services.

SECTION 269. AMENDATORY 59 O.S. 2011, Section 858-601, is amended to read as follows:

Section 858-601. A. There is hereby created in the State Treasury a revolving fund for the Oklahoma Real Estate Commission to be designated "Oklahoma Real Estate Education and Recovery Fund". The fund shall consist of monies received by the Oklahoma Real Estate Commission as fees assessed for the Oklahoma Real Estate Education and Recovery Fund under the provisions of this act. The revolving fund shall be a continuing fund not subject to fiscal year limitations and shall be under the administrative direction of the Oklahoma Real Estate Commission. The Oklahoma Real Estate Commission may invest all or part of the monies of the fund in

securities offered through the "Oklahoma State Treasurer's Cash Management Program". Any interest or dividends accruing from the securities and any monies generated at the time of redemption of the securities shall be deposited in the Oklahoma Real Estate Education and Recovery Fund. All monies accruing to the credit of the fund are hereby appropriated and may be budgeted and expended by the Oklahoma Real Estate Commission for the purposes specified in Section 858-605 of this title. Expenditures from said fund shall be made pursuant to the laws of this state and the statutes relating to the said Commission, and without legislative appropriation. Warrants for expenditures from said fund shall be drawn by the State Treasurer, based on claims signed by an authorized employee or employees of the said Commission and approved for payment by the Director of ~~State Finance~~ the Office of Management and Enterprise Services.

B. Monies in the fund shall be used to reimburse any claimant who has been awarded a judgment, subject to subsection C of this section, by a court of competent jurisdiction to have suffered monetary damages by an Oklahoma real estate licensee in any transaction for which a license is required under The Oklahoma Real Estate License Code because of an act constituting a violation of The Oklahoma Real Estate License Code.

C. In determining a claimant's eligibility to recover from the fund, the Commission may conduct an independent review of the

merits, findings and damages involved in the underlying action and may conduct an evidentiary hearing to determine if a claim is eligible for recovery from the fund and the amount of damages awarded are due an act constituting a violation of The Oklahoma Real Estate License Code.

SECTION 270. AMENDATORY 59 O.S. 2011, Section 858-626, is amended to read as follows:

Section 858-626. There is hereby created in the State Treasury a revolving fund for the Construction Industries Board, to be designated the "Home Inspection Licensing Act Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies received by the Board pursuant to the Home Inspection Licensing Act. All monies accruing to the credit of the fund are hereby appropriated and may be budgeted and expended by the Board for the purpose of implementing and enforcing the Home Inspection Licensing Act. Expenditures from the fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 271. AMENDATORY 59 O.S. 2011, Section 858-730, is amended to read as follows:

Section 858-730. There is hereby created the "Oklahoma Certified Real Estate Appraisers Revolving Fund". The fund shall

consist of all monies, other than appropriated monies, received by the Department from fees collected. The fund shall be a continuing fund not subject to fiscal year limitations and shall be subject to the administrative direction of the Department. Expenditures from the fund shall be made upon warrants issued by the State Treasurer against claims made to the Director of ~~State Finance~~ the Office of Management and Enterprise Services. Monies may be expended for the operating expenses of the Department and the Board and shall be made pursuant to the laws of this state.

SECTION 272. AMENDATORY 59 O.S. 2011, Section 1000.4, is amended to read as follows:

Section 1000.4 A. 1. Pursuant to and in compliance with Article I of the Administrative Procedures Act, the Construction Industries Board shall have the power to adopt, amend, repeal, and promulgate rules as may be necessary to regulate the plumbing, electrical and mechanical trades, building and construction inspectors and home inspectors.

2. The Board shall have the power to enforce the provisions of the Construction Industries Board Act, The Plumbing License Law of 1955, the Oklahoma Inspectors Act, the Electrical License Act, the Mechanical Licensing Act and the Home Inspection Licensing Act.

3. In addition to rules promulgated by the Construction Industries Board, rules promulgated by the State Board of Health prior to January 1, 2002, shall be the rules of the Construction

Industries Board and shall continue in effect until such rules are amended or repealed by rules promulgated by the Construction Industries Board.

4. Any order made or action taken prior to January 1, 2002, by the State Board of Health, the State Department of Health, or the State Commissioner of Health pursuant to the provisions of, or rules promulgated pursuant to, The Plumbing License Law of 1955, the Oklahoma Inspectors Act, the Electrical License Act, the Mechanical Licensing Act or, any order made or action taken prior to November 1, 2008, pursuant to the Home Inspection Licensing Act, shall be considered valid and in effect unless rescinded by the Construction Industries Board.

B. The Board shall have the following powers:

1. Exercise all incidental powers and duties which are necessary to effectuate the provisions of The Plumbing License Law of 1955, the Oklahoma Inspectors Act, the Electrical License Act, the Mechanical Licensing Act and the Home Inspection Licensing Act;

2. Serve as a code variance and appeals board for the trades and industries it regulates which do not have statutory code variance and appeals boards;

3. Order or subpoena the attendance of witnesses, the inspection of records and premises, and the production of relevant books and papers for the investigation of matters that may come before the Board;

4. Initiate disciplinary proceedings, request prosecution of and initiate injunctive proceedings against any person who violates any of the provisions of The Plumbing License Law of 1955, the Oklahoma Inspectors Act, the Electrical License Act, the Mechanical Licensing Act and the Home Inspection Licensing Act;

5. Maintain an administrative staff including, but not limited to, a Construction Industries Administrator whose appointment shall be made as provided in Section 1000.6 of this title;

6. Establish and levy administrative fines against any person or entity denying the Board or its representatives access to a job site for purposes of enforcing any of the provisions of The Plumbing License Law of 1955, the Oklahoma Inspectors Act, the Electrical License Act, and the Mechanical Licensing Act;

7. Direct such other expenditures as may be necessary in the performance of its duties including, but not limited to, expenditures for office space, equipment, furnishings and contracts for legal services. All expenditures shall be made pursuant to The Oklahoma Central Purchasing Act; and

8. Enforce provisions of the plumbing, electrical and mechanical codes as adopted by the Oklahoma Uniform Building Code Commission pursuant to the Oklahoma Uniform Building Code Commission Act.

C. The Board shall account for all receipts and expenditures of the monies of the Board, including annually preparing and publishing

a statement of receipts and expenditures of the Board for each fiscal year. The Board's annual statement of receipts and expenditures shall be audited by the State Auditor and Inspector or an independent accounting firm in accordance with the provisions of subsection B of Section 212 of Title 74 of the Oklahoma Statutes, and the audit report shall be certified to the Governor of this state to be true and correct, under oath, by the chair and vice-chair of the Board.

D. All powers, duties, responsibilities, employees, records, and equipment of the State Board of Health, the State Department of Health, and the State Commissioner of Health relating exclusively to the regulation of the plumbing, electrical and mechanical trades, building and construction inspectors and home inspectors shall be placed under the authority of the Construction Industries Board. To the extent practicable, this shall include all computer hardware and software used in regulating industries listed in this section. The Construction Industries Board may contract for additional legal and administrative services as necessary, pursuant to ~~the~~ The Oklahoma Central Purchasing Act. Employees shall be under the direction of the Construction Industries Administrator and the Construction Industries Board.

E. The Construction Industries Board and the State Board of Health may enter into an agreement for the transfer of personnel into the unclassified service under the direction of the

Construction Industries Board effective January 1, 2002, and for personnel exclusively related to the regulation of home inspectors, effective November 1, 2008. No employee shall be transferred into the unclassified service under the direction of the Construction Industries Board except on the freely given written consent of the employee. All classified employees under the Merit System of Personnel Administration who are not transferred into the unclassified service as provided shall retain the status in the class occupied by the employee on July 1, 2001, and for personnel exclusively related to the regulation of home inspectors, occupied by the employee on November 1, 2008, as allocated by the ~~Office of Personnel Management~~ Office of Management and Enterprise Services. The salary of such an employee shall not be reduced as a result of such position allocation. Employees who are transferred as provided shall not be required to accept a lesser grade or salary than that in effect on July 1, 2001, and for personnel exclusively related to the regulation of home inspectors, than that in effect on November 1, 2008. All employees shall retain leave, sick and annual time earned, and any retirement and longevity benefits which have accrued during their tenure in the classified service. The transfer of personnel shall be coordinated with the ~~Office of Personnel Management~~ Office of Management and Enterprise Services.

SECTION 273. AMENDATORY 59 O.S. 2011, Section 1000.28, is amended to read as follows:

Section 1000.28 There is hereby created in the State Treasury a revolving fund for the Oklahoma Uniform Building Code Commission to be designated the Oklahoma Uniform Building Code Commission Revolving Fund. The fund shall be a continuous fund, not subject to fiscal year limitations, and shall consist of all fees or payments of any type received by the Commission. All monies accruing to the credit of the fund are hereby appropriated and may be budgeted and expended by the Commission for the purpose of implementing the Oklahoma Uniform Building Code Commission Act. Expenditures from the fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 274. AMENDATORY 59 O.S. 2011, Section 1018, is amended to read as follows:

Section 1018. All fees, administrative fines or payments of any type received by the Construction Industries Board under The Plumbing License Law of 1955 shall be deposited in a revolving fund to be designated as the "Plumbing Licensing Revolving Fund" and are hereby appropriated and may be expended by the Construction Industries Board for the purpose of implementing The Plumbing License Law of 1955. The fund shall be a continuing fund, not subject to fiscal year limitations. Expenditures from the fund shall be made upon warrants issued by the State Treasurer against

claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 275. AMENDATORY 59 O.S. 2011, Section 1042, is amended to read as follows:

Section 1042. There is hereby created in the State Treasury a revolving fund for the Construction Industries Board, to be designated the "Oklahoma Inspectors Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies received by the Board from fees and fines collected pursuant to the Oklahoma Inspectors Act. All monies accruing to the credit of said fund are hereby appropriated and may be budgeted and expended by the Construction Industries Board for the purpose of implementing the provisions of the Oklahoma Inspectors Act for the continuing education of building and construction inspectors, and for implementing programs designed to further the efficiency of the building and construction inspector profession and public understanding of the profession. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 276. AMENDATORY 59 O.S. 2011, Section 1113, is amended to read as follows:

Section 1113. There is hereby created a revolving fund in the State Treasury to be known as the "Certification Fund". Said fund shall consist of all monies appropriated to said fund, and all fees collected under the provisions of this act. Said fund shall be under the control and supervision of the Department, and shall be paid out on claims approved by the Department and forwarded to the Director of ~~State Finance~~ the Office of Management and Enterprise Services who shall audit the same, and, upon approval thereof, warrants shall be issued according to law, and said warrants shall be paid by the State Treasurer from the said fund. The said fund shall be expended for training programs including itinerant training programs, meetings, personnel, expenses, and purchase of personal property, to carry out the purposes of the Waterworks and Wastewater Works Operator Certification Act, and for no other purpose. Nothing herein shall prevent the expenditure of other funds of the Department or of the Board, the expenditure of which is not otherwise restricted, from being expended to accomplish the purposes of the Waterworks and Wastewater Works Operator Certification Act.

SECTION 277. AMENDATORY 59 O.S. 2011, Section 1150.5, is amended to read as follows:

Section 1150.5 A. There is hereby created the "Sanitarian and Environmental Specialist Registration Advisory Council", which shall consist of nine (9) members as follows:

1. One member shall be the Commissioner of Health or designated representative;

2. One member shall be the Executive Director of the Department of Environmental Quality or designee;

3. One member shall be the ~~Administrator~~ Director of the ~~Office of Personnel Management~~ Office of Management and Enterprise Services or designee;

4. One member who shall be appointed for an initial term of three (3) years by the Director of the City-County Health Department of Oklahoma County;

5. One member who shall be appointed for an initial term of three (3) years by the Director of the Tulsa City-County Health Department;

6. Two members shall be employed by state government who shall be appointed by the Commissioner for an initial term of two (2) years each; and

7. Two members, for an initial term of one (1) year each, who shall be appointed by the Executive Director of the Department of Environmental Quality, one who is employed by private industry and one who is employed by the Indian Health Service of the Public Health Service or by a tribal government with an office in the State of Oklahoma.

B. With the exception of paragraph 3 of subsection A of this section all of the members shall have at least five (5) years of experience as registered sanitarians or environmental specialists.

C. After expiration of one initial term of office, the term of office of each appointed member shall be for three (3) years. Each appointed member shall hold office until his successor is appointed and has qualified under the Oklahoma Sanitarian and Environmental Specialist Registration Act. The initial term for all appointed members shall begin January 1, 1996.

D. Sixty (60) days prior to the expiration of the term to be filled or whenever a vacancy occurs, any statewide organization whose membership represents more than twenty percent (20%) of the registered sanitarians and environmental specialists in the state may recommend three persons for such position or vacancy to the appointing authority.

E. Appointed members of the Council may be removed from office by the appointing authority.

F. The members of the Council shall serve without pay but may be reimbursed for actual expenses pursuant to the State Travel Reimbursement Act.

G. The Council shall elect from among its membership a chair, vice-chair and secretary to serve a term of not more than one (1) year ending on July 1 of the year designated by the Council. Members may be elected for more than one term. The chair or vice-

chair shall preside at all meetings. The chair, vice-chair and secretary shall perform such duties as may be decided by the Council in order to effectively administer the Oklahoma Sanitarian and Environmental Specialist Registration Act.

H. A majority of Council members shall constitute a quorum to transact official business.

I. The Council shall meet within sixty (60) days after the effective date of this act and shall meet thereafter at such times as the Council deems necessary to implement the Oklahoma Sanitarian and Environmental Specialist Registration Act.

SECTION 278. AMENDATORY 59 O.S. 2011, Section 1151.20, is amended to read as follows:

Section 1151.20 There is hereby created in the State Treasury a revolving fund for the Construction Industries Board to be designated the "Roofing Contractor Registration Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of application and renewal fees, late fees, administrative fees, reinstatement fees, and any other monies collected pursuant to the Roofing Contractor Registration Act. All monies accruing to the credit of the fund are hereby appropriated and may be budgeted and expended by the Construction Industries Board for implementation and administration of the Roofing Contractor Registration Act. Expenditures from the fund shall be made upon warrants issued by the State Treasurer against claims

filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment. This fund shall be subject to and comply with the provisions of Section 211 of Title 62 of the Oklahoma Statutes.

SECTION 279. AMENDATORY 59 O.S. 2011, Section 1203, is amended to read as follows:

Section 1203. A. A State Board of Registration for Foresters is hereby created, to continue until July 1, 2012, in accordance with the provisions of the Oklahoma Sunset Law, whose duty it shall be to administer the provisions of Sections 1201 through 1220 of this title.

B. On the effective date of this act:

1. The persons serving on the Board on June 30, 1988, shall continue to serve the full terms for which they were originally appointed until their successors have been duly appointed and approved with the advice and consent of the Senate. All future Boards shall continue the staggered terms of office established for the State Board of Registration for Foresters prior to July 1, 1988.

2. Any actions taken by any state agency on behalf of the State Board of Registration for Foresters or in an attempt to enforce the provisions of Sections 1201 through 1220 of this title shall be subject to review by the Board on and after the effective date of this act. Any such acts may be rescinded or modified as deemed appropriate by the Board, provided that such action shall not affect

any accrued right, or penalty incurred, or proceeding begun between July 1, 1988, and the effective date of this act.

3. All funds collected after June 30, 1988, equipment, files, fixtures, furniture, and supplies of the Board which were transferred to the ~~Department of Central Services~~ Office of Management and Enterprise Services or State Treasury pursuant to Section 3909 of Title 74 of the Oklahoma Statutes shall be returned to the care and custody of the Board on the effective date of this act.

4. All orders, determinations, rules, regulations, permits, certificates, licenses, contracts, rates, and privileges which have been issued, made, granted, or allowed by the Board and are in effect on June 30, 1988, shall continue in effect according to their terms until further action is taken by the Board after the effective date of this act or as modified by law.

C. The Board shall consist of five (5) foresters who shall be selected and appointed by the Governor of Oklahoma, with the advice and consent of the Oklahoma State Senate, and who shall possess the qualifications set forth pursuant to the provisions of Section 1204 of this title. Each qualified member of the Board shall receive a certificate of his appointment from the Governor and before beginning his term of office shall file with the Secretary of State his written oath or affirmation for the faithful discharge of his official duties.

D. The five members of the initial Board appointed after the creation of the Board on May 27, 1963, shall be appointed for terms of one (1), two (2), three (3), four (4) and five (5) years respectively. The initial Board and all future Boards shall always be composed of at least one member from each of the following fields: education, industry and public agency. On the expiration of the term of any member of the initial Board, the Governor shall, in the manner hereinbefore provided, appoint for a term of five (5) years a registered forester having the qualifications set forth in Section 1204 of this title to take the place of the member whose term on said Board is expiring. Each member shall hold office until the expiration of the term for which such member is appointed and until a successor shall have been duly appointed and qualified.

SECTION 280. AMENDATORY 59 O.S. 2011, Section 1455, is amended to read as follows:

Section 1455. A. There is hereby re-created, to continue until July 1, 2015, in accordance with the provisions of the Oklahoma Sunset Law, the Polygraph Examiners Board.

B. 1. The persons serving on the Board on June 30, 1988, shall continue to serve the full terms for which they were originally appointed until their successors have been duly appointed and approved with the advice and consent of the Senate. All future Boards shall continue the staggered terms of office established for the Polygraph Examiners Board prior to July 1, 1988.

2. Any actions taken by any state agency on behalf of the Polygraph Examiners Board or in an attempt to enforce the provisions of the Polygraph Examiners Act shall be subject to review by the Board. Any such acts may be rescinded or modified as deemed appropriate by the Board, provided that such action shall not affect any accrued right, or penalty incurred, or proceeding begun between July 1, 1988, and October 12, 1988.

3. All funds collected after June 30, 1988, equipment, files, fixtures, furniture, and supplies of the Board which were transferred to the ~~Department of Central Services~~ Office of Management and Enterprise Services or State Treasury pursuant to Section 3909 of Title 74 of the Oklahoma Statutes shall be returned to the care and custody of the Board.

4. All orders, determinations, rules, regulations, permits, certificates, licenses, contracts, rates, and privileges which have been issued, made, granted, or allowed by the Board and are in effect on June 30, 1988, shall continue in effect according to their terms until further action is taken by the Board or as modified by law.

C. The Board shall consist of five (5) members who shall be citizens of the United States and residents of the state for at least two (2) years prior to appointment, all of whom shall have been engaged for a period of two (2) consecutive years as polygraph examiners prior to appointment to the Board, and at the time of

appointment active polygraph examiners. No two Board members may be employed by the same person or agency. No more than two members may be appointed from one congressional district. However, when congressional districts are redrawn, each member appointed prior to July 1 of the year in which such modification becomes effective shall complete the current term of office and appointments made after July 1 of the year in which such modification becomes effective shall be based on the redrawn districts. No appointments may be made after July 1 of the year in which such modification becomes effective if such appointment would result in more than two members serving from the same modified district. At least two members must be qualified examiners of a governmental law enforcement agency and at least two members must be qualified polygraph examiners in the commercial field. The members shall be appointed by the Governor of the State of Oklahoma, with the advice and consent of the Senate, for terms of six (6) years. Any vacancy in an unexpired term shall be filled by appointment of the Governor, with the advice and consent of the Senate, for the unexpired term. Except as authorized by the Polygraph Examiners Act, members of the Board shall be paid no fee, expense reimbursement, wage or other compensation for their services.

D. The vote of a majority of the Board members is sufficient for passage of any business or proposal which comes before the

Board. The Board shall elect a chair, vice-chair, and secretary from among its members.

SECTION 281. AMENDATORY 59 O.S. 2011, Section 1694, is amended to read as follows:

Section 1694. All monies received by the Construction Industries Board under the Electrical License Act, including the administrative fines authorized by Section 1695 of this title, shall be deposited with the State Treasurer and credited to the "Electrical Revolving Fund". The revolving fund shall be a continuing fund not subject to fiscal year limitations and may be budgeted and expended by the Construction Industries Board. Expenditures from this fund shall be made pursuant to the purposes of the Electrical License Act and shall include, but not be limited to, payment of operating costs and the costs of programs designed to promote public awareness of the electrical industry, and expenditures for the preparation and printing of regulations, bulletins or other documents and the furnishing of copies of such documents to those persons engaged in the electrical industry or the public. Expenditures from the fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 282. AMENDATORY 59 O.S. 2011, Section 1800.14, is amended to read as follows:

Section 1800.14 There is hereby created in the State Treasury a revolving fund for the State Department of Health, to be designated the "Alarm and Locksmith Industry Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies received by the State Department of Health pursuant to the Alarm and Locksmith Industry Act. All monies accruing to the credit of said fund are hereby appropriated and may be budgeted and expended by the Department for the purpose of implementing the Alarm and Locksmith Industry Act. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 283. AMENDATORY 59 O.S. 2011, Section 1800.15, is amended to read as follows:

Section 1800.15 All costs of administration of the Alarm and Locksmith Industry Act shall be paid from fees, monies and other revenue collected pursuant to the provisions of the Alarm and Locksmith Industry Act. At no time shall a claim for payment be submitted to the Director of ~~State Finance~~ the Office of Management and Enterprise Services if the revenue deposited in the Alarm and Locksmith Industry Revolving Fund to the current date does not equal or exceed the total claims for payments made to that date.

SECTION 284. AMENDATORY 59 O.S. 2011, Section 1820.17, is amended to read as follows:

Section 1820.17 There is hereby created in the State Treasury a revolving fund for the State Department of Health, to be designated the "Fire Extinguisher Industry Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies received by the Department pursuant to the Fire Extinguisher Licensing Act. All monies accruing to the credit of such fund are hereby appropriated and may be budgeted and expended by the Department for the purpose of implementing the Fire Extinguisher Licensing Act. Expenditures from such fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 285. AMENDATORY 59 O.S. 2011, Section 1820.18, is amended to read as follows:

Section 1820.18 All costs of administration of the Fire Extinguisher Licensing Act shall be paid from fees, monies and other revenue collected pursuant to the provisions of the Fire Extinguisher Licensing Act. At no time shall a claim for payment be submitted to the Director of ~~State Finance~~ the Office of Management and Enterprise Services if the revenue deposited in the Fire

Extinguisher Industry Revolving Fund to the current date does not equal or exceed the total claims for payments made to that date.

SECTION 286. AMENDATORY 59 O.S. 2011, Section 1850.13, is amended to read as follows:

Section 1850.13 There is hereby created in the State Treasury a revolving fund for the Construction Industries Board, to be designated the "Oklahoma Mechanical Licensing Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies received by the Board pursuant to the Mechanical Licensing Act, including administrative fines authorized by Section 1850.11 of this title. All monies accruing to the credit of said fund are hereby appropriated and may be budgeted and expended by the Construction Industries Board for the purpose of implementing the Mechanical Licensing Act. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 287. AMENDATORY 59 O.S. 2011, Section 1883, is amended to read as follows:

Section 1883. There is hereby created in the State Treasury a revolving fund for the Oklahoma Board of Licensed Alcohol and Drug Counselors, to be designated the "Licensed Alcohol and Drug Counselors Revolving Fund". The fund shall be a continuing fund,

not subject to fiscal year limitations, and shall consist of all monies received pursuant to the Licensed Alcohol and Drug Counselors Act. All monies accruing to the credit of the fund are hereby appropriated and may be budgeted and expended by the Board to meet expenses necessary for carrying out the purposes of this act. Expenditures from the fund shall be approved by the Board and shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 288. AMENDATORY 59 O.S. 2011, Section 1918, is amended to read as follows:

Section 1918. There is hereby created in the State Treasury a revolving fund for the Oklahoma Board of Licensed Professional Counselors, to be designated the "Licensed Professional Counselors Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies received pursuant to this act. All monies accruing to the credit of said fund are hereby appropriated and may be budgeted and expended by the State Department of Health to meet expenses necessary for carrying out the purpose of the Licensed Professional Counselors Act. Expenditures from said fund shall be approved by the Commissioner and shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State~~

~~Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 289. AMENDATORY 59 O.S. 2011, Section 1925.17, is amended to read as follows:

Section 1925.17 There is hereby created in the State Treasury a revolving fund for the State Department of Health, to be designated the "Licensed Marital and Family Therapist Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies received pursuant to the provisions of the Marital and Family Therapist Licensure Act. All monies accruing to the credit of said fund are hereby appropriated and may be budgeted and expended by the State Department of Health to meet expenses necessary for carrying out the purpose of the Marital and Family Therapist Licensure Act. Expenditures from said fund shall be approved by the Commissioner and shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 290. AMENDATORY 59 O.S. 2011, Section 1946, is amended to read as follows:

Section 1946. There is hereby created in the State Treasury a revolving fund for the Oklahoma Board of Licensed Behavioral Practitioners, to be designated the "Licensed Behavioral

Practitioners Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies received pursuant to this act. All monies accruing to the credit of the fund are hereby appropriated and may be budgeted and expended by the State Department of Health to meet expenses necessary for carrying out the purpose of the Licensed Behavioral Practitioner Act. Expenditures from the fund shall be approved by the State Commissioner of Health and shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 291. AMENDATORY 59 O.S. 2011, Section 2058, is amended to read as follows:

Section 2058. There is hereby created in the State Treasury a revolving fund for the State Board of Examiners of Perfusionists to be designated the "Perfusionists Licensure Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of fees received by the Board and any other monies collected pursuant to the Oklahoma Licensed Perfusionists Act. All monies accruing to the credit of the fund are hereby appropriated and may be budgeted and expended by the Board for any purpose which is reasonably necessary to carry out the provisions of the Oklahoma Licensed Perfusionists Act. Expenditures from the fund shall be made upon warrants issued by the State Treasurer against claims

filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 292. AMENDATORY 59 O.S. 2011, Section 2095.20, is amended to read as follows:

Section 2095.20 A. 1. There is hereby created in the State Treasury a revolving fund for the Commission on Consumer Credit to be designated the "Oklahoma Mortgage Broker and Mortgage Loan Originator Recovery Fund". The fund shall consist of fees received by the Administrator of Consumer Credit as required by paragraph 6 of subsection M of Section ~~9~~ 2095.6 of this ~~act~~ title to be paid into the fund.

2. The revolving fund shall be a continuing fund not subject to fiscal year limitations and shall be under the administrative direction of the Administrator. Monies accruing to the credit of this fund are hereby appropriated and may be budgeted and expended by the Commission, pursuant to rules promulgated by the Commission, for the purposes specified in subsection B of this section. The provisions of this paragraph shall have retroactive and prospective application.

3. Expenditures from the fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

B. 1. Subject to the limitations of this subsection, monies in the fund shall be used to reimburse any entity or individual in an amount not to exceed Five Thousand Dollars ($5,000.00) who has been adjudged by a court of competent jurisdiction to have suffered monetary damages by an entity or individual required to have a license under the Oklahoma Secure and Fair Enforcement for Mortgage Licensing Act in any transaction or series of transactions for which a license is required under the Oklahoma Secure and Fair Enforcement for Mortgage Licensing Act because of the acquisition of money or property by fraud, misrepresentation, deceit, false pretenses, artifice, trickery, or by any other act which would constitute a violation of the Oklahoma Secure and Fair Enforcement for Mortgage Licensing Act.

2. Payments for claims based on judgments against any one person required to have a license under this act shall not exceed in the aggregate Thirty Thousand Dollars ($30,000.00).

3. Payments for claims may only be made for a cause of action which has accrued on or after November 1, 1997, and which has accrued not more than two (2) years prior to filing the action in district court.

SECTION 293. AMENDATORY 59 O.S. 2011, Section 3024, is amended to read as follows:

Section 3024. A. The Commissioner of Labor shall have the following powers and duties:

1. The Commissioner shall:

a. adopt or determine standards of elevator safety,

b. license elevator contractors, elevator mechanics, and elevator inspectors,

c. register elevator apprentices,

d. determine qualifications for examination, establish application processes, and examine applicants for licensure,

e. establish terms of licensure and renewal procedures,

f. attempt to achieve reciprocity agreements whereby licenses issued by other jurisdictions may be accepted in this state in lieu of examination,

g. establish grounds for revocation, suspension, and nonrenewal of licenses and policies for reinstatement of licenses and for imposition of lesser disciplinary measures,

h. establish continuing education requirements,

i. provide for the inspection and certification of elevators,

j. provide for the enforcement of the Elevator Safety Act,

k. hear appeals pursuant to the Administrative Procedures Act,

l. establish a procedure for the reporting and investigation of accidents, and

m. establish a procedure to allow variances from the literal requirement of the code;

2. The Commissioner shall publish informational brochures about license examinations that indicate the scope of the examinations, include suggestions about how to prepare for the examinations, and may include sample questions of the type to be expected, but shall never include test items that will be used in future examinations. In no case shall information about forthcoming examinations, that is not generally available, be given to any school, coaching service, or individual privately; and

3. The Commissioner shall have subpoena powers and shall have the right to seek injunctive relief to prevent the operation of elevators lacking a certificate of operation after November 1, 2006, or failing inspection. For any violation of the Elevator Safety Act, the Commissioner may assess an administrative fine of not more than Five Hundred Dollars ($500.00), which fine may be assessed in addition to any other penalties provided pursuant to the Elevator Safety Act.

B. Fees shall be as follows:

1. Elevator contractor examination	$100.00
2. Elevator inspector examination	$100.00
3. Elevator mechanic examination	$100.00

4. Initial and renewal elevator contractor license $100.00

5. Initial and renewal elevator inspector License $ 75.00

6. Initial and renewal elevator mechanic License $ 50.00

7. Annual elevator apprentice registration $ 25.00

8. Late renewal - in addition to license fee $ 10.00

9. Replacement of lost or mutilated license $ 10.00

10. Reinstatement - in addition to license fee $100.00

11. Existing elevator - certification of operation $ 25.00

12. New elevator - inspection and certification $150.00

13. Elevator temporary certification $ 25.00

14. Elevator temporary mechanic license for 30 days $ 10.00

15. Labor for chief elevator inspector or deputy elevator inspector to

perform inspection for issuance of certificate of operation:

a.	any escalator or moving walkway	$125.00
b.	elevator, two-four floors	$ 75.00
c.	elevator, five-ten floors	$100.00
d.	elevator, eleven floors and over	$125.00
e.	wheelchair lift	$ 25.00

C. All revenues received shall be deposited to the Department of Labor Revolving Fund. It is the intent of the Legislature that fees charged pursuant to the Elevator Safety Act be adjusted to provide sufficient income, but not substantially more than sufficient income, to ensure elevator safety as provided by the Elevator Safety Act. Accordingly, the Commissioner of Labor shall make an annual study of the revenues to and expenditures from the Department of Labor Revolving Fund related to elevator safety and shall prepare a report indicating what fee adjustments, if any, shall be recommended. The report shall be submitted by September 1 each year to the Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services, the Chair of the Appropriations Committee of the Senate, and the Chair of the Appropriations and Budget Committee of the House of Representatives, and shall be filed with the Department of Labor.

D. Licenses and certifications issued in accordance with the provisions of the Elevator Safety Act shall be renewed according to the following schedule:

1. Elevator contractor, elevator inspector, elevator mechanic licenses and elevator apprentice registration shall be renewed annually prior to the last day of the calendar month in which the license or registration was initially issued;

2. Any such license, registration or certificate required by the Elevator Safety Act not renewed by the last day of the calendar month in which renewal is required shall be subject to a late fee as provided by this act;

3. Any elevator contractor, elevator inspector, elevator mechanic license or apprentice registration having been expired for a period of not less than thirty (30) days nor more than three hundred sixty-five (365) days shall be subject to a reinstatement fee as provided for in the Elevator Safety Act; and

4. Any elevator contractor, elevator inspector, elevator mechanic license or apprentice registration being expired for a period of one (1) year or longer from the last day of the month in which renewal was required shall be considered void and the licensee shall be subject to all requirements for new issuance.

SECTION 294. AMENDATORY 59 O.S. 2011, Section 3118, is amended to read as follows:

Section 3118. There is hereby created in the State Treasury a revolving fund for the Commission on Consumer Credit to be designated the "Consumer Credit Counseling Revolving Fund". The fund shall consist of fees received by the Administrator of Consumer Credit from deferred deposit lenders for consumer credit counseling services pursuant to the provisions of Section 3119 of this title. The revolving fund shall be a continuing fund not subject to fiscal year limitations and shall be under the administrative direction of the Administrator. Monies accruing to the credit of this fund are hereby appropriated and may be budgeted and expended by the Administrator upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services for approval and payment.

SECTION 295. AMENDATORY 59 O.S. 2011, Section 5009, is amended to read as follows:

Section 5009. There is established in the State Treasury a revolving fund to be known as the "Commercial Pet Breeders Enforcement Fund". The fund shall:

1. Be a continuing fund, not subject to fiscal year limitations, and shall consist of all fees, fines, penalties, and other monies paid, donated, received, recovered, or collected under the provisions of the Commercial Pet Breeders Act; and

2. Be available to the Board solely for the payment of all expenses incurred in issuing, processing, inspecting, or supervising the issuance of commercial pet breeder licenses, and enforcement of the Commercial Pet Breeders Act. Expenditures from the fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services for approval and payment.

SECTION 296. AMENDATORY 60 O.S. 2011, Section 383, is amended to read as follows:

Section 383. Except to the extent that such authority is otherwise specifically vested in some other state officer, board, commission, or agency, the Governor of the State of Oklahoma is hereby authorized to accept, upon behalf of this state, any gift, testamentary or otherwise, of any property presented to this state or to any state institution, department, or agency. Except as otherwise provided in Sections 391 through 396 of this title, and except for gifts of cash or the equivalent of cash, delivery of such property, possession thereof, and any muniments of title thereto shall be made to and receipted for by the Director of ~~Public Affairs~~ the Office of Management and Enterprise Services. Gifts of cash or the equivalent of cash shall be made to and receipted for by the Director of ~~State Finance~~ the Office of Management and Enterprise Services.

SECTION 297. AMENDATORY 60 O.S. 2011, Section 384, is amended to read as follows:

Section 384. Any property involved in a gift, testamentary or otherwise, given to the State of Oklahoma or some state officer, board, commission, or agency for the use or benefit of a specified state institution, department, or agency, whether one or more, when accepted by the Governor and delivered to the ~~Office of Public Affairs or the Office of State Finance~~ Office of Management and Enterprise Services as provided for in Section 383 of this title, shall be allotted by said ~~Office of Public Affairs or Office of State Finance~~ Office of Management and Enterprise Services to such state institution, department, or agency, in accordance, as nearly as possible, with the terms of the gift.

SECTION 298. AMENDATORY 60 O.S. 2011, Section 385, is amended to read as follows:

Section 385. Any property involved in any gift, testamentary or otherwise, given to the State of Oklahoma for a particular purpose or purposes, as distinguished from public purposes generally, when accepted by the Governor and delivered to the ~~Office of Public Affairs~~ Office of Management and Enterprise Services, as provided for in Section 383 of this title, shall be allotted by said ~~Office of Public Affairs~~ Office of Management and Enterprise Services to the state institution, department, or agency, or the state institutions, departments, or agencies, if any, which, under the

applicable statutes, are charged with the performance of the specific purpose or purposes to which such gift is limited or dedicated.

SECTION 299. AMENDATORY 60 O.S. 2011, Section 386, is amended to read as follows:

Section 386. Except as may be otherwise provided in Sections 391 through 396 of this title, any real property involved in any gift, testamentary or otherwise, given to this state for public purposes generally or without designation of any particular purpose to which the same is to be devoted, when accepted by the Governor and delivered to the ~~Office of Public Affairs~~ Office of Management and Enterprise Services, as provided for in Section 383 of this title, and which may be occupied and used advantageously, as determined by the ~~Office of Public Affairs~~ Office of Management and Enterprise Services, by a particular state institution, department, or agency in performing its assigned duties or functions, and any tangible personal property involved in any gift, testamentary or otherwise, given to this state for public purposes generally or without designation of any particular purpose to which the same is to be devoted, when accepted by the Governor and delivered to the ~~Office of Public Affairs~~ Office of Management and Enterprise Services, as provided for in Section 383 of this title, which is determined to be, by the ~~Office of Public Affairs~~ Office of Management and Enterprise Services, especially suited to the special

needs of a particular state institution, department, or agency, or may be used advantageously by a particular state institution, department, or agency in performing its assigned duties or functions, shall be allotted by the ~~Office of Public Affairs~~ Office of Management and Enterprise Services to such state institution, department, or agency. Any such real property which is not occupied and used, or the occupancy and use of which is terminated by the state institution, department, or agency to which it has been so allotted and which may be occupied and used advantageously, as determined by the ~~Office of Public Affairs~~ Office of Management and Enterprise Services, by some other particular state institution, department, or agency in performing its assigned duties or functions, and any such tangible personal property which is not used, or the use of which is terminated, by the state institution, department, or agency to which it has been so allotted and which is determined to be, by the ~~Office of Public Affairs~~ Office of Management and Enterprise Services, especially suited to the special needs of a particular state institution, department, or agency, or may be used advantageously by some other particular state institution, department, or agency in performing its assigned duties or functions, shall be allotted by the ~~Office of Public Affairs~~ Office of Management and Enterprise Services to such other state institution, department, or agency.

SECTION 300. AMENDATORY 60 O.S. 2011, Section 387, is amended to read as follows:

Section 387. Except as may be otherwise provided in Sections 391 through 396 of this title, any real property involved in any gift, testamentary or otherwise, given to this state for public purposes generally or without designation of any particular purpose to which the same shall be devoted, when accepted by the Governor and delivered to the ~~Department of Central Services~~ Office of Management and Enterprise Services, as provided for in Section 383 of this title, which may not be occupied and used advantageously, as determined by the ~~Department of Central Services~~ Office of Management and Enterprise Services, by any particular state institution, department, or agency as contemplated by Section 386 of this title, and any tangible personal property involved in any gift, testamentary or otherwise, given to this state for public purposes generally or without designation of any particular purpose to which the same shall be devoted, when accepted by the Governor and delivered to the ~~Department of Central Services~~ Office of Management and Enterprise Services, as provided for in Section 383 of this title, which is determined to be, by the ~~Department of Central Services~~ Office of Management and Enterprise Services, not especially suited to the special needs of any particular state institution, department, or agency, or may not be used advantageously by any particular state institution, department, or

agency in performing its assigned duties or functions, as contemplated by Section 386 of this title, shall be sold by the ~~Department of Central Services~~ Office of Management and Enterprise Services as required by law. If, in the judgment of the ~~Department of Central Services~~ Office of Management and Enterprise Services, any such real property which is or becomes subject to sale may not be sold immediately to advantage, it may be leased or otherwise rented, until such time as, in the opinion of said ~~Department~~ Office, it may be sold to advantage.

SECTION 301. AMENDATORY 60 O.S. 2011, Section 389, is amended to read as follows:

Section 389. Except as may be otherwise provided in Sections 391 through 396 of this title, any cash or the equivalent thereof involved in any gift, testamentary or otherwise, given to this state for public purposes generally or without designation to any particular purpose to which the same shall be devoted, when accepted by the Governor and delivered to the ~~Office of State Finance~~ Office of Management and Enterprise Services, as provided for in Section 383 of this title, together with all income, interest, rentals, or otherwise, from any property delivered to the ~~Office of Public Affairs~~ Office of Management and Enterprise Services pursuant to the provisions of Section 383 and Sections 386 through 388 of this title, and all cash derived from sales, or other conversions into cash, of such other property as provided for in Sections 386 through

388 of this title, shall be deposited in the State Treasury to the credit of the General Revenue Fund for the fiscal year in which it is received.

SECTION 302. AMENDATORY 61 O.S. 2011, Section 1, is amended to read as follows:

Section 1. A. Prior to an award of a contract exceeding Fifty Thousand Dollars ($50,000.00) for construction or repair of a public building or structure, or improvement to real property, the person that receives the award shall:

1. Furnish a bond with good and sufficient sureties payable to the state in a sum not less than the total sum of the contract; or

2. Cause an irrevocable letter of credit, containing terms the ~~Department of Central Services~~ Office of Management and Enterprise Services prescribes, to be issued for the benefit of the state by a financial institution insured by the Federal Deposit Insurance Corporation in a sum not less than the total sum of the contract.

B. The bond or irrevocable letter of credit shall ensure the proper and prompt completion of the work in accordance with the contract and shall ensure that the contractor shall pay all indebtedness the contractor incurs for the contractor's subcontractors and all suppliers of labor, material, rental of machinery or equipment, and repair of and parts for equipment the contract requires the contractor to furnish.

C. For a contract not exceeding Fifty Thousand Dollars ($50,000.00), in lieu of a bond or irrevocable letter of credit, the contractor shall submit an affidavit of the payment of all indebtedness incurred by the contractor, the contractor's subcontractors, and all suppliers of labor, material, rented machinery or equipment, and repair of and parts for equipment used or consumed in the performance of the contract. The execution of the affidavit with knowledge that any of the contents of the affidavit are false, upon conviction, shall constitute perjury, punishable as provided for by law.

SECTION 303. AMENDATORY 61 O.S. 2011, Section 11, is amended to read as follows:

Section 11. A. Unless otherwise provided for by law, all plans and specifications for the erection of public buildings by this state, or any agency or political subdivision thereof, or for any building erected through the use of public funds shall provide facilities for the handicapped. Such facilities shall conform with the codes and standards adopted by the State Fire Marshal and amended by the Division's promulgated rules. Elevators shall be constructed and installed in said public buildings to the extent deemed feasible and financially reasonable by the contracting authority of the state or such political subdivision. Said codes and standards shall be on file in the Construction and Properties

Division of the ~~Department of Central Services~~ Office of Management and Enterprise Services.

B. After May 24, 1973, any building or facility which would have been subject to the provisions of this section but for the fact that it was constructed prior to May 24, 1973, shall be subject to the requirements of this section if additions are made to such building or facility in any twelve-month period which increase the total floor area of such building or facility by twenty-five percent (25%) or more or if alterations or structural repairs are made to such building or facility in any twelve-month period which affect twenty-five percent (25%) or more of the total floor area of such building or facility.

SECTION 304. AMENDATORY 61 O.S. 2011, Section 12, is amended to read as follows:

Section 12. All plans and specifications for the erection of public buildings subject to Section 11 of this title shall be submitted prior to bidding and awarding of contract to the governing body of the political entity controlling the funds involved. Such plans and specifications shall be checked for compliance with Section 11 of this title, and no construction contract for any public building shall be awarded unless and until said plans and specifications are approved as being in compliance with Section 11 of this title by the appropriate governmental agency. If public buildings are to be financed by state funds, the Construction and

Properties Division of the ~~Department of Central Services~~ Office of Management and Enterprise Services shall approve said plans and specifications. In the case of public buildings to be financed by county funds or funds controlled by some other political subdivision of the state, the agency whose approval is required shall be the governing body of such subdivision.

SECTION 305. AMENDATORY 61 O.S. 2011, Section 60, is amended to read as follows:

Section 60. All state agencies, boards, commissions, offices, institutions, and other governmental bodies of this state, and all individuals representing such entities, except the Department of Transportation, the Oklahoma Turnpike Authority, and CompSource Oklahoma provided CompSource Oklahoma is operating pursuant to a pilot program authorized by Sections ~~1~~ 3316 and ~~2~~ 3317 of ~~this act~~ Title 74 of the Oklahoma Statutes, shall use construction manager, consultant and construction contract forms that the State Construction Administrator of the Construction and Properties Division of the ~~Department of Central Services~~ Office of Management and Enterprise Services requires to award and execute contracts for designs to construct, renovate, alter, repair, maintain, or improve real property or fixtures of real property of the state. The Administrator may authorize, in writing, exceptions to the use of construction manager, consultant and construction contract forms for specific projects.

SECTION 306. AMENDATORY 61 O.S. 2011, Section 61, is amended to read as follows:

Section 61. As used in Sections 61 through 65 of this title:

1. "Administrator" means the State Construction Administrator of the Construction and Properties Division of the ~~Department of Central Services~~ Office of Management and Enterprise Services;

2. "Chief administrative officer" means an individual responsible for directing the administration of a state agency. The term does not mean one or all of the individuals that make policy for a state agency;

3. "Construction manager" means an individual, firm, corporation, association, partnership, copartnership, or any other legal entity possessing the qualifications to provide services of construction management which include, but are not necessarily limited to, design review, scheduling, cost control, value engineering, constructability evaluation, preparation and coordination of bid packages, and construction administration;

4. ~~"Department" means the Department of Central Services;~~

~~5.~~ "Consultant" means an individual or legal entity possessing the qualifications to provide licensed architectural, registered engineering, or registered land surveying services or other individuals or legal entities possessing specialized credentials and qualifications as may be needed to plan or design for any construction or a public work improvement project;

~~6.~~ 5. "Director" means the Director of the ~~Department of Central Services~~ Office of Management and Enterprise Services;

~~7.~~ 6. "Division" means the Construction and Properties Division of the ~~Department of Central Services~~ Office of Management and Enterprise Services;

7. "Office" means the Office of Management and Enterprise Services;

8. "Project" means plans or designs for a public work improvement, except the transportation facilities under the jurisdiction of the Department of Transportation or the Oklahoma ~~Transportation~~ Turnpike Authority:

a. to construct, renovate, alter, repair, maintain, or improve real property or fixtures of real property, and

b. that does not constitute "construction" as defined by the Public Building Construction and Planning Act; and

9. "State agency" means an agency, office, officer, bureau, board, counsel, court, commission, institution, unit, division, body or house of the executive or judicial branches of state government, whether elected or appointed, excluding only political subdivisions of the state.

SECTION 307. AMENDATORY 61 O.S. 2011, Section 62, is amended to read as follows:

Section 62. A. The Construction and Properties Division of the ~~Department of Central Services~~ Office of Management and Enterprise

Services shall maintain a file of all persons and entities interested in and capable of performing construction management and consultant services for state agencies. The file shall include registration forms and information submitted by construction managers and consultants pursuant to rules promulgated by the ~~Department of Central Services~~ Office of Management and Enterprise Services. Pursuant to rules promulgated by the ~~Department~~ Office, the Division shall determine whether a construction manager or consultant qualifies for registration and shall notify the construction manager or consultant within twenty (20) days of receipt of a request for registration. Construction managers and consultants shall re-register for each successive calendar year with the Division.

B. The requisitioning state agency shall define the scope of a proposed project. The scope shall identify project components, phases, and timetables and shall include detailed project descriptions. The state agency may request the Division to assist with scope development. The state agency shall send the scope and a requisition for construction management or consultant services, signed by the chief administrative officer, to the Division. The Division shall review the scope and approve it before the state agency issues a solicitation.

C. The state agency shall issue a solicitation to construction managers or consultants capable of providing the services the state agency desires. The solicitation shall, at a minimum, contain:

1. Description and scope of the project;

2. Estimated construction cost or available funds, anticipated starting date, and completion date the state agency desires for the project;

3. Certification of funds available for the construction manager or consultant fee, including federal, state or other participation;

4. Closing date for construction manager or consultant to give notice of interest to the state agency; and

5. Additional data the state agency requires from the construction manager or consultant. The closing date for submission of construction manager or consultant notice of interest for consideration shall be within thirty (30) days of the date of the notice the state agency issues.

D. After the closing date, the State Construction Administrator of the Construction and Properties Division of the ~~Department of Central Services~~ Office of Management and Enterprise Services shall provide information from the construction managers' or consultants' files to the state agency. Should there be an inadequate expression of interest in the project, the state agency and Division personnel

shall confer to add construction managers or consultants for consideration.

E. The state agency shall review the information the Division provides and shall select no less than three and no more than five construction managers or consultants per contract for interviews. The review shall include consideration of factors from the information the Division supplies including, but not limited to:

1. Professional qualifications for the type of work contemplated;

2. Capacity for completing the project in the specified time period; and

3. Past performance on projects of a similar nature.

F. The Division shall advise the state agency of the methods to be used to conduct an evaluation, interview, selection, contract negotiation, and fee negotiation processes pursuant to rules promulgated by the ~~Department of Central Services Division~~ Office of Management and Enterprise Services.

G. 1. Upon completion of contract negotiation with the highest qualified construction manager or consultant, which contract shall include a fair and reasonable fee, the Division shall approve and award the contract.

2. If the Division and the first-choice construction manager or consultant cannot reach an agreement, the negotiations shall terminate and negotiations with the second-choice construction

manager or consultant shall commence. If the Division and the second-choice construction manager or consultant cannot reach an agreement, the negotiations shall terminate and negotiations with the third-choice construction manager or consultant shall commence. If the Division and the third-choice construction manager or consultant cannot reach an agreement, then all negotiations shall terminate. Should the Division be unable to negotiate a satisfactory contract with any of the three selected construction managers or consultants, the Division shall select additional construction managers or consultants in order of their competency and qualifications and shall continue negotiations in accordance with the provisions of this section until an agreement is reached.

H. Any plans developed pursuant to the process for selection of a contractor for construction of a facility authorized pursuant to Section 183 of Title 73 of the Oklahoma Statutes shall become the property of the State of Oklahoma as a condition of the award of the final contract for construction of the facility.

I. In the selection of a construction manager or consultant, all political subdivisions of this state shall follow these procedures:

The subdivision shall select a construction manager or consultant based upon the professional qualifications and technical experience of the construction manager or consultant. The subdivision shall negotiate a contract with the highest qualified

construction manager or consultant, provided that a fee can be negotiated that is fair and reasonable to both parties. In the event a reasonable fee cannot be negotiated with the selected construction manager or consultant, the subdivision may negotiate with other construction managers or consultants in order of their qualifications.

SECTION 308. AMENDATORY 61 O.S. 2011, Section 62.2, is amended to read as follows:

Section 62.2 The Construction and Properties Division of the ~~Department of Central Services~~ Office of Management and Enterprise Services may enter into contracts with construction managers and consultants registered with the Division for the purpose of providing minor services to state agencies. The contracts shall provide for services on an as-needed basis and shall not exceed One Hundred Thousand Dollars ($100,000.00) per construction manager or consultant during one (1) year. The requisitioning state agency shall reimburse the Division for the fee of the construction manager or consultant that provides the services.

SECTION 309. AMENDATORY 61 O.S. 2011, Section 63, is amended to read as follows:

Section 63. All drawings, plans, specifications, reports, and models made by a construction manager or consultant for a state agency shall be the property of this state, and shall be delivered to the Construction and Properties Division of the ~~Department of~~

~~Central Services~~ Office of Management and Enterprise Services. The construction manager or consultant receiving payment for plans paid for in whole or in part with state funds shall file such plans with the Division for inclusion in a library system to be maintained by the Division. Any state agency shall have access for review to any plans or specifications filed with the Division.

SECTION 310. AMENDATORY 61 O.S. 2011, Section 65, is amended to read as follows:

Section 65. A. In addition to the conditions prescribed pursuant to subsections C and D of this section, the provisions of Section 62 of this title shall not apply whenever the Construction and Properties Division of the ~~Department of Central Services~~ Office of Management and Enterprise Services with concurrence of the chief administrative officer of the public agency affected declares that an emergency exists. The construction manager or consultant shall be selected by the State Construction Administrator of the Construction and Properties Division of the ~~Department of Central Services~~ Office of Management and Enterprise Services. The resulting construction manager or consultant contract shall not exceed Fifteen Thousand Dollars ($15,000.00). The reasons for the emergency shall be recorded in the official records of the Division.

B. Emergency as used in this section shall be limited to conditions resulting from any of the following:

1. A sudden unexpected happening or unforeseen occurrence if it is impossible for the provisions of Section 62 of this title to be observed because of the time factor and if the public health or safety is endangered; and

2. A condition or situation which, if allowed to continue, would lead to economic loss to the state or to further damage of state property.

C. The provisions of Section 62 of this title shall not apply to the process for construction of a correctional facility whenever the State Board of Corrections informs the Division that an emergency condition threatens the security of the state correctional system, including inmate population growth, and the condition requires expeditious treatment for the review, approval and bid process as it relates to construction or expansion of correctional facilities. The Division and the Department of Corrections are authorized to implement an expedited competitive bid process for the contracting of construction managers or consultants and construction of new or expanded correctional facilities that adequately respond to the emergency. The State Board of Corrections shall provide written notification to the Governor, the Speaker of the House of Representatives and to the President Pro Tempore of the Senate of the emergency conditions.

D. The provisions of Section 62 of this title shall not apply to CompSource Oklahoma if CompSource Oklahoma is operating pursuant

to a pilot program authorized by Sections ~~1~~ 3316 and ~~2~~ 3317 of ~~this act~~ Title 74 of the Oklahoma Statutes.

SECTION 311. AMENDATORY 61 O.S. 2011, Section 102, is amended to read as follows:

Section 102. As used in the Public Competitive Bidding Act of 1974:

1. "Administrator" means the State Construction Administrator of the Construction and Properties Division of the ~~Department of Central Services~~ Office of Management and Enterprise Services;

2. "Awarding public agency" means the public agency which solicits and receives sealed bids on a particular public construction contract;

3. "Bidding documents" means the bid notice, instruction to bidders, plans and specifications, bidding form, bidding instructions, general conditions, special conditions and all other written instruments prepared by or on behalf of an awarding public agency for use by prospective bidders on a public construction contract;

4. "Chief administrative officer" means an individual responsible for directing the administration of a public agency. The term does not mean one or all of the individuals that make policy for a public agency;

5. "Public agency" means the State of Oklahoma, and any county, city, town, school district or other political subdivision of the

state, any public trust, any public entity specifically created by the statutes of the State of Oklahoma or as a result of statutory authorization therefor, and any department, agency, board, bureau, commission, committee or authority of any of the foregoing public entities;

6. "Public construction contract" or "contract" means any contract, exceeding Fifty Thousand Dollars ($50,000.00) in amount, awarded by any public agency for the purpose of making any public improvements or constructing any public building or making repairs to or performing maintenance on the same except where the improvements, construction of any building or repairs to the same are improvements or buildings leased to a person or other legal entity exclusively for private and not for public use and no public tax revenues shall be expended on or for the contract unless the public tax revenues used for the project are authorized by a majority of the voters of the applicable public agency voting at an election held for that purpose and the public tax revenues do not exceed twenty-five percent (25%) of the total project cost. The amount of public tax dollars committed to the project will not exceed a fixed amount established by resolution of the governing body prior to or concurrent with approval of the project;

7. "Public improvement" means any beneficial or valuable change or addition, betterment, enhancement or amelioration of or upon any real property, or interest therein, belonging to a public agency,

intended to enhance its value, beauty or utility or to adapt it to new or further purposes. The term does not include the direct purchase of materials, equipment or supplies by a public agency, or any personal property, including property as defined in paragraphs 1 and 4 of subsection B of Section 430.1 of Title 62 of the Oklahoma Statutes; and

8. "Retainage" means the difference between the amount earned by the contractor on a public construction contract, with the work being accepted by the public agency, and the amount paid on said contract by the public agency.

SECTION 312. AMENDATORY 61 O.S. 2011, Section 103, is amended to read as follows:

Section 103. A. Unless otherwise provided by law, all public construction contracts exceeding Fifty Thousand Dollars ($50,000.00) shall be let and awarded to the lowest responsible bidder, by open competitive bidding after solicitation for sealed bids, in accordance with the provisions of the Public Competitive Bidding Act of 1974. No work shall be commenced until a written contract is executed and all required bonds and insurance have been provided by the contractor to the awarding public agency.

B. Except as provided in subsection D of this section, other construction contracts for the purpose of making any public improvements or constructing any public building or making repairs to the same for Fifty Thousand Dollars ($50,000.00) or less shall be

let and awarded to the lowest responsible bidder by receipt of written bids or awarded on the basis of competitive quotes to the lowest responsible qualified contractor. Work may be commenced in accordance with the purchasing policies of the public agency.

C. Except as provided in subsection D of this section, other construction contracts for less than Five Thousand Dollars ($5,000.00) may be negotiated with a qualified contractor. Work may be commenced in accordance with the purchasing policies of the public agency.

D. The provisions of this subsection shall apply to public construction for minor maintenance or minor repair work to public school district property. Other construction contracts for less than Twenty-five Thousand Dollars ($25,000.00) may be negotiated with a qualified contractor. Construction contracts equal to or greater than Twenty-five Thousand Dollars ($25,000.00) but less than Fifty Thousand Dollars ($50,000.00) shall be let and awarded to the lowest responsible bidder by receipt of written bids. No work shall be commenced on any construction contract until a written contract is executed and proof of insurance has been provided by the contractor to the awarding public agency.

E. The Construction and Properties Division of the ~~Department of Central Services~~ Office of Management and Enterprise Services may award contracts using best value competitive proposals. As used in this subsection, "best value" means an optional contract award

system which can evaluate and rank submitted competitive performance proposals to identify the proposal with the greatest value to the state. The ~~Department of Central Services~~ Office of Management and Enterprise Services, pursuant to the Administrative Procedures Act, shall promulgate rules necessary to implement the provisions of this subsection.

SECTION 313. AMENDATORY 61 O.S. 2011, Section 107, is amended to read as follows:

Section 107. A. A bidder on a public construction contract exceeding Fifty Thousand Dollars ($50,000.00) shall accompany the bid with:

1. A certified check, cashier's check or bid bond equal to five percent (5%) of the bid, which shall be deposited with the awarding public agency as a guaranty; or

2. An irrevocable letter of credit containing terms the Construction and Properties Division of the ~~Department of Central Services~~ Office of Management and Enterprise Services prescribes, issued by a financial institution insured by the Federal Deposit Insurance Corporation or the Federal Savings and Loan Insurance Corporation for the benefit of the state, on behalf of the awarding public agency, in an amount equal to five percent (5%) of the bid. The awarding public agency shall deposit the irrevocable letter of credit with the Division.

B. The cost of republication of the notice to bidders, actual expenses incurred by reason of the bidder's default and the difference between the low bid of the defaulting bidder and the amount of the bid of the bidder to whom the contract is subsequently awarded, but not to exceed the amount of the certified check, cashier's check, bid bond or irrevocable letter of credit may, at the discretion of the awarding public agency, be forfeited to the awarding public agency in the event the apparently successful bidder fails to execute the contract or fails to provide the required bonds or irrevocable letters of credit and insurance to the awarding public agency.

C. The public agency shall, upon receipt of notice from the awarding public agency, return a certified or cashier's check, bid bond, or irrevocable letter of credit to the successful bidder on execution and delivery of the contract and required bonds or irrevocable letters of credit and insurance. Checks of unsuccessful bidders shall be returned to them in accordance with the terms of the bid solicitation.

D. Nothing contained herein shall be construed so as to prevent the awarding public agency or the courts from exonerating the bidder and other parties to the bid security document from liability upon a timely showing that the bidder committed what the courts have determined under the common law to be an excusable bidding error and

for that reason it would not be equitable to enforce the bid security.

SECTION 314. AMENDATORY 61 O.S. 2011, Section 113, is amended to read as follows:

Section 113. A. Except as otherwise provided by law, within the period of time, not to exceed sixty (60) days, specified in the bid notice by the awarding public agency, a contract embodying the terms set forth in the bidding documents shall be executed by the awarding public agency and the successful bidder. No bidder shall obtain any property right in a contract awarded under the provisions of the Public Competitive Bidding Act of 1974 until the contract has been fully executed by both the bidder and the awarding public agency.

B. Except as otherwise provided by law, within the period of time specified in subsection A of this section, the following shall be provided by the contractor to the awarding public agency for contracts exceeding Fifty Thousand Dollars ($50,000.00):

1. A bond or irrevocable letter of credit complying with the provisions of Section 1 of this title;

2. A bond in a sum equal to the contract price, with adequate surety, or an irrevocable letter of credit containing terms prescribed by the Construction and Properties Division of the ~~Department of Central Services~~ Office of Management and Enterprise Services issued by a financial institution insured by the Federal

Deposit Insurance Corporation or the Federal Savings and Loan Insurance Corporation for the benefit of the state, on behalf of the awarding public agency, in a sum equal to the contract price, to ensure the proper and prompt completion of the work in accordance with the provisions of the contract and bidding documents;

3. A bond in a sum equal to the contract price or an irrevocable letter of credit containing terms as prescribed by the Division issued by a financial institution insured by the Federal Deposit Insurance Corporation or the Federal Savings and Loan Insurance Corporation for the benefit of the state, on behalf of the awarding public agency, in a sum equal to the contract price, to protect the awarding public agency against defective workmanship and materials for a period of one (1) year after acceptance of the project; and

4. Public liability and workers' compensation insurance during construction in reasonable amounts. A public agency may require the contractor to name the public agency and its architects or engineers, or both, as an additional assured under the public liability insurance, which requirement, if made, shall be specifically set forth in the bidding documents.

C. A single irrevocable letter of credit may be used to satisfy paragraphs 1, 2 and 3 of subsection B of this section, provided such single irrevocable letter of credit meets all applicable requirements of subsection B of this section.

If the contractor needs additional time in which to obtain the bond required pursuant to subsection B of this section, the contractor may request and the awarding agency may allow the contractor an additional sixty (60) days in which to obtain the bond.

D. 1. After the award of a contract, but prior to its execution, an awarding public agency, upon discovery of an administrative error in the award process that would void an otherwise valid award, may suspend the time of execution of the contract. The agency may rescind the award and readvertise for bids, or may direct correction of the error and award the contract to the lowest responsible bidder, whichever shall be in the best interests of the state.

2. If the awarding public agency has a governing body, the agency shall, at the next regularly scheduled public business meeting of the governing body of the agency, upon the record, present to the governing body that an error has been made in the award process and shall state the nature of the error. The governing body, upon presentation of the facts of the error, may rescind the award and readvertise for bids, or may direct correction of the error and award the contract to the lowest responsible bidder, whichever shall be in the best interests of the state.

E. No public agency shall require for any public construction project, nor shall any general contractor submit a project bid based

on acquiring or participating in, any wrap-up, wrap-around, or controlled insurance program. For the purposes of this subsection, "wrap-up, wrap-around, or controlled insurance program" means any insurance program that has the effect of disabling or rendering inapplicable any workers' compensation, commercial general liability, builders' risk, completed operations, or excess liability insurance coverage carried by a subcontractor that is engaged or to be engaged on a public construction project unless this is a cost savings to the public or the need exists for a specialized or complex insurance program and shall not apply to contracts less than Seventy-five Million Dollars ($75,000,000.00).

F. This act shall not apply to the public construction projects of constitutional agencies which had authorized a wrap-up, wrap-around, or controlled insurance program on or before April 11, 2000.

SECTION 315. AMENDATORY 61 O.S. 2011, Section 121, is amended to read as follows:

Section 121. A. Change orders or addenda to public construction contracts of One Million Dollars ($1,000,000.00) or less shall not exceed a fifteen percent (15%) cumulative increase in the original contract amount.

B. Change orders or addenda to public construction contracts of over One Million Dollars ($1,000,000.00) shall not exceed the greater of One Hundred Fifty Thousand Dollars ($150,000.00) or a ten percent (10%) cumulative increase in the original contract amount.

C. Change orders or cumulative change orders which exceed the limits of subsection A or B of this section shall require a readvertising for bids on the incomplete portions of the contract.

D. If the awarding public agency does not have a governing body, the chief administrative officer of the awarding public agency shall approve change orders. The State Construction Administrator of the Construction and Properties Division of the ~~Department of Central Services~~ Office of Management and Enterprise Services, or the administrator's designee, shall sign and execute all contracts and change orders, as they relate to state agencies.

E. If the awarding public agency has a governing body, all change orders shall be formally approved by the governing body of the awarding public agency and the reasons for approval recorded in the permanent records of the governing body. The governing body of a municipality or technology center may delegate approval of change orders up to Forty Thousand Dollars ($40,000.00) or ten percent (10%) of any contract, whichever is less, to the chief administrative officer of the municipality or technology center or their designee, with any approved change orders reported to the governing body at the next regularly scheduled meeting.

F. The governing body of the Oklahoma Tourism and Recreation Department is authorized, upon approval of a majority of all of the members of the Oklahoma Tourism and Recreation Commission, to delegate to the Director of the agency the authority to approve

change orders on a construction contract provided that the individual change order does not exceed Twenty-five Thousand Dollars ($25,000.00) in expenditure and complies with the limits established by this section. The Administrator of the Division shall sign and execute all contracts and change orders.

G. The Transportation Commission may, by rule, authorize the Director of the Department of Transportation to approve change orders in an amount of not to exceed Five Hundred Thousand Dollars ($500,000.00). Change orders approved by the Director shall be presented to the Transportation Commission during the next regular meeting and the reasons therefor recorded in the permanent records. The Oklahoma Turnpike Authority may authorize the Director of the Authority to approve change orders in an amount not to exceed Two Hundred Fifty Thousand Dollars ($250,000.00). Change orders approved by the Director of the Authority shall be presented to the Authority during the next regular meeting and the reasons for the orders recorded in permanent records.

H. All change orders for the Department of Transportation or the Authority shall contain a unit price and total for each of the following items:

1. All materials with cost per item;

2. Itemization of all labor with number of hours per operation and cost per hour;

3. Itemization of all equipment with the type of equipment, number of each type, cost per hour for each type, and number of hours of actual operation for each type;

4. Itemization of insurance cost, bond cost, social security, taxes, workers' compensation, employee fringe benefits and overhead cost; and

5. Profit for the contractor.

I. 1. If a construction contract contains unit pricing, and the change order pertains to the unit price, the change order will not be subject to subsection A or B of this section.

2. When the unit price change does not exceed Ten Thousand Dollars ($10,000.00), the unit price change order computation may be based on an acceptable unit price basis in lieu of cost itemization as required in paragraphs 1, 2, 3, 4 and 5 of subsection H of this section.

J. Alternates or add items bid with the original bid and contained in the awarded contract as options of the awarding public agency shall not be construed as change orders under the provisions of the Public Competitive Bidding Act of 1974.

SECTION 316. AMENDATORY 61 O.S. 2011, Section 125, is amended to read as follows:

Section 125. The Director of ~~State Finance~~ the Office of Management and Enterprise Services shall prescribe the accounting procedure to be followed to pay costs and payments to contractors on

public construction contracts with state agencies. The Director of ~~State Finance~~ the Office of Management and Enterprise Services is directed to include any procedures necessary to provide accountability for state funds and funds furnished by an agency of the United States Government.

SECTION 317. AMENDATORY 61 O.S. 2011, Section 130, is amended to read as follows:

Section 130. A. The provisions of the Public Competitive Bidding Act of 1974 with reference to notice and bids shall not apply to an emergency if:

1. The governing body of a public agency declares by a two-thirds (2/3) majority vote of all of the members of the governing body that an emergency exists;

2. The Transportation Commission and the Oklahoma Tourism and Recreation Commission, by majority vote of all the members of each Commission, declare that an emergency exists; or

3. The chief administrative officer of a public agency without a governing body declares that an emergency exists.

B. The governing body of a public agency may, upon approval of two-thirds (2/3) majority of all of the members of the governing body, delegate to the chief administrative officer of a public agency the authority to declare an emergency whereby the provisions of the Public Competitive Bidding Act of 1974 with reference to notice and bids shall not apply to contracts less than Thirty-five

Thousand Dollars ($35,000.00) in amount; provided, such authority of the Department of Transportation and the Oklahoma Turnpike Authority shall not extend to any contract exceeding Five Hundred Thousand Dollars ($500,000.00) in amount.

C. Upon approval of a two-thirds (2/3) majority vote, the Oklahoma Conservation Commission may delegate to the Executive Director the authority to declare an emergency and set a monetary limit for the declaration. The provisions of this subsection may only be used for the purpose of responding to an emergency involving the reclamation of abandoned coal mines or the repair of damaged upstream floodwater retarding structures.

D. An emergency declared by the Board of Corrections pursuant to subsection C of Section 65 of this title shall exempt the Department of Corrections from the limits which would otherwise be imposed pursuant to subsection B of this section for the contracting and construction of new or expanded correctional facilities.

E. The chief administrative officer of a public agency with a governing body shall notify the governing body within ten (10) days of the declaration of an emergency if the governing body did not approve the emergency. The notification shall contain a statement of the reasons for the action, and shall be recorded in the official minutes of the governing body.

F. Emergency as used in this section shall be limited to conditions resulting from a sudden unexpected happening or

unforeseen occurrence or condition whereby the public health or safety is endangered.

G. The chief administrative officer of a public agency shall report an emergency within ten (10) days of the emergency declaration and include the official minutes of the governing body of the public agency, if applicable, to the State Construction Administrator of the Construction and Properties Division of the ~~Department of Central Services~~ Office of Management and Enterprise Services who shall compile an annual report detailing all emergencies declared pursuant to this section during the previous calendar year. The report shall be submitted to the Governor, the President Pro Tempore of the Senate and the Speaker of the House of Representatives.

SECTION 318. AMENDATORY 61 O.S. 2011, Section 202, is amended to read as follows:

Section 202. As used in the Public Building Construction and Planning Act:

1. "Administrator" means the State Construction Administrator of the Construction and Properties Division of the ~~Department of Central Services~~ Office of Management and Enterprise Services;

2. "Construction" means the process of planning, acquiring, designing, building, equipping, altering, repairing, improving, maintaining, or demolishing any structure or appurtenance thereto including facilities, utilities, or other improvements to any real

property but not including highways, bridges, airports, railroads, tunnels, sewers not related to a structure or appurtenance thereto, or dams;

3. "Construction administration" means a series of actions required of the State Construction Administrator, of other state agency employees, or, under a construction administration contract or contract provision, to ensure the full, timely, and proper performance of all phases of a construction project by all contractors, suppliers, and other persons having responsibility for project work and any guarantees or warranties pertaining thereto;

4. "Construction management" means a project delivery method based on an agreement whereby the owner acquires from a construction entity a series of services that include, but are not necessarily limited to, design review, scheduling, cost control, value engineering, constructability evaluation, preparation and coordination of bid packages, and construction administration; "construction management" includes:

a. "agency construction management" whereby the construction entity provides services to the owner without taking on financial risks for the execution of the actual construction, and

b. "at-risk construction management" whereby the construction entity, after providing agency services during the pre-construction period, takes on the

financial obligation to carry out construction under a specified cost agreement;

5. "Consultant" means an individual or legal entity possessing the qualifications to provide licensed architectural, registered engineering, or registered land surveying services or possessing specialized credentials and qualifications as may be needed to plan or design for any construction or public work improvement project;

6. "Design-build" means a project delivery method whereby this state acquires both design and construction services in the same contract from a single legal entity, referred to as the design-builder, without the bid component of the traditional design-bid-build process;

7. ~~"Department" means the Department of Central Services;~~

~~8.~~ "Director" means the Director of the ~~Department of Central Services~~ Office of Management and Enterprise Services;

~~9.~~ 8. "Division" means the Construction and Properties Division of the ~~Department of Central Services~~ Office of Management and Enterprise Services;

~~10.~~ 9. "Energy performance index or indices" (EPI) means a number describing the energy requirements at the building boundary of a structure, per square foot of floor space or per cubic foot of occupied volume, as appropriate under defined internal and external ambient conditions over an entire seasonal cycle. As experience develops on the energy performance achieved with state construction,

the indices (EPI) will serve as a measure of structure performance with respect to energy consumption;

~~11.~~ 10. "Life cycle costs" means the cost of owning, operating, and maintaining the structure over the life of the structure. This may be expressed as an annual cost for each year of the facility's use;

11. "Office" means the Office of Management and Enterprise Services;

12. "Procurement" means buying, purchasing, renting, leasing, or otherwise acquiring or disposing of supplies, services, or construction;

13. "Public improvement" means any beneficial or valuable change or addition, betterment, enhancement or amelioration of or upon any real property, or interest therein, belonging to a public agency, intended to enhance its value, beauty or utility or to adapt it to new or further purposes. The term does not include the direct purchase of materials, provided that the materials are not purchased in increments for an amount of less than Twenty-five Thousand Dollars ($25,000.00) and used for the purposes of completing a single project, equipment or supplies by a public agency, or any personal property as defined in paragraphs 1 and 4 of subsection B of Section 430.1 of Title 62 of the Oklahoma Statutes;

14. "Shared savings financing" means the financing of energy conservation measures and maintenance services through a private

firm which may own any purchased equipment for the duration of a contract. Such contract shall specify that the private firm will be recompensed either out of a negotiated portion of the savings resulting from the conservation measures and maintenance services provided by the private firm or, in the case of a cogeneration project, through the payment of a rate for energy lower than would otherwise have been paid for the same energy from current sources; and

15. "State agency" means an agency, board, commission, counsel, court, office, officer, bureau, institution, unit, division, body, or house of the executive or judicial branches of government of this state, whether elected or appointed, excluding only political subdivisions.

SECTION 319. AMENDATORY 61 O.S. 2011, Section 202.1, is amended to read as follows:

Section 202.1 A. The design-build and construction management project delivery methods shall not be used without the written approval of the Director of ~~Central Services~~ the Office of Management and Enterprise Services, or the Director's designee, when those projects are constructed for a state agency or by an act of the Legislature specifying design-build or at-risk construction management for a project. In all instances where the design-build project or at-risk construction management delivery method is authorized, construction administration shall be performed by the

State Construction Administrator, the Administrator's designee or designees, or otherwise by contract or contract provision approved by the Director of ~~Central Services~~ the Office of Management and Enterprise Services for construction administration by another party.

B. Municipalities, counties, public trusts, or any other political subdivision in this state shall not be required to get approval of any other state agency in order to use design-build construction management or at-risk construction management as a construction management delivery method. However, municipalities, counties, public trusts, and any other political subdivision shall be subject to all other provisions of the Public Building Construction and Planning Act.

C. The design-build and construction management project delivery methods shall not be used for any project unless the project meets the criteria established by the administrative rules promulgated as required by this act. Such methods shall not be used unless there is a need for compressed construction time as required to respond to a natural disaster or other emergency situation affecting public health and safety, or all of the following criteria for designation are met:

1. The project benefits the public;

2. There is a need for cost control; and

3. The need exists for specialized or complex construction methods due to the unique nature of the project.

D. The use of design-build and construction management project delivery methods shall not interfere or inhibit the opportunity for subcontractors to openly and freely compete for subcontracts pursuant to the Public Competitive Bidding Act of 1974.

E. The provisions of subsections A and B of this section shall not apply to projects by contract pursuant to an interagency agreement under Section 581 of Title 74 of the Oklahoma Statutes or to projects a state agency performs solely with the staff of the agency.

F. The State Construction Administrator shall file an annual report to the legislature summarizing cost information for each construction management project completed the preceding year.

G. The ~~Department of Central Services~~ Office of Management and Enterprise Services shall, pursuant to the Administrative Procedures Act, promulgate rules to effect procedures, processes and design-build/construction management fee guidelines necessary to the fulfillment of its responsibilities under this section.

H. As used in the Public Building Construction and Planning Act, public trusts shall not include state beneficiary public trusts.

SECTION 320. AMENDATORY 61 O.S. 2011, Section 203, is amended to read as follows:

Section 203. There is hereby created within the ~~Department of Central Services~~ Office of Management and Enterprise Services the Construction and Properties Division. There is hereby created within the Division the position of State Construction Administrator who shall be the chief administrative officer of the Division. The Administrator shall be a registered professional engineer or a licensed architect who shall be appointed by and serve at the pleasure of the Director. The Director shall employ or contract with experts and consultants as are necessary to perform the duties of the Division.

SECTION 321. AMENDATORY 61 O.S. 2011, Section 204, is amended to read as follows:

Section 204. A. The Construction and Properties Division of the ~~Department of Central Services~~ Office of Management and Enterprise Services shall:

1. Maintain a comprehensive master plan for utilization and construction of buildings for state agencies, capital improvements, and utilization of land owned by this state;

2. Review and approve all construction plans and specifications to ensure compliance with good construction practices and space standards, costs of project, proposed construction timetables, and agency need for the project, except as otherwise provided in subsection B of this section;

3. Inspect prior to acceptance and final payment all completed projects for which the Division issued bid solicitations to ensure compliance with the plans and specifications of the project;

4. Provide assistance to state agencies when a state agency desires to hire a consultant or construction manager for a project. Except as provided by subsection B of this section, the Division shall award and execute contracts to consultants and construction managers that provide services to state agencies for construction projects;

5. Develop and issue solicitations for award of state agency contracts for construction. The Division shall have final approval authority for contracts and contract documents. Neither the Division nor any state agency shall, for performance of work that requires that a contractor be licensed by this state, issue a solicitation to, or make a contract with, a contractor not licensed by this state;

6. Review inspections performed by consultants and construction managers during construction, primary inspections when consultants or construction managers are not used, and final inspections after completion;

7. Recommend standards, including, but not limited to, building codes, space utilization, material testing, indexes of efficiency, economy, and effectiveness, pursuant to rules the Director promulgates;

8. Monitor construction projects to ensure maximum efficiency in the expenditure of state funds for construction;

9. Report fraud or waste in any construction project by written notification with documentation for the report to the Attorney General. The Attorney General shall take appropriate action to protect the interest of the state; and

10. Prequalify as good and sufficient insurance carriers, bonding companies and surety companies to meet provisions of Sections 1 and 134 of this title. The Director shall promulgate rules to establish criteria to determine whether a carrier or company is good and sufficient. The prequalification requirement and process shall not violate the provisions of Section 135 of this title.

B. When a state agency has a licensed architect or licensed engineer, as a full-time employee, to review construction plans and specifications, the review and approval of all construction plans and specifications required pursuant to paragraph 2 of subsection A of this section shall not apply to:

1. The common schools subject to the jurisdiction of the State Department of Education;

2. The Department of Transportation with respect to highways, bridges and dams;

3. The Oklahoma State System of Higher Education;

4. The Military Department of the State of Oklahoma;

5. The Oklahoma Tourism and Recreation Department; and

6. The Department of Human Services.

SECTION 322. AMENDATORY 61 O.S. 2011, Section 205, is amended to read as follows:

Section 205. Employees of the ~~Department of Central Services~~ Office of Management and Enterprise Services designated by the Director of the ~~Department~~ Office shall have access to state agency records that relate to state construction projects. The Director may authorize review or audit of the records.

SECTION 323. AMENDATORY 61 O.S. 2011, Section 207.2, is amended to read as follows:

Section 207.2 A. Except as provided by subsection B of this section, no state agency shall employ, either temporary or full-time, any person engaged in the practice of architecture, engineering or land surveying for the purpose of planning or performing any construction upon any real property belonging to the agency or to the state, or upon any real property of which this state will assume possession or ownership by contract, option to purchase agreement, lease, or otherwise. The term "practice of architecture" shall be defined as those activities of an architect as provided for in Section 46.3 of Title 59 of the Oklahoma Statutes. The terms "practice of engineering" or the "practice of land surveying" shall be defined as such terms are defined by Section 475.2 of Title 59 of the Oklahoma Statutes.

B. The provisions of subsection A of this section shall not apply to:

1. The Department of Human Services;

2. The Oklahoma Tourism and Recreation Department;

3. The State Department of Health insofar as the monitoring of permitted health care facility construction for licensing purposes;

4. The Oklahoma Historical Society insofar as the monitoring of historical site preservation and authenticity;

5. The ~~Department of Central Services~~ Office of Management and Enterprise Services;

6. The State Department of Education and the public schools subject to its jurisdiction;

7. The Department of Transportation;

8. The Oklahoma State System of Higher Education;

9. The Military Department of the State of Oklahoma;

10. The Oklahoma Municipal Power Authority;

11. The Department of Public Safety gun range; and

12. CompSource Oklahoma if CompSource Oklahoma is operating pursuant to a pilot program authorized by Sections ~~1~~ 3316 and ~~2~~ 3317 of ~~this act~~ Title 74 of the Oklahoma Statutes.

SECTION 324. AMENDATORY 61 O.S. 2011, Section 208, is amended to read as follows:

Section 208. A. The Construction and Properties Division of the ~~Department of Central Services~~ Office of Management and

Enterprise Services shall approve state agency selection of, and award contracts to, construction managers and design consultants pursuant to the provisions of Section 62 of this title.

B. The negotiation of construction manager and design consultant contracts and fees shall be performed by the Division.

C. The Division shall award and administer construction contracts for state agencies pursuant to the provisions of the Public Competitive Bidding Act of 1974.

D. 1. When all bids for a public construction contract exceed an agency's estimate and available funding, the State Construction Administrator may enter into negotiations with the lowest responsible bidder for the purpose of modifying the project scope and reducing the construction cost, provided that:

a. the unexpected higher construction costs resulted from unforeseen economic conditions or otherwise sudden price volatility in the construction industry,

b. the project was appropriately planned, and cost estimates were developed using standards of care acceptable to the Division, and

c. further delay caused by redesigning and rebidding the project would jeopardize the using agency's mission or result in the loss of a planned funding source.

2. To request consideration for negotiations pursuant to this subsection, the using agency, within ten (10) days of the bid

opening date, shall make a written request to the Director of the ~~Department of Central Services~~ Office of Management and Enterprise Services to enter into negotiations pursuant to paragraph 1 of this subsection. If approved by the Director, the State Construction Administrator shall consult with the using agency, consultant and low bidder on methods to reduce the project scope or other cost-saving measures.

3. If a suitable revised scope and contract amount is agreed upon by the using agency, low bidder and State Construction Administrator, the Division may award the public construction contract to the low bidder.

4. The State Construction Administrator shall negotiate a fair and reasonable fee with the project's consultant, if applicable, to make any necessary revisions to the contract documents. The cost of this additional consulting work shall be paid from the agency's available funds.

5. Approval and final award of the contract for the construction negotiated pursuant to this subsection shall occur no later than one hundred twenty (120) days from the opening bid.

SECTION 325. AMENDATORY 61 O.S. 2011, Section 208.1, is amended to read as follows:

Section 208.1 The Construction and Properties Division of the ~~Department of Central Services~~ Office of Management and Enterprise Services may collect a reasonable fee for the purpose of providing

or contracting for architectural, engineering, and land surveying services to state agencies and from persons requesting plans and notification of solicitations issued by the Division. The Division may collect a reasonable fee for contract management for a construction project. All fees collected in accordance with the provisions of this section shall be deposited in the "State Construction Revolving Fund" created in Section 208.2 of this title.

SECTION 326. AMENDATORY 61 O.S. 2011, Section 208.2, is amended to read as follows:

Section 208.2 There is hereby created in the State Treasury a revolving fund for the Construction and Properties Division of the ~~Department of Central Services~~ Office of Management and Enterprise Services, to be designated the "State Construction Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all fees collected by the Division in accordance with the provisions of this section or as otherwise provided by law. All monies accruing to the credit of the fund are hereby appropriated and may be budgeted and expended by the Division. The fund shall be used to defray Division operating costs and expenses the Department incurs to support Division operations. Expenditures from the fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 327. AMENDATORY 61 O.S. 2011, Section 209, is amended to read as follows:

Section 209. The Director of ~~Central Services~~ the Office of Management and Enterprise Services shall promulgate rules:

1. For state agencies to perform minor construction projects;

2. Specifying building codes pursuant to the Oklahoma Uniform Building Code Commission Act for construction projects;

3. Permitting state agencies who have the expertise, upon written application to the Construction and Properties Division of the ~~Department of Central Services~~ Office of Management and Enterprise Services, to perform any part of the responsibilities of the Division pursuant to the provisions of the Public Building Construction and Planning Act for a specific project;

4. Specifying procedures and guidelines for the implementation of shared savings financing by state agencies;

5. Specifying energy conservation performance guidelines, for conducting a life cycle cost analysis of alternative architectural and engineering designs and alternative major items of energy-consuming equipment to be retrofitted in existing state-owned or leased structures and for developing energy performance indices to evaluate the efficiency of energy utilization for completing designs in the construction of state-financed and leased structures;

6. The time, manner, authentication, and form of making requisitions to the Division;

7. The form and manner of submission for bids or proposals and the manner of accepting and opening bids or proposals that may include online bids pursuant to the Oklahoma Online Bidding Act;

8. The manner for a state agency to acquire services for construction projects not exceeding the amount for which competitive bids are required pursuant to Section 102 of this title;

9. Conditions under which any of the rules herein authorized may be waived;

10. The form of any document the Director requires;

11. Specifying provisions the Division of a state agency shall follow to adhere to acquisition, contract, contract management and other provisions of this title; and

12. Specifying the process a state agency shall follow to establish the scope of work, schedule and cost estimate for all publicly bid construction projects involving construction or renovation of buildings. This requirement shall not apply to project planning work performed by a state agency which employs an architect pursuant to other provisions of this act.

SECTION 328. AMENDATORY 61 O.S. 2011, Section 210, is amended to read as follows:

Section 210. A. Shared savings contracts shall be developed in accordance with a model contract to be developed by the Construction and Properties Division of the ~~Department of Central Services~~ Office

of Management and Enterprise Services. The model contract shall include:

1. The methodology for calculating baseline energy costs;

2. A procedure for revising these costs should the state institute additional energy conservation features or structure use change;

3. A requirement for a performance bond guaranteeing that the structure will be restored to the original condition in the event of default;

4. A provision for early buy out;

5. A clause specifying who will be responsible for maintaining the equipment; and

6. A provision allowing the disposal of equipment at the end of the contract.

No state agency or department shall substantially alter the provisions described in the model without the permission of the Division.

B. Contracts subject to this section shall be awarded pursuant to the provisions of subsection A of Section 208 of this title.

SECTION 329. AMENDATORY 61 O.S. 2011, Section 211, is amended to read as follows:

Section 211. On and after July 1, 1987, when any state agency or department must replace or supplement major items of energy-consuming equipment in existing state-owned or leased structures or

any self-contained unit of any structure with other major items of energy-consuming equipment, the selection of such items shall be made on the basis of a life cycle cost analysis of alternatives in accordance with rules and regulations promulgated by the Director of the ~~Department of Central Services~~ Office of Management and Enterprise Services.

SECTION 330. AMENDATORY 61 O.S. 2011, Section 212, is amended to read as follows:

Section 212. A. For purposes of this section:

1. "Performance-based efficiency contract" means a contract for the design, development, financing, installation, construction, and service of any improvement, repair, alteration or betterment of any public building or facility; or any equipment, fixture or furnishing to be added to or used in any such building or facility; or any maintenance or operational strategy that is designed and implemented that will reduce utility consumption or lower operating costs, and may include, but is not limited to, one or more of the following:

a. utility services,

b. heating, ventilating or air conditioning system modifications or replacements and automated control systems,

c. replacement or modifications of lighting fixtures,

d. indoor air quality improvements to increase air quality that conform to the applicable state or local

building code requirements when done in conjunction with other cost-saving measures,

e. any additional building infrastructure improvement, cost saving, life safety or any other improvement that provides long-term operating cost reductions and is in compliance with state and local codes, or

f. any facility operation and support programs that reduce operating cost; and

2. "Qualified provider" means a person or business experienced or trained in the design, analysis, construction and/or installation of energy conservation and facility management measures. A qualified provider must employ a professional engineer registered in the State of Oklahoma.

B. In addition to any other legally permissible alternatives of entering into contracts, the ~~Department of Central Services~~ Office of Management and Enterprise Services Construction and Properties Division may enter into performance-based efficiency contracts on behalf of all state agencies with a qualified provider pursuant to the provisions of this section.

A qualified provider to whom the contract is awarded shall be required to provide to the Division a sufficient bond for its faithful performance of the contract. In addition, the Division may require performance bonds covering the annual amount of guaranteed savings over the contract term. The ~~Department of Central Services~~

Office of Management and Enterprise Services may enter into an installment contract, lease purchase agreement or other contractual obligation for the purpose of financing performance-based efficiency projects for a term not to exceed twenty (20) years or the useful life of the project.

The qualified provider must guarantee the contract's cost savings each year during the term of the agreement. The savings must be sufficient to offset the annual costs of the contract. The contract shall provide for reimbursement to the state agency undertaking the project annually for any shortfall of guaranteed savings. Savings must be measured, verified and documented each year of the term and may be utilized to meet the annual debt service.

The contracts authorized by this section shall include procedures for modifying the contract should the Division determine it necessary.

This section shall constitute the sole authority necessary to enter into performance-based efficiency contracts, without regard to compliance with other laws which may specify additional procedural requirements for execution of contracts.

SECTION 331. AMENDATORY 61 O.S. 2011, Section 213, is amended to read as follows:

Section 213. A. The purpose of this section is to promote effective energy and environmental standards for the construction,

renovation, and maintenance of public buildings in this state which will improve the capacity of the state to design, build, and operate high-performance buildings thus creating new jobs, contributing to economic growth, and increasing energy independence. To accomplish the objectives of this section, the state shall adopt construction standards for public buildings that:

1. Optimize the energy performance of public buildings in the state;

2. Increase the demand for environmentally preferable building materials, finishes, and furnishings;

3. Reduce the dependence of the state on imported sources of energy through buildings that conserve energy and utilize local and renewable energy sources;

4. Protect and restore the natural resources of the state by avoiding development of inappropriate building sites;

5. Reduce the burden on municipal water supply and treatment by reducing potable water consumption;

6. Reduce waste generation and manage waste through recycling and diversion from landfill disposal;

7. Establish life-cycle cost analysis as the appropriate and most efficient analysis to determine the optimal performance level of a building project;

8. Ensure that the systems of each building project are designed, installed, and tested to perform according to the design

intent and operational needs of the building through third-party postconstruction review and verification; and

9. Authorize the ~~Department of Central Services~~ Office of Management and Enterprise Services to pursue ENERGY STAR designation from the United States Environmental Protection Agency to further demonstrate the energy independence of a public building project.

B. For purposes of this section:

1. "High-performance certification program" means a public building design, construction, and renovation standard which meets either the standards of the United States Green Building Council's Leadership in Energy and Environmental Design Rating System (LEED) or the standards of the Green Building Initiative's Green Globes Rating System, and which:

a. is quantifiable, measurable, and verifiable as certified by an independent third party,

b. reduces the operating costs of public buildings by reducing the consumption of energy, water, and other resources,

c. results in the recovery of the increased initial capital costs attributable to compliance with the program over a time period by reducing long-term energy, maintenance, and operating costs,

d. improves the indoor environmental quality of public buildings for a healthier work environment,

e. encourages the use of products harvested, created, or mined within Oklahoma, regardless of product certification status, and

f. protects the environment of Oklahoma;

2. a. "Public building" means a facility that:

(1) is constructed or renovated in whole or in part with state funds or with funds guaranteed or insured by a state agency and the state funds constitute at least fifty percent (50%) of the project cost,

(2) contains ten thousand (10,000) or more gross square feet,

(3) includes a heating, ventilation, or air conditioning system, and

(4) has not entered the design phase prior to July 1, 2008.

b. A public building shall not include:

(1) a building constructed or renovated with funds from a public school in the state as defined in Section 1-106 of Title 70 of the Oklahoma Statutes, and

(2) a building constructed or renovated where the primary purpose of the building project is for the storage of archived documents;

3. "State agency" means any agency, board, commission, counsel, court, office, officer, bureau, institution, unit division, body, or house of the executive or judicial branches of state government, whether elected or appointed. State agency shall include institutions within The Oklahoma State System of Higher Education. State agency shall not mean a public school district or technology center school district; and

4. "Substantial renovation" means any renovation of a public building the cost of which exceeds fifty percent (50%) of the replacement value of the facility.

C. The ~~Department of Central Services~~ Office of Management and Enterprise Services shall adopt and update from time to time a high-performance certification program.

D. A state agency designing, constructing, or controlling the substantial renovation of a public building shall carry out the design, construction, or substantial renovation so as to achieve the highest performance certification attainable as certified by an independent third party pursuant to the high-performance certification program adopted by the ~~Department~~ Office pursuant to subsection C of this section. For purposes of this subsection, a certification is attainable if the increased initial costs of achieving the certification, including the time value of money, can be recouped from decreased operational costs within five (5) years.

E. If the state agency estimates that the increased initial costs of achieving certification will exceed five percent (5%) of the total cost of the design, construction, or substantial renovation project, the ~~Department of Central Services~~ Office of Management and Enterprise Services shall specifically examine the estimate before authorizing the design, construction or substantial renovation.

F. If a public building undergoing substantial renovation cannot achieve a high-performance certification due to either the historical nature of the building or because the increased costs of renovating the public building cannot be recouped from decreased operational costs within five (5) years, an accredited professional shall assert in writing that, as much as possible, the substantial renovation was executed in a manner that is consistent with the standards in the high-performance certification program adopted by the ~~Department of Central Services~~ Office of Management and Enterprise Services.

G. Any facility that is designed or newly constructed with state funds with less than five thousand (5,000) gross square feet that except for the size would be a public building subject to the high-performance certification program, any minor renovation of a public building, and any controlled maintenance of a public building shall, as much as possible, be executed in a manner that is consistent with the standards in the high-performance certification

program adopted by the ~~Department of Central Services~~ Office of Management and Enterprise Services.

H. A public building may be exempted from complying with this section upon a determination by the ~~Department of Central Services~~ Office of Management and Enterprise Services that extenuating circumstances exist such as to preclude compliance with the high-performance certification program.

I. The ~~Department of Central Services~~ Office of Management and Enterprise Services shall identify and seek to have any public building which has been designed, constructed, or renovated in accordance with the standards of the high-performance certification program designated as an ENERGY STAR building by the United States Environmental Protection Agency.

J. The ~~Department of Central Services~~ Office of Management and Enterprise Services shall develop and implement a process to monitor and evaluate the energy and environmental benefits associated with designing, constructing, or renovating a public building in accordance with the standards of the high-performance certification program. The ~~Department~~ Office shall issue an annual report regarding program guidelines, monitoring and evaluation procedures, and the energy and environmental benefits related to the implementation of the high-performance certification program.

SECTION 332. AMENDATORY 61 O.S. 2011, Section 220, is amended to read as follows:

Section 220. A. Any political subdivision or board of education of a school district may use construction management as a project delivery method for the building, altering, repairing, improving, maintaining or demolishing any structure or appurtenance thereto, or any other improvement to real property owned by that political subdivision or school district. For purposes of this section "construction management" shall be defined as set forth in Section 202 of this title and shall include both agency construction management and at-risk construction management.

B. A political subdivision or school district shall select a construction manager based on the professional qualifications and technical experience of the construction manager. Selection criteria shall include the experience of the candidate, past performance, and certification of the company or individuals within the company of their knowledge of recognized standards of construction, construction management and project management. Only firms recognized as qualified construction managers by the Construction and Properties Division of the ~~Department of Central Services~~ Office of Management and Enterprise Services pursuant to Section 62 of this title, may be considered for selection as a construction manager by a political subdivision or school district.

C. The construction management project delivery method may only be used for public construction contracts when the construction project meets the criteria established by Section 202.1 of this

title, except that a political subdivision or school district shall not be required to obtain permission from the Director of ~~Central Services~~ the Office of Management and Enterprise Services.

D. When bids for a public construction project have been received from general contractors pursuant to the Public Competitive Bidding Act of 1974 and the lowest responsible bid is within the awarding agency's available funding, the awarding agency shall not reject all bids and award the project to a construction manager.

E. Construction management contracts, for both agency construction management and at-risk construction management, entered into by a political subdivision or school district pursuant to this section shall not be considered a public construction contract pursuant to Section 102 of Title 61 of the Oklahoma Statutes and shall not be subject to competitive bidding requirements as set forth in the Public Competitive Bidding Act of 1974.

F. All construction contracts or subcontracts for work to be performed for any political subdivision or school district pursuant to a construction management project delivery method shall be awarded in accordance with the provisions of the Public Competitive Bidding Act of 1974. If a construction manager at-risk wishes to self-perform portions of the construction work to be performed, the construction manager at-risk may self-perform portions of the work provided the construction manager at-risk competitively bids the work under the same terms and conditions as the other bidders and

the construction manager at-risk is the lowest responsible bidder for the construction subcontract. No work shall commence until the school district executes a written contract and the contractor and subcontractors submit bonds and proofs of insurance as required by the appropriate contract.

SECTION 333. AMENDATORY 62 O.S. 2011, Section 34.2, is amended to read as follows:

Section 34.2 A. Agencies responsible for the collection of monies deposited to the credit of the General Revenue Fund and each of the Special Revenue Funds shall be subject to the provisions of this act. Upon request of the Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services, these agencies shall provide the ~~Office of State Finance~~ Office of Management and Enterprise Services Director an itemized estimate of funds expected to accrue to the General Revenue Fund and each of the Special Revenue Funds for the ensuing fiscal year in the manner and form established by the Director, in accordance with the duties assigned to the State Board of Equalization in Section 23 of Article X of the Oklahoma Constitution. Each of these agencies ~~must~~ shall also provide to the Director, as requested, a written explanation of the methodology and relevant assumptions used in developing the revenue estimates submitted, a statement of the prior year's actual revenue collections and a projection of the current year's revenue collections. No expenditure shall be made from any General Revenue

Fund or Special Revenue Fund until such fund has been assigned to an agency by law or by the Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services.

B. In addition to providing the information listed above, the Oklahoma Tax Commission shall also provide to the Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services a comprehensive economic report no later than two weeks prior to each of the meetings of the State Board of Equalization pursuant to paragraphs 1 and 3 of Section 23 of Article X of the Constitution of the State of Oklahoma. Each report shall include a summary of recent national and state economic performance and a forecast of national and state economic performance for both the current and the upcoming fiscal years. These reports shall be considered a basis upon which the itemized revenue estimates of the Commission are developed. The report shall include an analysis of the relative accuracy of the economic forecasts on which the previous and current fiscal years' revenue estimates were based.

C. The Tax Commission shall also provide all estimates, explanations, statements, projections, reports and other documents required by this section to the President Pro Tempore of the Senate and the Speaker of the House of Representatives at the same time that such documents are provided to the Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services.

SECTION 334. AMENDATORY 62 O.S. 2011, Section 34.4, is amended to read as follows:

Section 34.4 There is hereby created in the State Treasury a Revolving Fund for the ~~Office of State Finance~~ Office of Management and Enterprise Services. The revolving fund shall consist of any monies received for rental of machine metered time, sale of scrap cards and paper, and any other miscellaneous receipts. The revolving fund herein created may be expended for the same purposes and in the same manner as appropriated funds.

SECTION 335. AMENDATORY 62 O.S. 2011, Section 34.5, is amended to read as follows:

Section 34.5 The Governor shall appoint a Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services, by and with the consent of the Senate, who shall hold office at the pleasure of the Governor and shall continue to serve until a successor is duly appointed and is qualified.

SECTION 336. AMENDATORY 62 O.S. 2011, Section 34.6, is amended to read as follows:

Section 34.6 The Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services shall have the power and duty under the direction of the Governor to:

1. Prepare the budget document and assist in the drafting of legislation to make it effective;

2. Make field surveys and studies of governmental agencies, looking toward economy and greater efficiency;

3. Make allotments to control expenditures;

4. Authorize transfers of appropriation authorized by law;

5. Study accounting and other reports rendered by the Central Accounting and Reporting Division;

6. Enter into agreements with the United States Secretary of the Treasury for the purpose of implementing federal law; and

7. Aid the Governor in the economical management of state affairs~~; and~~

~~8. Assume the responsibilities of the Director of the Department of Central Services, Office of Personnel Management, Oklahoma State Employees Benefits Council and the State and Education Employees Group Insurance Board~~.

B. In addition to other duties, the Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services shall, upon request, advise and consult with members of the Legislature and legislative committees concerning revenue and expenditures of state agencies.

SECTION 337. AMENDATORY 62 O.S. 2011, Section 34.7, is amended to read as follows:

Section 34.7 The Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services, with the approval of the Governor, shall employ and make the appointment of such experts and

assistants as may be necessary to execute the purposes of the Oklahoma State Finance Act. No appointments to positions shall be made in excess of those positions authorized by the Legislature for the Division of the Budget, the Division of Central Accounting and Reporting and the Information Services Division.

SECTION 338. AMENDATORY 62 O.S. 2011, Section 34.8, is amended to read as follows:

Section 34.8 The position of Public Information Officer within the ~~Office of State Finance~~ Office of Management and Enterprise Services shall be subject to the provisions of the Merit System of Personnel Administration prescribed by the Oklahoma Personnel Act, Section 840-1.1 et seq. of Title 74 of the Oklahoma Statutes, and the rules promulgated thereunder.

SECTION 339. AMENDATORY 62 O.S. 2011, Section 34.9, is amended to read as follows:

Section 34.9 The Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services is hereby authorized and directed to classify funds in the State Treasury and to prescribe the manner of issuance of checks or warrants against each class of funds to accomplish the purpose for which each such fund was created. The State Treasurer shall be, and is, required to keep fund accounts in accordance with such classification. The Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services shall group funds of a similar nature in a series of

classes. Accounting entities otherwise designated as funds, by other provisions of law, may be retained, deactivated, merged with other such entities or identified as accounts within funds as the Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services determines to be appropriate for purposes of the modernization and maintenance of the fund structure of the state.

SECTION 340. AMENDATORY 62 O.S. 2011, Section 34.10, is amended to read as follows:

Section 34.10 The Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services shall cause to be prepared a comprehensive annual financial report, in accordance with generally accepted accounting principles for governments, and shall further have the general purpose financial statements included in the comprehensive annual financial report audited in accordance with generally accepted auditing standards. The Director is hereby authorized to establish procedures and guidelines which are consistent with those issued by the Government Accounting Standards Board, and which shall be followed by state agencies, colleges and universities and other entities who are included in the report, for purposes of establishing consistent application of accounting principles and to ensure the timeliness of the report.

SECTION 341. AMENDATORY 62 O.S. 2011, Section 34.11, is amended to read as follows:

Section 34.11 The Division of Central Accounting and Reporting shall be responsible for accounting and auditing duties and the auditing and settlement of purchase orders, contracts, claims, payrolls, and other obligations.

The Division of Central Accounting and Reporting shall prepare uniform budget and accounting classifications for all state agencies and shall implement appropriate accounting methods and systems in state agencies. The Division of Central Accounting and Reporting shall:

1. Settle all claims payable by this state;

2. Verify distribution of all taxes and other dues collected for local governments;

3. Superintend the recovery of all debts due state government;

4. Keep the central budget and proprietary accounts of the state government;

5. Prepare and issue financial and accounting reports, at least quarterly;

6. Prescribe all forms, systems, and procedure for administering accounting for the several departments and establishments;

7. At the request of a state agency, assist in establishing standards, policies and procedures that ensure a strong and effective system of internal controls and regular monitoring of them;

8. Certify each and every requisition by a duly accredited disbursing officer for an advance of funds from the State Treasury to the Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services for approval; and

9. Establish a pre-audit system of settling claims for the entire government of this state and for state agencies in which vouchers supporting proposed payments are submitted to the ~~Office of State Finance~~ Office of Management and Enterprise Services for audit and settlement.

SECTION 342. AMENDATORY 62 O.S. 2011, Section 34.11.1, is amended to read as follows:

Section 34.11.1 A. There is hereby created the position of Chief Information Officer who shall be appointed by the Governor. The Chief Information Officer, in addition to having authority over the Information Services Division of the ~~Office of State Finance~~ Office of Management and Enterprise Services, shall also serve as Secretary of Information Technology and Telecommunications or successor cabinet position and shall have jurisdictional areas of responsibility related to information technology and telecommunications systems of all state agencies as provided for in the Oklahoma Information Services Act. The salary of the Chief Information Officer shall not be less than One Hundred Thirty Thousand Dollars ($130,000.00) or more than One Hundred Sixty

Thousand Dollars ($160,000.00). The first Chief Information Officer shall be appointed no later than January 1, 2010.

B. Any person appointed to the position of Chief Information Officer shall meet the following eligibility requirements:

1. A baccalaureate degree in Computer Information Systems, Information Systems or Technology Management, Business Administration, Finance, or other similar degree;

2. A minimum of ten (10) years of professional experience with responsibilities for management and support of information systems and information technology, including seven (7) years of direct management of a major information technology operation;

3. Familiarity with local and wide-area network design, implementation, and operation;

4. Experience with data and voice convergence service offerings;

5. Experience in developing technology budgets;

6. Experience in developing requests for proposal and administering the bid process;

7. Experience managing professional staff, teams, and consultants;

8. Knowledge of telecommunications operations;

9. Ability to develop and set strategic direction for information technology and telecommunications and to manage daily development and operations functions;

10. An effective communicator who is able to build consensus;

11. Ability to analyze and resolve complex issues, both logical and interpersonal;

12. Effective verbal and written communications skills and effective presentation skills, geared toward coordination and education;

13. Ability to negotiate and defuse conflict; and

14. A self-motivator, independent, cooperative, flexible and creative.

C. The salary and any other expenses for the Chief Information Officer shall be budgeted as a separate line item through the ~~Office of State Finance~~ Office of Management and Enterprise Services. The operating expenses of the Information Services Division shall be set by the Chief Information Officer and shall be budgeted as a separate line item through the ~~Office of State Finance~~ Office of Management and Enterprise Services. The ~~Office of State Finance~~ Office of Management and Enterprise Services shall provide adequate office space, equipment and support necessary to enable the Chief Information Officer to carry out the information technology and telecommunications duties and responsibilities of the Officer and the Information Services Division.

D. 1. Within twelve (12) months of appointment, the first Chief Information Officer shall complete an assessment of the implementation of the transfer, coordination, and modernization of

all information technology and telecommunication systems of all state agencies in the state as provided for in the Oklahoma Information Services Act. The assessment shall include the information technology and telecommunications systems of all institutions within The Oklahoma State System of Higher Education, the Oklahoma State Regents for Higher Education and the telecommunications network known as OneNet.

2. Within twelve (12) months of appointment, the first Chief Information Officer shall issue a report setting out a plan of action which will include the following:

a. define the shared service model organization structure and the reporting relationship of the recommended organization,

b. the implementation of an information technology and telecommunications shared services model that defines the statewide infrastructure environment needed by most state agencies that is not specific to individual agencies and the shared applications that are utilized across multiple agencies,

c. define the services that shall be in the shared services model under the control of the Information Services Division of the ~~Office of State Finance~~ Office of Management and Enterprise Services,

d. define the roadmap to implement the proposed shared services model. The roadmap shall include recommendations on the transfer, coordination, and modernization of all information technology and telecommunication systems of all the state agencies in the state,

e. recommendations on the reallocation of information technology and telecommunication resources and personnel,

f. recommendations on maximizing the benefits to the state by the alignment and operation of the communications and data transfer network assets known as OneNet,

g. a cost benefit analysis to support the recommendations on the reallocation of information technology and telecommunication resources and personnel,

h. a calculation of the net savings realized through the reallocation and consolidation of information technology and telecommunication resources and personnel after compensating for the cost of contracting with a private consultant as authorized in paragraph 4 of this subsection, implementing the plan of action, and ongoing costs of the Information

Services Division of the ~~Office of State Finance~~ Office of Management and Enterprise Services, and

i. the information required in subsection B of Section ~~5~~ 35.5 of this ~~act~~ title.

3. The plan of action report shall be presented to the Governor, Speaker of the House of Representatives, and the President Pro Tempore of the State Senate.

4. The Chief Information Officer may contract with a private consultant or consultants to assist in the assessment and development of the plan of action report as required in this subsection.

E. Beginning on the effective date of appointment, the Chief Information Officer shall be authorized to employ personnel, fix the duties and compensation of the personnel, not otherwise prescribed by law, and otherwise direct the work of the personnel in performing the function and accomplishing the purposes of the Information Services Division of the ~~Office of State Finance~~ Office of Management and Enterprise Services.

F. Beginning on the effective date of the appointment of the first Chief Information Officer, the Information Services Division of the ~~Office of State Finance~~ Office of Management and Enterprise Services shall be responsible for the following duties:

1. Formulate and implement the information technology strategy for all state agencies;

2. Define, design, and implement a shared services statewide infrastructure and application environment for information technology and telecommunications for all state agencies;

3. Direct the development and operation of a scalable telecommunications infrastructure that supports data and voice communications reliability, integrity, and security;

4. Supervise the applications development process for those applications that are utilized across multiple agencies;

5. Provide direction for the professional development of information technology staff of state agencies and oversee the professional development of the staff of the Information Services Division of the ~~Office of State Finance~~ Office of Management and Enterprise Services;

6. Evaluate all technology and telecommunication investment choices for all state agencies;

7. Create a plan to ensure alignment of current systems, tools, and processes with the strategic information technology plan for all state agencies;

8. Set direction and provide oversight for the support and continuous upgrading of the current information technology and telecommunication infrastructure in the state in support of enhanced reliability, user service levels, and security;

9. Direct the development, implementation, and management of appropriate standards, policies and procedures to ensure the success of state information technology and telecommunication initiatives;

10. Recruit, hire and transfer the required technical staff in the Information Services Division of the ~~Office of State Finance~~ Office of Management and Enterprise Services to support the services provided by the Division and the execution of the strategic information technology plan;

11. Establish, maintain, and enforce information technology and telecommunication standards;

12. Delegate, coordinate, and review all work to ensure quality and efficient operation of the Information Services Division of the ~~Office of State Finance~~ Office of Management and Enterprise Services;

13. Create and implement a communication plan that disseminates pertinent information to state agencies on standards, policies, procedures, service levels, project status, and other important information to customers of the Information Services Division of the ~~Office of State Finance~~ Office of Management and Enterprise Services and provide for agency feedback and performance evaluation by customers of the Division;

14. Develop and implement training programs for state agencies using the shared services of the Information Services Division of the ~~Office of State Finance~~ Office of Management and Enterprise

Services and recommend training programs to state agencies on information technology and telecommunication systems, products and procedures;

15. Provide counseling, performance evaluation, training, motivation, discipline, and assign duties for employees of the Information Services Division of the ~~Office of State Finance~~ Office of Management and Enterprise Services;

16. Approve the purchasing of all information technology and telecommunication products and services for all state agencies;

17. Develop and enforce an overall infrastructure architecture strategy and associated roadmaps for desktop, network, server, storage, and statewide management systems for state agencies;

18. Effectively manage the design, implementation and support of complex, highly available infrastructure to ensure optimal performance, on-time delivery of features, and new products, and scalable growth;

19. Define and implement a governance model for requesting services and monitoring service level metrics for all shared services; and

20. Create the budget for the Information Services Division of the ~~Office of State Finance~~ Office of Management and Enterprise Services to be submitted to the Legislature each year.

G. Upon receiving approval of the State Governmental Technology Applications Review Board, the Chief Information Officer shall

implement the plan of action as set forth in subsection D of this section; provided, the plan of action for the Department of Human Services shall not be implemented until July 1, 2011. The State Governmental Technology Applications Review Board shall provide ongoing oversight of the implementation of the plan of action. Any proposed amendments to the plan of action shall be approved by the Board prior to adoption. The net savings realized through the reallocation and consolidation of information technology and telecommunication resources and personnel after compensating for the up-front costs and ongoing costs of the Information Services Division of the ~~Office of State Finance~~ Office of Management and Enterprise Services which are identified and reported in the plan of action shall be realized no later than July 1, 2012, and shall at a minimum be not less than fifteen percent (15%) of the overall statewide information technology and telecommunications expenditures made by all state agencies during the fiscal year ending June 30, 2009.

H. Beginning on the effective date of appointment, the Chief Information Officer shall act as the Information Technology and Telecommunications Purchasing Director for all state agencies and shall be responsible for the procurement of all information technology and telecommunication software, hardware, equipment, peripheral devices, maintenance, consulting services, high technology systems, and other related information technology, data

processing, telecommunication and related peripherals and services for all state agencies. The Chief Information Officer shall establish, implement, and enforce policies and procedures for the procurement of information technology and telecommunication software, hardware, equipment, peripheral devices, maintenance, consulting services, high technology systems, and other related information technology, data processing, telecommunication and related peripherals and services by purchase, lease-purchase, lease with option to purchase, lease and rental for all state agencies. The procurement policies and procedures established by the Chief Information Officer shall be consistent with The Oklahoma Central Purchasing Act.

I. The Information Services Division of the ~~Office of State Finance~~ Office of Management and Enterprise Services and the Chief Information Officer shall be subject to The Oklahoma Central Purchasing Act for the approval and purchase of equipment and products not related to information and telecommunications technology, equipment, software, products and related peripherals and services and shall also be subject to the requirements of the Public Competitive Bidding Act of 1974, the Oklahoma Lighting Energy Conservation Act and the Public Building Construction and Planning Act when procuring data processing, information technology, telecommunication, and related peripherals and services and when constructing information technology and telecommunication

facilities, telecommunication networks and supporting infrastructure. The Chief Information Officer shall be authorized to delegate all or some of the procurement of information technology and telecommunication products and services and construction of facilities and telecommunication networks to another state entity if the Chief Information Officer determines it to be cost-effective and in the best interest of the state. The Chief Information Officer shall have authority to designate information technology and telecommunication contracts as statewide contracts and mandatory statewide contracts pursuant to Section 85.5 of Title 74 of the Oklahoma Statutes. Any contract entered into by a state agency for which the Chief Information Officer has not acted as the Information Technology and Telecommunications Purchasing Director as required in this subsection or subsection H of this section, shall be deemed to be unenforceable and the ~~Office of State Finance~~ Office of Management and Enterprise Services shall not process any claim associated with the provisions thereof.

J. The Chief Information Officer shall establish and implement charges and a system to assess the charges to state agencies for their use of shared information technology and telecommunication services subject to the approval of the State Governmental Technology Applications Review Board.

K. The Chief Information Officer shall establish, implement, and enforce policies and procedure for the development and

procurement of an interoperable radio communications system for state agencies. The Chief Information Officer shall work with local governmental entities in developing the interoperable radio communications system.

L. The Chief Information Officer shall develop and implement a plan to utilize open source technology and products for the information technology and telecommunication systems of all state agencies.

M. All state agencies and authorities of this state and all officers and employees of those entities shall work and cooperate with and lend assistance to the Chief Information Officer and the Information Services Division of the ~~Office of State Finance~~ Office of Management and Enterprise Services and provide any and all information requested by the Chief Information Officer.

N. The Chief Information Officer shall prepare an annual report detailing the ongoing net saving attributable to the reallocation and consolidation of information technology and telecommunication resources and personnel and shall submit the report to the Governor, the Speaker of the House of Representatives, and the President Pro Tempore of the Senate.

O. For purposes of the Oklahoma Information Services Act, unless otherwise provided for, "state agencies" shall include any office, officer, bureau, board, commission, counsel, unit, division, body, authority or institution of the executive branch of state

government, whether elected or appointed; provided, except with respect to the provisions of subsection D of this section, the term "state agencies" shall not include institutions within The Oklahoma State System of Higher Education, the Oklahoma State Regents for Higher Education and the telecommunications network known as OneNet.

SECTION 343. AMENDATORY 62 O.S. 2011, Section 34.11.6, is amended to read as follows:

Section 34.11.6 A. There is hereby established the "Oklahoma State Government Payroll Processing One-Stop Initiative".

B. The Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services shall promulgate procedures by which state agencies shall enter into a shared-services arrangement with the ~~Office of State Finance~~ Office of Management and Enterprise Services for the provision of payroll processing services.

C. State agencies shall comply with procedures promulgated pursuant to the terms of this section.

SECTION 344. AMENDATORY 62 O.S. 2011, Section 34.11.9, is amended to read as follows:

Section 34.11.9 A. There is hereby established the Oklahoma State Government Business Licensing One-Stop Program.

B. The Chief Information Officer shall promulgate procedures by which state agencies shall enter into an arrangement with the ~~Office of State Finance~~ Office of Management and Enterprise Services for

the provision of a real-time licensing and permitting one-stop web-based offering.

C. Real-time licensing and permitting services shall be made available to the public through the website "Business.ok.gov" and shall be offered through the 2nd Century Entrepreneurship Center business licensing framework.

D. The 2nd Century Entrepreneurship Center and all corresponding assets and personnel are hereby transferred from the Oklahoma Department of Commerce to the Information Services Division of the ~~Office of State Finance~~ Office of Management and Enterprise Services.

E. The Chief Information Officer may grant an exemption from the requirements of this section to state agencies which offer licensing and permitting procedures requiring documentation that cannot be provided through a web-based portal.

F. State agencies shall comply with procedures promulgated pursuant to the terms of this section.

SECTION 345. AMENDATORY 62 O.S. 2011, Section 34.12, is amended to read as follows:

Section 34.12 A. The Information Services Division of the ~~Office of State Finance~~ Office of Management and Enterprise Services shall:

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

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

3. Establish and enforce minimum mandatory standards for:

a. information systems planning,

b. systems development methodology,

c. documentation,

d. hardware requirements and compatibility,

e. operating systems compatibility,

f. acquisition of software, hardware and technology-related services,

g. information security and internal controls,

h. data base compatibility,

i. contingency planning and disaster recovery, and

j. imaging systems, copiers, facsimile systems, printers, scanning systems and any associated supplies.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

B. No agency of the executive branch of the state shall use state funds for or enter into any agreement for the acquisition of any category of computer hardware, software or any contract for information technology services and equipment exceeding Ten Thousand Dollars ($10,000.00) in value, which shall include the acquisition amount, service costs, maintenance costs, or any other costs or fees associated with the acquisition of the services or equipment, without written authorization of the Chief Information Officer. If written authorization is not obtained prior to incurring an expenditure or entering into any agreement as required in this subsection or as required in Section ~~4~~ 35.4 of this ~~act~~ title, the ~~Office of State Finance~~ Office of Management and Enterprise Services shall not process any claim associated with the expenditure and the

provisions of any agreement shall not be enforceable. The provisions of this subsection shall not be applicable to any member of The Oklahoma State System of Higher Education, any public elementary or secondary schools of the state, any technology center school district as defined in Section 14-108 of Title 70 of the Oklahoma Statutes, or CompSource Oklahoma if CompSource Oklahoma is operating pursuant to a pilot program authorized by Sections 3316 and 3317 of Title 74 of the Oklahoma Statutes.

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

SECTION 346. AMENDATORY 62 O.S. 2011, Section 34.13, is amended to read as follows:

Section 34.13 The Information Services Division of the ~~Office of State Finance~~ Office of Management and Enterprise Services shall, at the end of each month, render a statement of charges to all state

agencies to which it has furnished processing services for the direct costs of the Data Service Center of the Division. In total, the charges shall not exceed the direct costs of the Data Service Center of the Division. Systems analysts and programming services costs shall be recovered directly from the agency for which the service was rendered, as agreed to by that agency, and shall not be prorated to agencies not receiving such services. All amounts so collected shall be deposited in the State Treasury to the credit of the General Revenue Fund.

SECTION 347. AMENDATORY 62 O.S. 2011, Section 34.15, is amended to read as follows:

Section 34.15 The Information Services Division of the ~~Office of State Finance~~ Office of Management and Enterprise Services is authorized to:

1. Define the requirements for a facility that can be used by any state agency to:

a. install backup information technology equipment, or

b. install information technology equipment acquired as the result of the primary processing facilities being unavailable for an extended period of time;

2. Enter into a multiyear agreement for a private facility that meets the defined requirements; and

3. Advise state agencies when the facility is available for their use.

SECTION 348. AMENDATORY 62 O.S. 2011, Section 34.16, is amended to read as follows:

Section 34.16 A. No later than July 1 of each year, all agencies of the executive branch of this state presently using or contemplating the use of telecommunications and electronic information technology applications, including, but not limited to, the use of mainframe computers, minicomputers or microcomputers, word processing equipment, office automation systems, Internet, eGovernment, broadband, Wi-Fi or wireless networking, radio, including the interoperable radio communications system for state agencies, Global Positioning Systems (GPS), or contracts for information technology services and equipment, shall annually submit to the Information Services Division of the ~~Office of State Finance~~ Office of Management and Enterprise Services a one-year operations plan, which shall include as a minimum:

1. An overview of major projects and objectives;

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

3. An assurance of compliance with state standards on accessibility of information technology for individuals with disabilities developed in accordance with Section ~~41.5t~~ 34.28 of this title; and

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

B. No agency of the executive branch of this state shall enter into any agreement for the acquisition, development, or enhancement of application systems software or for the acquisition of electronic information technology equipment or peripheral devices, including Internet and eGovernment, broadband, Wi-Fi or wireless networking, radio, including the interoperable radio communications system for state agencies, Global Positioning Systems (GPS), whether or not connected to such equipment, unless the cost of such acquisition, development, or enhancement has been included in the plan for the agency. The Information Services Division upon review of an information technology and telecommunication plan for the agency, shall submit in either printed or electronic form to the Governor, the Speaker of the House of Representatives, and the President Pro Tempore of the Senate its findings and recommendations on all proposed new and expanded programs and expenditures for personnel and the purchase or acquisition of equipment, hardware, software, accessories, or services thereto, including but not limited to leases, rentals or lease-purchase, indicating that the associated cost meet or comply with Section ~~41.5a~~ 34.12 of this title.

C. The provisions of this section shall not apply to the telecommunications network known as OneNet whether said network is

governed or operated by the Oklahoma State Regents for Higher Education or any other state entity assigned responsibility for OneNet.

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

SECTION 349. AMENDATORY 62 O.S. 2011, Section 34.17, is amended to read as follows:

Section 34.17 A. The ~~Office of State Finance~~ Office of Management and Enterprise Services shall:

1. Develop and/or acquire hardware and application software, including such modifications as may be required, to implement modern automated systems in the ~~Department of Central Services, the Office of Personnel Management, and the Office of State Finance~~ Office of Management and Enterprise Services. Such systems include applications for accounting, budgeting, payroll/personnel, and purchasing;

2. Coordinate the initial implementation of the application systems with the three central service agencies of the state and coordinate the phased implementation of the application systems with all branches of state government;

3. Develop procedures manuals and the related training necessary to implement the application systems;

4. Maintain and enhance, as necessary, the application systems of the Integrated Central Systems; and

5. Ensure the integrity of information in the Integrated Central Systems through data security measures, internal controls, and appropriate data base management.

B. The Director of ~~State Finance~~ the Office of Management and Enterprise Services shall make all policy decisions required to implement the Integrated Central Systems in accordance with this section after consultation with other affected agencies.

C. The Director of ~~State Finance~~ the Office of Management and Enterprise Services may enter into contracts for services, equipment, software, or supplies needed to carry out the provisions of this section.

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

SECTION 350. AMENDATORY 62 O.S. 2011, Section 34.18, is amended to read as follows:

Section 34.18 Each agency of the state shall submit transactions to the ~~Office of State Finance, the Office of Personnel Management, and the Department of Central Services~~ Office of Management and Enterprise Services in the manner and format required

to effectuate the utilization of the Integrated Central Systems for all transactions for which an application is available.

Provided, that nothing in this section shall be construed as to administratively place agencies currently exempt from any provisions of the Oklahoma State Finance Act, The Oklahoma Central Purchasing Act, or the Oklahoma Personnel Act under the purview of such provisions.

SECTION 351. AMENDATORY 62 O.S. 2011, Section 34.19, is amended to read as follows:

Section 34.19 A. The Information Services Division of the ~~Office of State Finance~~ Office of Management and Enterprise Services is directed, authorized and empowered to enter into contracts for, to establish criteria for and manage the installation, maintenance and administration of a central communication or intercommunication system for and upon behalf of this state. The installation shall fulfill communication or intercommunications requirements of this state and its agencies located in the Capitol and those buildings situated on the Capitol grounds, known as the "Capitol Complex" in Oklahoma City, Oklahoma, the state-owned building known as the "Tulsa Capitol Building" in Tulsa, Oklahoma, buildings which house state agencies located within four (4) miles of the Capitol Complex, and any location used for the administration of the information technology and telecommunication infrastructure and security for the state.

B. The Information Services Division shall render a statement of charges at the end of each month to all state agencies to which it has furnished communications services for the direct cost sustained, provided that:

1. A pro rata formula is to be established in writing after giving consideration to the type of service furnished, the number and kinds of instruments used, the cost of operation and special installations required in each such agency in relation to the total cost of local service. The formula, once determined, is not to be redetermined more often than once every six (6) months nor to be changed after any such redetermination before the expiration of six (6) months; and

2. The Information Services Division is to be reimbursed by the state or any of its agencies for actual cost incurred for equipment installation or modification or for toll charges for use of telephone, telegraph, teletype, data communications, Internet, eGovernment, as referenced in Sections ~~41.5p~~ 34.24 and ~~41.5q~~ 34.25 of this title, or other form or forms of communication or intercommunication incurred by the state or by any agency.

C. No telephone, teletype, switchboard, line, cable system, data communication system, Internet, eGovernment, or systems of communication or intercommunication are to be installed in any building or buildings owned, rented, leased or otherwise held by this state or its agencies at locations described in subsection A of

this section without written order of the Chief Information Officer or a designee. Provided, however, that acquisition and installation of such equipment in the Legislature shall be subject to the final approval of the Speaker of the House of Representatives or the President Pro Tempore of the Senate as appropriate.

SECTION 352. AMENDATORY 62 O.S. 2011, Section 34.20, is amended to read as follows:

Section 34.20 In addition to the powers and duties as defined elsewhere in this title, the Information Services Division of the ~~Office of State Finance~~ Office of Management and Enterprise Services shall:

1. Coordinate statewide planning and approve statewide contracts for communication and telecommunications needs of state agencies, including, but not limited to, voice, data, radio including the interoperable radio communications system for state agencies, video, broadband, Wi-Fi or wireless networking, Global Positioning Systems (GPS), Internet, eGovernment, as referenced in Sections ~~41.5p~~ 34.24 and ~~41.5q~~ 34.25 of this title, and facsimile transmissions through analysis of the telecommunications and information technology plan of each agency;

2. In coordination with the Oklahoma Office of Homeland Security, establish minimum mandatory standards and protocols for:

a. communication networks and equipment,

b. wide area and local area systems,

c. integration of equipment, systems and joint usage,

d. Internet and eGovernment,

e. operating systems or methods to be used to meet communications requirements efficiently, effectively, and securely,

f. rendering of aid between state government and its political subdivisions with respect to organizing of communications systems, and

g. an economical and cost-effective utilization of communication services.

The standards and protocols shall be compatible with the standards and protocols established for the Oklahoma Government Telecommunications Network;

3. Serve as a focal point for all statewide projects and approve all statewide contracts for state agencies involving current communications vendors where the focus of such authority can substantially enhance the state communications plan or the savings which can be achieved thereunder;

4. Provide, when requested by political subdivisions of the state, for the organizing of communications or telecommunications systems and service between the state and its political subdivisions and enter into agreements to effect the purposes of this section;

5. Cooperate with any federal, state or local emergency management agency in providing for emergency communications and telecommunication services;

6. Apply for, receive, and hold, or assist agencies in applying for, receiving or holding such authorizations, licenses and allocations of channels and frequencies to carry out the purposes of this section;

7. Accomplish such other purposes as may be necessary or incidental to the administration of its authority or functions pursuant to law; and

8. Provide support for telecommunication networks of state agencies through analysis of the telecommunications needs and requirements of each agency and promotion of the use of the Oklahoma Government Telecommunications Network.

SECTION 353. AMENDATORY 62 O.S. 2011, Section 34.21, is amended to read as follows:

Section 34.21 A. No agency of the executive branch of the state shall use state funds for or enter into any agreement for the acquisition, development or enhancement of a communication or telecommunication system including voice, data, radio, video, Internet, eGovernment, as referenced in Sections ~~41.5p~~ 34.24 and ~~41.5q~~ 34.25 of this title, printers, scanners, copiers, facsimile systems and associated supplies exceeding Ten Thousand Dollars ($10,000.00) in value, which shall include the acquisition amount,

service costs, maintenance costs, or any other costs or fees associated with the acquisition of the system or equipment, without written authorization of the Chief Information Officer or a designee. The Chief Information Officer or a designee shall verify that any acquisition, development or enhancement is compatible with the operation of the Oklahoma Government Telecommunications Network.

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

C. State agencies may enter into interagency contracts to share communications and telecommunications resources for mutually beneficial purposes. The contract shall clearly state how its purpose contributes to the development or enhancement or cost reduction of a state network which includes voice, data, radio, video, Internet, eGovernment, or facsimile systems. The contract shall be approved by the Information Services Division before any payments are made.

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

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

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

SECTION 354. AMENDATORY 62 O.S. 2011, Section 34.22, is amended to read as follows:

Section 34.22 There is hereby created in the State Treasury a revolving fund for the ~~Office of State Finance~~ Office of Management and Enterprise Services to be designated the "Telecommunications Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of appropriations made by the Legislature and reimbursements for providing telecommunications services as defined in Sections ~~41.5h~~ 34.19, ~~41.5i~~ 34.20, ~~41.5j~~ 34.21 and ~~41.5p~~ 34.24 of this title. All monies accruing to such fund are hereby appropriated and may be budgeted and expended by the ~~Office of State Finance~~ Office of Management and Enterprise Services for the purpose of providing telecommunications, Internet, and eGovernment services, as referenced in Sections ~~41.5p~~ 34.24 and ~~41.5q~~ 34.25 of this title, the construction and maintenance of information technology facilities and services, and other related services. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 355. AMENDATORY 62 O.S. 2011, Section 34.23, is amended to read as follows:

Section 34.23 A. There is hereby created a wide area telecommunications network to be known and referred to as the "Oklahoma Government Telecommunications Network (OGTN)". The OGTN

shall consist of the telecommunications systems and networks of educational entities and agencies of state government.

B. Notwithstanding the provisions of subsection A of this section:

1. The Oklahoma State Regents for Higher Education may continue to operate, maintain and enhance the State Regents Educational Telecommunications Network, subject to the provisions of the Oklahoma Information Services Act. The Oklahoma State Regents for Higher Education shall submit all plans for the enhancement of the State Regents Educational Telecommunications Network to the Information Services Division of the ~~Office of State Finance~~ Office of Management and Enterprise Services for review and approval within the context of the statewide telecommunications network provided for in subsection C of this section and shall participate with the Information Services Division in joint efforts to provide services for the OGTN; and

2. The Department of Public Safety may continue to operate, maintain and enhance the statewide law enforcement data communications network provided for in Section 2-124 of Title 47 of the Oklahoma Statutes, subject to the provisions of the Oklahoma Information Services Act. The Department of Public Safety shall submit all plans for the enhancement of the statewide law enforcement data communications network to the Information Services Division of the ~~Office of State Finance~~ Office of Management and

Enterprise Services for review and approval and shall participate with the Information Services Division in joint efforts to provide services for the OGTN.

C. The Information Services Division shall be responsible for developing, operating and maintaining the OGTN. The purposes of the OGTN shall include the following:

1. Development of a comprehensive, unified statewide telecommunications network to effectively, efficiently, and securely meet the communication needs of educational entities and agencies of state government;

2. Effective and efficient utilization of existing telecommunications systems operated by educational entities and agencies of state government; and

3. Elimination and prevention of unnecessarily duplicative telecommunications systems operated by educational entities and agencies of state government.

D. In developing, operating and maintaining the OGTN, the Information Services Division shall:

1. Develop a statewide master plan for meeting the communications needs of educational entities and of agencies of state government. To facilitate the development of a statewide master plan as provided for in this paragraph:

a. the Oklahoma State Regents for Higher Education shall submit a report annually to the Chief Information

Officer identifying the telecommunications plans of each member of The Oklahoma State System of Higher Education. For purposes of developing such report, each member shall cooperate with and submit to the State Regents a plan of its telecommunications needs, including, but not limited to, Internet, eGovernment, as referenced in Sections ~~41.5p~~ 34.24 and ~~41.5q~~ 34.25 of this title, any interactive video plans, the purchase of informational data bases, software for manipulation of bibliographic records, and the use of telecommunications equipment or services,

b. the State Superintendent of Public Instruction shall submit a report annually to the Chief Information Officer identifying the telecommunications plans of the public common school system of the state. For purposes of developing such report, the respective public elementary and secondary schools shall cooperate with and submit to the State Superintendent a plan of their telecommunications needs, including, but not limited to, Internet, eGovernment, any interactive video plans, the purchase of informational data bases, software for manipulation of bibliographic records, and the use of telecommunications equipment or services,

c. the Director of the Oklahoma Department of Career and Technology Education shall submit a report annually to the Chief Information Officer identifying the telecommunications plans of technology center school districts. For purposes of developing such report, each technology center school district as defined in Section 14-108 of Title 70 of the Oklahoma Statutes shall cooperate with and submit to the Director of the Oklahoma Department of Career and Technology Education a plan of its telecommunications needs, including, but not limited to, Internet, eGovernment, any interactive video plans, the purchase of informational data bases, software for manipulation of bibliographic records, and the use of telecommunications equipment or services,

d. the chief administrative officer of each state agency of the executive branch shall submit a plan annually to the Chief Information Officer identifying the telecommunications needs of the state agency, including, but not limited to, Internet, eGovernment, any interactive video plans, the purchase of informational data bases, software for manipulation of bibliographic records, and the use of telecommunications equipment or services, and

e. the Director of the Oklahoma Department of Libraries shall submit a report annually to the Chief Information Officer identifying the telecommunications plans of public libraries and public library systems. For purposes of developing such report, the chief administrative officer of any public library or public library system not otherwise required to submit a plan of its telecommunications needs pursuant to the provisions of this paragraph shall cooperate with and submit annually to the Director of the Oklahoma Department of Libraries a plan of its telecommunications needs, including, but not limited to, Internet, eGovernment, any interactive video plans, the purchase of informational data bases, software for manipulation of bibliographic records and the use of telecommunications equipment or services. To assure inclusion in the report of the plans of the telecommunications needs of any library that is a part of any member of The Oklahoma State System of Higher Education, a public elementary or secondary school, or technology center school district, all such plans relating to libraries received by the Oklahoma State Regents for Higher Education, the State Superintendent of Higher Education, and the State Director of the

Oklahoma Department of Career and Technology Education shall be submitted to the Director of the Oklahoma Department of Libraries by the respective recipients thereof as soon as practicable after receipt. The Director of the Oklahoma Department of Libraries shall certify to the Information Services Division that such plans are consistent with the plan developed by the Oklahoma Library Technology Network or explain any inconsistencies therewith;

2. Identify the most cost-effective means of meeting the telecommunications needs of educational entities and of agencies of state government;

3. Develop minimum mandatory standards and protocols for equipment, facilities and services of the OGTN;

4. Evaluate the advantages and disadvantages of utilizing equipment, facilities, and services of both private entities and those owned and operated by the state; and

5. Recommend a fee structure to provide for the operation and maintenance of the OGTN.

SECTION 356. AMENDATORY 62 O.S. 2011, Section 34.24, is amended to read as follows:

Section 34.24 A. In order to be at the forefront of electronic commerce and provide constituents, agencies and out-of-state users with state-of-the-art electronic commerce and Internet tools, the

State of Oklahoma recognizes the need for a state portal system connecting state agency websites and information systems.

B. The Information Services Division of the ~~Office of State Finance~~ Office of Management and Enterprise Services shall manage the installation, maintenance and administration of the state portal system.

C. For purposes of this section and Section ~~41.5s~~ 34.27 of this title, a "portal system" shall mean a system that hosts and connects to a collection of online government and public services and serves as the single point of access to state government services, information, and transaction processing with a common enterprise wide user interface allowing navigation among the services.

SECTION 357. AMENDATORY 62 O.S. 2011, Section 34.24.1, is amended to read as follows:

Section 34.24.1 A. Except as otherwise provided by this section, as of July 1, 2010, each state agency, board, commission or other entity organized within the executive department of state government responsible for licensing or permitting shall utilize the portal system to allow for a link to a web-based application and renewal application for any license or permit issued by that agency. Access to the online renewal systems shall be featured prominently on the portal system.

B. Each entity responsible for licensing or permitting shall make available to the ~~Office of State Finance~~ Office of Management

and Enterprise Services on a yearly basis a report describing the number of licenses issued, license renewals and permits issued as well as an estimate of the amount of savings incurred by the entity as a result of the online licensing and permitting process.

C. The ~~Office of State Finance~~ Office of Management and Enterprise Services shall make available to the public a copy of each report submitted in accordance with the requirements of subsection B of this section by placing the report on the website defined in Section 46 of this title.

D. The Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services may exempt a specific license or permit from the requirements of this section should he find compelling evidence that the issuance of the license or permit requires the provision of information that cannot be provided through an online licensing or permitting process and when the failure of the applicant to provide the information would create a significant risk to the integrity of the license or permit. The Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services shall document any exemptions issued pursuant to the provisions of this subsection and describe the compelling evidence justifying the need for the exemptions in a report to be provided to the Governor, Speaker of the Oklahoma House of Representatives and Speaker Pro Tempore of the State Senate. The exception provided for in this subsection shall not apply to license

renewals pursuant to the Oklahoma Vehicle License and Registration Act of Title 47 of the Oklahoma Statutes.

E. The state agencies may accept an electronic signature in the application process for any license or permit; provided, the use of an electronic signature shall not create a significant risk to the integrity of the license or permit.

F. Nothing in this section shall apply to driver license renewal applications.

SECTION 358. AMENDATORY 62 O.S. 2011, Section 34.25, is amended to read as follows:

Section 34.25 A. Subject to review and adoption as outlined in Section ~~41.5s~~ 34.27 of this title, a state agency, board, commission, or authority is hereby authorized to charge a convenience fee for any electronic or online transaction. A convenience fee shall apply to electronic or online transactions only and shall not apply when accessing information provided through state government websites. If a state entity sets a convenience fee for electronic or online transactions, the fee shall be reviewed by the State Governmental Internet Applications Review Board as provided for in Section ~~41.5s~~ 34.27 of this title. Each state entity shall keep a record of how the convenience fee has been determined and shall file the record with the Information Services Division of the ~~Office of State Finance~~ Office of Management and Enterprise Services. A state agency, board, commission, or

authority may periodically adjust a convenience fee as needed upon review and adoption as provided for in Section ~~41.5s~~ 34.27 of this title.

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

SECTION 359. AMENDATORY 62 O.S. 2011, Section 34.26, is amended to read as follows:

Section 34.26 A. Any state agency, board, commission, or authority which establishes an electronic portal system shall use an open-systems concept for the portal system which has been approved by the Information Service Division of the ~~Office of State Finance~~ Office of Management and Enterprise Services.

B. No state agency, board, commission, or authority shall enter into an agreement for development of, enhancement to, or maintenance of an electronic portal system without the written authorization of the Information Services Division.

C. For purposes of this section, an "open-systems concept" shall mean a system that implements sufficient open specifications

for interfaces, services, and supporting formats to enable properly engineered components to be utilized across a wide range of systems with minimal changes, to interoperate with other components on local and remote systems, and to interact with users in a style that facilitates portability. An open-systems concept is characterized by the following:

1. Well-defined, widely used, and nonproprietary interfaces or protocols;

2. Use of standards which are developed and adopted by industry recognized standards-making bodies;

3. A definition of all aspects of system interfaces to facilitate new or additional system capabilities for a wide range of applications; and

4. An explicit provision for expansion or upgrading through the incorporation of additional or higher performance elements with minimal impact on the system.

SECTION 360. AMENDATORY 62 O.S. 2011, Section 34.27, is amended to read as follows:

Section 34.27 There is hereby established the State Governmental Technology Applications Review Board. The Board shall review and make recommendations to the Information Services Division of the ~~Office of State Finance~~ <u>Office of Management and Enterprise Services</u> concerning state governmental Internet-based electronic or online transactions or applications being provided by state

agencies, boards, commissions, or authorities for use by the public, provide oversight for implementation of the plan of action developed by the Chief Information Officer and advise the Chief Information Officer.

B. The State Governmental Technology Applications Review Board shall be composed of the following members:

1. The Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services or a designee;

2. Four representatives from different state agencies, boards, commissions, or authorities to be appointed by the Governor, at least one of which shall be employed by a law enforcement agency;

3. Two members who are not state government employees to be appointed by the Speaker of the House of Representatives; and

4. Two members who are not state government employees to be appointed by the President Pro Tempore of the Senate.

C. Members of the Board shall serve for terms of two (2) years. The Board shall select a chair from among its members.

D. Members of the Board shall not receive compensation for serving on the Board, but shall be reimbursed for travel expenses incurred in the performance of their duties by their respective agencies or appointing authority in accordance with the State Travel Reimbursement Act.

E. The Board shall have the duty and responsibility of:

1. Reviewing a schedule of convenience fees, as is defined in Section 34.25 of this title, and all convenience fees and changes in fees charged by state agencies, boards, commissions, or authorities for electronic or online transactions, and making recommendations pertaining to convenience fees to the Information Services Division prior to its adoption by rule of such fees, changes to fees, or fee schedule;

2. Monitoring all portal systems and applications for portal systems created by state agencies, boards, commissions, or authorities, reviewing portal systems applications approved or denied by the Information Service Division of the Office of ~~State Finance~~ Management and Enterprise Services, and making recommendations to the Legislature and Governor to encourage greater use of the open-systems concept as is defined in Section 34.26 of this title;

3. Approving the plan of action developed by the Chief Information Officer as provided for in Section 34.11.1 of this title, providing ongoing oversight of implementation of the plan of action by the Chief Information Officer and approving any amendments to the plan of action;

4. Approving charges to state agencies established by the Chief Information Officer pursuant to Section 34.11.1 of this title for their use of shared information technology and telecommunications services;

5. Functioning in an advisory capacity to the Chief Information Officer; and

6. Developing performance metrics for quantifying the value of goods or services provided by state agencies and for considering if goods and services provided by a state agency could be modernized through the implementation of new technology to provide better quality goods or services that would result in cost savings or best value.

SECTION 361. AMENDATORY 62 O.S. 2011, Section 34.28, is amended to read as follows:

Section 34.28 A. The Information Services Division of the ~~Office of State Finance~~ Office of Management and Enterprise Services shall work ~~in conjunction with the Department of Central Services~~ to assure state compliance regarding accessibility of information technology for individuals with disabilities based on the provisions of Section 508 of the Workforce Investment Act of 1998.

B. When developing, procuring, maintaining or using information technology, or when administering contracts or grants that include the procurement, development, upgrading, or replacement of information technology each state agency shall ensure, unless an undue burden would be imposed on the agency, that the information technology allows employees, program participants, and members of the general public access to use of information and data that is comparable to the access by individuals without disabilities.

C. To assure accessibility, the Information Services Division ~~and the Department of Central Services~~ shall:

1. Adopt accessibility standards that address all technical standard categories of Section 508 of the Workforce Investment Act of 1998 to be used by each state agency in the procurement of information technology, and in the development and implementation of custom-designed information technology systems, Web sites, and other emerging information technology systems;

2. Establish and implement a review procedure to be used to evaluate the accessibility of custom-designed information technology systems proposed by a state agency prior to expenditure of state funds;

3. Review and evaluate accessibility of information technology commonly purchased by state agencies, and provide accessibility reports on such products to those responsible for purchasing decisions;

4. Provide in partnership with Oklahoma Able Tech, the state assistive technology program located at Oklahoma State University, training and technical assistance for state agencies to assure procurement of information technology that meets adopted accessibility standards;

5. Consult with the State Department of Rehabilitation Services and individuals with disabilities in accessibility reviews of

information technology and in the delivery of training and technical assistance;

6. Establish complaint procedures, consistent with Section 508 of the Workforce Development Act of 1998, to be used by an individual who alleges that a state agency fails to comply with the provisions of this section;

7. Work with and seek advice from the Electronic and Information Technology Accessibility Advisory Council, created in Section ~~41.5t.2~~ 34.30 of this title in developing accessibility standards and complaint procedures as required in this section; and

8. Require state agencies to submit evidence of assurance of compliance with state standards on accessibility of information technology for individuals with disabilities developed in accordance with this section. For executive branch state agencies that are required to submit an annual operating plan pursuant to Section ~~41.5e~~ 34.16 of this title evidence of compliance shall be included in that report.

D. The Chief Information Officer and the Director of the ~~Department of Central Services~~ Office of Management and Enterprise Services shall promulgate rules, as necessary, to implement the provisions of this section.

SECTION 362. AMENDATORY 62 O.S. 2011, Section 34.30, is amended to read as follows:

Section 34.30 A. There is hereby re-created, to continue until July 1, 2014, the Electronic and Information Technology Accessibility Advisory Council. The Advisory Council shall study and make recommendations concerning the accessibility for the disabled to publicly produced and provided electronic and information technology and to provide advice and assistance to the Information Services Division of the ~~Office of State Finance~~ Office of Management and Enterprise Services on the development of accessibility standards and complaint procedures as provided for in Section ~~41.5t~~ 34.28 of this title.

B. The Advisory Council shall be composed of the following members:

1. Two members of the House of Representatives, appointed by the Speaker of the House of Representatives;

2. Two members of the Senate, appointed by the President Pro Tempore of the Senate;

3. The Chief Information Officer, or a designee;

4. The Director of the ~~Department of Central Services~~ Office of Management and Enterprise Services, or a designee;

5. The Director of the State Department of Rehabilitation Services, or a designee;

6. The Superintendent of Public Instruction, or a designee;

7. The Director of the Oklahoma Department of Career and Technology Education, or a designee;

8. The Director of the Library for the Blind and Physically Handicapped with the State Department of Rehabilitation Services, or a designee;

9. The Director of the Office of Disability Concerns, or a designee;

10. A representative of OneNet, the state telecommunications network within the Oklahoma State Regents for Higher Education;

11. The Director for Oklahoma Able Tech, the state assistive technology program located at Oklahoma State University;

12. A representative of state agency web managers appointed by the Governor from a list submitted by a state agency web manager group;

13. A representative of an association representing education technology administrators appointed by the Speaker of the House of Representatives;

14. A representative of an association of distance learning education professionals appointed by the President Pro Tempore of the Senate;

15. Two representatives of corporations or vendors of information or electronic technology hardware or software who are knowledgeable or have experience in the field of assistive technology appointed by the Governor;

16. A representative of a corporation or vendor specializing in assistive technology appointed by the Governor; and

17. Four representatives who are individuals with a disability, one who is blind or visually impaired, one who is deaf or hard of hearing, one with a mobility disability, and one with a cognitive disability and all of whom are users of information or electronic technology appointed by the Governor.

C. Members who were serving on the Electronic and Information Technology Accessibility Task Force as of July 1, 2004, shall automatically be appointed to serve on the Electronic and Information Technology Accessibility Advisory Council after July 1, 2004.

D. The Advisory Council shall:

1. Make recommendation on action, including legislative action, needed to ensure that all electronic and information technology produced, procured, or developed by state agencies are accessible to the disabled;

2. Identify disability accessibility standards that are emerging or fully adopted by national standard organizations;

3. Review and make recommendations on disability accessibility initiatives and legislation undertaken in other states; and

4. Provide advice and assistance to the Information Services Division of the ~~Office of State Finance and the Department of Central Services~~ Office of Management and Enterprise Services on the development of accessibility standards and complaint procedures as provided for in Section ~~41.5t~~ 34.28 of this title.

E. The Speaker of the House of Representatives and the President Pro Tempore of the Senate shall each designate a cochair from among the members of the Advisory Council.

F. A majority of the members of the Advisory Council shall constitute a quorum. A majority of the members present at a meeting may act for the Advisory Council.

G. Meetings of the Advisory Council shall be called by either cochair.

H. Proceedings of all meetings of the Advisory Council shall comply with the provisions of the Oklahoma Open Meeting Act.

I. The Advisory Council may divide into subcommittees in furtherance of its purpose.

J. Staff of the Oklahoma Able Tech, the state assistive technology program located at Oklahoma State University, shall serve as primary staff for the Advisory Council. Appropriate personnel from the Information Services Division ~~and the Department of Central Services~~ shall also assist with the work of the Advisory Council.

K. The Advisory Council may use the expertise and services of the staffs of the Oklahoma House of Representatives and State Senate and may, as necessary, seek the advice and services of experts in the field as well as other necessary professional and clerical staff.

L. All departments, officers, agencies, and employees of this state shall cooperate with the Advisory Council in fulfilling its

duties and responsibilities including, but not limited to, providing any information, records, or reports requested by the Advisory Council.

M. Members of the Advisory Council shall receive no compensation for their service, but shall receive travel reimbursement as follows:

1. Legislative members of the Advisory Council shall be reimbursed for necessary travel expenses incurred in the performance of their duties in accordance with the provisions of Section 456 of Title 74 of the Oklahoma Statutes; and

2. Nonlegislative members of the Advisory Council shall be reimbursed by their appointing authorities or respective agencies for necessary travel expenses incurred in the performance of their duties in accordance with the State Travel Reimbursement Act.

SECTION 363. AMENDATORY 62 O.S. 2011, Section 34.31, is amended to read as follows:

Section 34.31 A. No state agency, as defined by Section 250.3 of Title 75 of the Oklahoma Statutes, the Purchasing Division of the ~~Department of Central Services~~ Office of Management and Enterprise Services nor the Information Services Division of the ~~Office of State Finance~~ Office of Management and Enterprise Services, unless otherwise provided by federal law, shall enter into a contract for the acquisition of customized computer software developed or modified exclusively for the agency or the state, unless the vendor

agrees to place into escrow with an independent third party the source code for the software and/or modifications.

B. The vendor must agree to place the source code for the software and any upgrades supplied to an agency in escrow with a third party acceptable to the agency and to enter into a customary source code escrow agreement which includes a provision that entitles the agency to receive everything held in escrow upon the occurrence of any of the following:

1. A bona fide material default of the obligations of the vendor under the agreement with the agency;

2. An assignment by the vendor for the benefit of its creditors;

3. A failure by the vendor to pay, or an admission by the vendor of its inability to pay, its debts as they mature;

4. The filing of a petition in bankruptcy by or against the vendor when such petition is not dismissed within sixty (60) days of the filing date;

5. The appointment of a receiver, liquidator or trustee appointed for any substantial part of the vendor's property;

6. The inability or unwillingness of the vendor to provide the maintenance and support services in accordance with the agreement with the agency; or

7. The ceasing of a vendor of maintenance and support of the software.

The fees of any third-party escrow agent subject to this section shall be borne by the vendor.

C. The State Purchasing Director or a procurement officer of a state agency shall not process any state agency request for the customization, modernization, or development of computer software unless the proposed vendor provides documentation that complies with subsections A and B of this section.

D. The State Purchasing Director shall provide advice and assistance, as may be required, in order for state agencies to comply with the provisions of this section.

E. As used in this section:

1. "State agency" shall include all state agencies, whether subject to The Oklahoma Central Purchasing Act or not, except the Oklahoma Lottery Commission; and

2. "Source code" means the programming instruction for a computer program in its original form, created by a programmer with a text editor or a visual programming tool and saved in a file.

SECTION 364. AMENDATORY 62 O.S. 2011, Section 34.32, is amended to read as follows:

Section 34.32 A. The Information Services Division of the ~~Office of State Finance~~ Office of Management and Enterprise Services shall create a standard security risk assessment for state agency information technology systems that complies with the International Organization for Standardization (ISO) and the International

Electrotechnical Commission (IEC) Information Technology - Code of Practice for Security Management (ISO/IEC 17799).

B. Each state agency that has an information technology system shall annually conduct an information security risk assessment to identify vulnerabilities associated with the information system. A final report of the information security risk assessment shall be submitted by each state agency to the Information Services Division by the first day of December of each year. The final information security risk assessment report shall identify, prioritize, and document information security vulnerabilities for each of the state agencies assessed. Failure to comply with the requirements of this subsection may result in funding being withheld from the agency. State agencies shall use either the standard security risk assessment created by the Information Services Division or a third-party risk assessment meeting the ISO/IEC 17799 standards and using the National Institute of Standards and Technology Special Publication 800-30 (NIST SP800-30) process and approved by the Information Services Division. The Information Services Division shall approve not less than two firms which state agencies may choose from to conduct the information security risk assessment.

C. The Information Services Division shall report the results of the state agency assessments required pursuant to this section to the Governor, the Speaker of the House of Representatives, and the

President Pro Tempore of the Senate by the first day of January of each year.

SECTION 365. AMENDATORY 62 O.S. 2011, Section 34.33, is amended to read as follows:

Section 34.33 The ~~Office of State Finance~~ Office of Management and Enterprise Services is authorized to enter into a multi-year agreement to acquire land, develop, design, construct and furnish facilities necessary for the administration of the state's information technology and telecommunications infrastructure and security. Such action shall not be subject to The Oklahoma Central Purchasing Act. The area of the facility authorized by this section dedicated for computer-ready space shall not exceed ten percent (10%) of the total square footage of the entire facility, but under no circumstances shall exceed nine thousand (9,000) square feet. The ~~Office of State Finance~~ Office of Management and Enterprise Services is authorized to use existing and future funds from fees, appropriations and federal funds, as necessary, to finance such facilities.

SECTION 366. AMENDATORY 62 O.S. 2011, Section 34.34, is amended to read as follows:

Section 34.34 It shall be the duty of the Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services, after making a complete detailed study of each state

agency, to prepare the budget under the supervision and direction of the Governor.

SECTION 367. AMENDATORY 62 O.S. 2011, Section 34.35, is amended to read as follows:

Section 34.35 Each state agency shall immediately furnish the Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services any information concerning their respective affairs or activities, upon request and in such form as directed.

SECTION 368. AMENDATORY 62 O.S. 2011, Section 34.36, is amended to read as follows:

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

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

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

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

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

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

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

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

5. A quantification of the need for the program;

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

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

8. A ranking of these programs by priority;

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

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

11. With respect to appropriated state agencies, a detailed listing of all employees and resources dedicated to the provision of financial services including but not limited to procurement, payroll, accounts receivable and accounts payable. The provisions of this paragraph shall not be applicable to the Oklahoma State Regents for Higher Education or to any institutions within The Oklahoma State System of Higher Education.

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

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

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

H. For the purposes of this section, "capital lease" means a lease-purchase agreement which provides an option for the State of Oklahoma or its agencies to purchase property, including personal

and real property, which is the subject thereof and/or a lease agreement that provides an option for the State of Oklahoma or its agencies to lease such property, which is the subject thereof, at a nominal annual amount, after a period in which leased property is rented at fair market value.

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

J. Not later than January 1, the Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services shall publish a financial services cost performance assessment which shall document each appropriated state agency's cost for providing financial services including but not limited to procurement, payroll, accounts receivable and accounts payable. Appropriated state agencies ranking in the bottom ten percent (10%) of the cost performance assessment shall enter into a contract with the ~~Office of State Finance~~ Office of Management and Enterprise Services for the provision of shared financial services provided that the Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services determines and documents that the contractual agreement will result in cost savings to the appropriated state agency. Contracts required by this subsection shall be entered into at the start of the next fiscal year. On a yearly basis the

Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services shall compile and publish a report documenting the cost savings resulting from shared services contracts. The provisions of this subsection shall not be applicable to the Oklahoma State Regents for Higher Education or to any institutions within The Oklahoma State System of Higher Education.

SECTION 369. AMENDATORY 62 O.S. 2011, Section 34.37, is amended to read as follows:

Section 34.37 Immediately after the beginning of each regular session of the Legislature, the Governor shall submit to the presiding officer of each house, copies of the budget based upon the investigations and conclusions of the ~~Office of State Finance~~ Office of Management and Enterprise Services. Such budget document shall contain a complete and itemized plan of all proposed expenditures for each agency or undertaking classified according to the various cabinet areas designated by the Governor or otherwise created by law. Such expenditures shall be further classified by function, character and object, and in the event such proposed expenditures exceed the estimate made by the State Board of Equalization, the Governor shall accompany the budget document with a proposal of new revenue raising measures sufficient to effect a balanced budget for the ensuing fiscal year.

SECTION 370. AMENDATORY 62 O.S. 2011, Section 34.40, is amended to read as follows:

Section 34.40 A. When lump sum appropriations are made for personal services, or for maintenance and operations, or for maintenance and operations including personal services, no monies so appropriated shall be available for payments for such expenses until a schedule of positions and salaries and the amounts to be available for the expenses shall have been approved by the Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services and posted to the state accounting system. The provisions of this subsection shall not apply to such appropriations for the Legislature or judiciary, for expenses of holding elections, or for temporary services or day labor.

B. Any such approved schedule of positions and salaries may be amended with the approval of the Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services.

C. The request officer for each agency shall show the classification of the expenditures for their agency, and such classification shall follow the uniform budget and accounting classifications adopted for similar spending agencies, except for items peculiar to certain departments or institutions.

D. The Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services shall not have authority to fix the amount of any agency salary or eliminate any position listed on such schedule. However, the Director shall not approve the schedule of positions and salaries when the total amount of funds requested

to be allotted fails to reserve a sufficient balance to finance the operations of the agency for the remainder of that fiscal year, considering any possible failure in the revenue estimated to be collected for that fiscal year.

E. The Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services shall not have the authority to curtail the operation of any particular part of the program, but shall order a reduction in the total program only where insufficient revenues are anticipated to carry on the program for the period concerned.

SECTION 371. AMENDATORY 62 O.S. 2011, Section 34.41, is amended to read as follows:

Section 34.41 Appropriations shall not be available for contractual or expenditure purposes until allotted as provided in the Oklahoma State Finance Act. Appropriations made by the Legislature to each state agency are hereby declared to be maximum, conditional and proportionate appropriations. The purpose of this section is to make appropriations payable in full in the amounts named only in the event that the estimated budget resources within each state fund during each fiscal year are sufficient to pay all of the appropriations for such fiscal year in full. It is also the purpose of this provision to ensure that there shall be no overdraft or deficit created in the several funds of the state at the end of any fiscal year, and the Director of the ~~Office of State Finance~~

Office of Management and Enterprise Services is directed and required so to administer the Oklahoma State Finance Act to prevent such overdraft or deficit.

SECTION 372. AMENDATORY 62 O.S. 2011, Section 34.42, is amended to read as follows:

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

B. The required instructions, content and format of agency budgets shall be developed by the staff of the Budget Division of the ~~Office of State Finance~~ Office of Management and Enterprise Services.

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

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

3. The agency budget shall delineate agency spending by such categories and with at least as much detail as is specified in the legislative appropriation and as prescribed by the Director of the

~~Office of State Finance~~ Office of Management and Enterprise Services.

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

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

E. Executive officers of agencies shall cooperate with the ~~Office of State Finance~~ Office of Management and Enterprise Services staff and Joint Committee staff in developing program budgeting categories.

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

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

SECTION 373. AMENDATORY 62 O.S. 2011, Section 34.43, is amended to read as follows:

Section 34.43 A. All agencies of the state shall submit to the Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services in all agency budgets, in addition to other required information, whether such reports relate to past, present or future expenditures, an itemization of the amount attributable to each of the following expenses:

1. The number of persons, total amount of all salaries, the total amount of travel and subsistence expense and the total amount of personnel expense for:

a. data processing directors,

b. systems analysts,

c. programmers,

d. electronic data processing operators,

e. punch card machine operators,

f. data processing control personnel,

g. data processing clerical personnel, and

h. other data processing personnel;

2. Rental of data processing equipment;

3. Purchase of data processing equipment;

4. Maintenance of data processing equipment, if not included in rental expense;

5. Data processing supplies;

6. Data processing planning;

7. Data processing conversion from one system to another;

8. Rental and purchase of non-data processing equipment and supplies utilized in a data processing operation;

9. Shipment of data processing equipment;

10. Rental of communication lines for transmission of data processing information;

11. Data processing education;

12. Rental of software packages;

13. Contracting for development of systems; and

14. Other data processing expense.

B. All disbursements made from treasury funds by any state agency for the above-named expenses shall be budgeted to and disbursed from a special allotment account to be created by the Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services.

C. This section shall not preclude agencies from programming and expending intra-agency data processing costs for cost allocation purposes.

SECTION 374. AMENDATORY 62 O.S. 2011, Section 34.45, is amended to read as follows:

Section 34.45 The ~~Office of State Finance~~ Office of Management and Enterprise Services is hereby authorized to provide the Governor-elect and Lieutenant Governor-elect with such reasonable and necessary services as the Governor-elect or Lieutenant Governor-elect may request in the performance of their duties prior to taking

office and in preparation for assuming the duties of office. The ~~Office of State Finance~~ Office of Management and Enterprise Services is further authorized to allocate from the funds appropriated to the ~~Office of State Finance~~ Office of Management and Enterprise Services the sum of Thirty Thousand Dollars ($30,000.00), or so much thereof as may be necessary for use by the Governor-elect, if not incumbent, and the sum of Ten Thousand Dollars ($10,000.00), or so much thereof as may be necessary for use by the Lieutenant Governor-elect, if not incumbent, for expenses of personal services, office expense, supplies, materials, travel and other necessary expenses incurred by such Governor-elect or Lieutenant Governor-elect in the performance of his or her duties prior to taking office and in preparation for assuming the duties of office.

SECTION 375. AMENDATORY 62 O.S. 2011, Section 34.47, is amended to read as follows:

Section 34.47 A. The Division of Central Accounting and Reporting shall allocate all revenues to the credit of any fund in the State Treasury except the Public Building Fund, in accordance with the provisions of Section 23 of Article X of the Oklahoma Constitution.

B. The Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services may require that appropriations for capital expenditures be financed by a separate cash account so that allocations of cash to any agency for purposes of constructing

buildings, making improvements, purchasing equipment, or other capital expenditures, may not be used to finance the current operations of the agency.

C. Appropriations which are nonfiscal for contractual and expenditure purposes, shall be considered fiscal for revenue purposes, but may be allotted for expenditure at any time within thirty (30) months from date such acts are enacted. Revenue which accrues to the credit of the Public Building Fund in the State Treasury shall be allocated to the appropriations from the Public Building Fund in consecutive order. The Governor shall designate the order of payment of the appropriations from the Public Building Fund. The Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services shall allocate the collections sufficient to pay the first appropriation designated by the Governor, before the Director allocates any amount to the second and so on, until all appropriations are provided for. The contracting agency receiving such appropriation shall not contract the same until revenue has been allocated as provided in the Oklahoma State Finance Act.

SECTION 376. AMENDATORY 62 O.S. 2011, Section 34.49, is amended to read as follows:

Section 34.49 A. Appropriations and/or federal funds shall be allotted for each agency as provided by the language of the legislative appropriation and other applicable state law. Items may

be allotted on a monthly, quarterly, semiannual or annual basis upon the written request of the agency and the approval of the Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services.

B. The request officer for each agency shall present the proposed classification of the expenditures for that agency in such manner as may be required by the ~~Office of State Finance~~ Office of Management and Enterprise Services.

C. Each agency shall be required to identify those items that are for capital purposes in keeping with the definition of capital projects promulgated by the Long-Range Capital Planning Commission. Requests for capital appropriations and an agency's original budget request shall be for capital projects that have been submitted to the Long-Range Capital Planning Commission for review.

D. The Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services shall review the requested allotments with respect to the agency budget with each agency. The Director may require the agency to change such allotments before approving them, if it is deemed necessary, reserving a sufficient balance in the appropriation to finance the operations of the agency for the remainder of any fiscal year.

E. At the end of any fiscal year, the entire amount appropriated to any agency must be allotted to the agency by the Director of the ~~Office of State Finance~~ Office of Management and

Enterprise Services, except where the estimated budget resources during any fiscal year are insufficient to pay all of the appropriations of the state in full for such year. The Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services shall not allot to any agency during any fiscal year, an amount which will be in excess of the amount of revenue collected and allocated to appropriations made to such agency.

F. In the event of a failure of revenue, the Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services shall control the allotment to prevent obligations being incurred in excess of the revenue to be collected. However, within each state fund where a revenue failure occurs, the Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services shall make all reductions apply to each state agency or special appropriation made by the State Legislature, in the ratio that its total appropriation for that fiscal year bears to the total of all appropriations for that fiscal year, as provided in Section 23 of Article X of the Oklahoma Constitution.

G. An allotment may be approved for any item for the entire year or may be approved on a monthly, quarterly, or semiannual basis, but in no case shall the aggregate of such allotments for any agency exceed the total appropriation made available to such agency for the fiscal year to which they apply. Each agency's request for appropriation allotments shall show the amount required to finance

each item of the request for the entire year and on a quarterly basis within each fiscal year.

H. The Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services shall review each allotment request for the purpose of determining whether:

1. The itemized requests are in accordance with the agency budget;

2. The accounting classification is sufficient to reflect the purposes for which the expenditures are to be made;

3. The current financial requirements of the agency justify the monthly or quarterly allotment, reserving a sufficient balance to finance the remaining months or quarters; and

4. The realization of the estimated revenues is sufficient to allow the allotments to be made.

I. The Legislature shall be exempt from submitting any agency budget or allotment request.

SECTION 377. AMENDATORY 62 O.S. 2011, Section 34.50, is amended to read as follows:

Section 34.50 A. All agencies of the state which are operating either partially or entirely from revenues derived from sources other than legislative appropriations or authorizations shall file requests for allotments under the same provisions as are required for those agencies that receive direct legislative appropriations which distinctly specify the amount appropriated.

B. The Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services shall approve such requests for allotments pursuant to the language of the legislative appropriation and other applicable state law, if the estimated revenues accruing to such fund are sufficient to finance such allotments within the period for which the items are approved, and if the account classification clearly shows the purposes for which the money is to be expended. However, obligations as they are incurred may not exceed the unencumbered balance of surplus cash on hand in accordance with Section 23 of Article X of the Oklahoma Constitution.

C. The Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services may require a more detailed breakdown of accounts before approving such requests.

D. This section shall apply to agencies receiving federal funds, but shall not apply to donated funds, trust funds or funds of an agency relationship.

SECTION 378. AMENDATORY 62 O.S. 2011, Section 34.51, is amended to read as follows:

Section 34.51 A. If an allotment request is approved by the Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services, it shall be transmitted to the request officer of the agency concerned and to the Division of Central Accounting and Reporting.

B. Legislative appropriations or authorizations are the legal basis for expending the state's monies. Allotments shall be made against these legislative appropriations or authorizations and shall be entered on the records of the Division of Central Accounting and Reporting in such accounts as may be required by the Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services.

C. The allotments approved by the Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services shall be the portion of the appropriation set aside to cover encumbrances and expenditures for a designated purpose during a monthly, quarterly, semiannual or annual period.

D. The Division of Central Accounting and Reporting shall not approve claims for payment in excess of the amount allotted for each account approved by the Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services.

E. After the first allotments for each agency of the state have been authorized by the Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services, subsequent allotments may be authorized upon the request of an agency and with the approval of the Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services.

F. The Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services may authorize new accounts in

addition to those requested in the original allotment request, or may increase the amount allotted for a monthly, quarterly, semiannual or annual period. A balance remaining in any of the allotment accounts at the end of any monthly, quarterly, or semi-annual period, shall be available for expenditure the subsequent period; however, subsequent allotment requests and the Director's approval should take into consideration any unencumbered or unexpended balance remaining at the time such subsequent requests are approved.

SECTION 379. AMENDATORY 62 O.S. 2011, Section 34.52, is amended to read as follows:

Section 34.52 A. The administrative head of any agency or the request officer may request that any current item of appropriation, allotment, or budget category be transferred to any other budget category within the same agency.

B. The administrative head shall make a request for budget transfer to the Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services in writing and file a revised agency budget.

C. Copies of the request for budget transfer and corresponding agency budget revisions shall also be filed with the Joint Legislative Committee on Budget and Program Oversight as created by Section ~~41.47~~ 34.96 of this title.

D. The Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services shall approve the request for transfer unless both the Chair and Vice Chair of the Joint Legislative Committee on Budget and Program Oversight provide written notification to the Director of ~~State Finance~~ the Office of Management and Enterprise Services within twelve (12) calendar days of receipt of transfer request that the transfer subverts the intention and objectives of the Legislature in establishing the original appropriation, or unless the transfer does not meet the requirements of this section or Section ~~41.9~~ 34.49 of this title. Notification of noncompliance with legislative intent shall be transmitted to the Director of ~~State Finance~~ the Office of Management and Enterprise Services within twelve (12) calendar days of receipt of the transfer request. The Director of ~~State Finance~~ the Office of Management and Enterprise Services shall give written notice of approval or disapproval of each budget transfer to the agency, the Governor and the Chair and Vice Chair of the Joint Legislative Committee on Budget and Program Oversight within eighteen (18) calendar days of receiving the request.

E. Transfers shall be subject to the following limitations:

1. The amount to be transferred, together with all previous transfers, shall not exceed twenty-five percent (25%) of the total appropriation of the least of the items of appropriation, allotment or agency budget involved in the transfer; and

2. If the amount to be transferred, and all previous transfers, is greater than twenty-five percent (25%) of the least items of appropriation, allotment or agency budget involved in the transfer request, the agency may make an application to the Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services, and the Chair and Vice Chair of the Joint Legislative Committee on Budget and Program Oversight. If the agency obtains written approval from the Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services and the Chair and Vice Chair of the Joint Legislative Committee Budget and Program Oversight, an additional fifteen percent (15%) may be transferred.

SECTION 380. AMENDATORY 62 O.S. 2011, Section 34.53, is amended to read as follows:

Section 34.53 A. 1. The Oklahoma State System of Higher Education, established by Article XIII-A of the Oklahoma Constitution, shall operate an allotment system similar to the procedure set out in the Oklahoma State Finance Act for other agencies of the state except that the Oklahoma State Regents for Higher Education shall be substituted for the Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services in connection with approving allotment requests of the constituent institutions comprising The Oklahoma State System of Higher Education.

2. The account classification for the State System of Higher Education shall conform as nearly as possible with the classification of accounts recommended by the National Committee on Standard Reports for Institutions of Higher Education.

3. The Board of Regents shall allocate to each institution under its control from the consolidated, or lump sum appropriation made by the Legislature, an amount sufficient to meet the needs and functions of each institution for the entire year.

4. The amount allocated to each institution for each fiscal year in accordance with Article XIII-A of the Oklahoma Constitution, shall be made in a lump sum without regard to uniform budget or accounting classifications, but shall not be available for expenditure until subsequently allotted by the Regents in accordance with the uniform budget and accounting classifications recommended by the National Committee on Standard Reports.

B. The Oklahoma State Regents for Higher Education may reduce the allocation of funds which could otherwise be made to an institution within The Oklahoma State System of Higher Education in order to make payments for leases within the lease financing program authorized by Section 3206.5 of Title 70 of the Oklahoma Statutes.

C. 1. The Regents, with the approval of the Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services, may allot money to any constituent institution to set up and operate a petty cash fund at said institution. Such petty cash

fund shall be reimbursed upon the filing of claims showing the purposes for which the funds were expended.

2. The Division of Central Accounting and Reporting shall make cash allocations of revenue in accordance with Section 23 of Article X of the Oklahoma Constitution, to each of the constituent institutions. These cash allocations shall be based on the allocations made by the Regents to each institution from the lump sum legislative appropriations and such allocation shall be the total appropriation for each institution, in lieu of legislative appropriations.

3. After these funds have been allocated and allotted as provided in this section, all institutional income shall operate as a continuing nonfiscal appropriation which may be spent for any educational and general purposes for which appropriated funds may be spent. "Institutional income" for such purposes shall mean all income available for educational and general purposes, as defined in the uniform budget and accounting classifications recommended by the National Committee on Standard Reports, and including income defined by law as revolving fund income. Expenditures shall be limited to the extent that obligations as they are incurred may not exceed the unencumbered balance of cash on hand in accordance with Section 23 of Article X of the Oklahoma Constitution.

D. 1. At least thirty (30) days prior to the beginning of each fiscal year, each of the constituent institutions shall file with

the Regents its request for appropriation allotments for each of the purposes for which expenditures are to be made.

2. Such requests shall be broken down to conform to the uniform budget or accounting classifications recommended by the National Committee on Standard Reports.

3. Each institution's request for appropriation allotments shall show the amount required to finance each item of the request for the entire year and for each quarter or each six-months period within the fiscal year, as required by the Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services.

E. The Regents, or the official or employee who has been authorized to approve itemized allotment requests, shall consider the allotment requests for the purpose of making a determination whether:

1. The current financial requirements of the institution concerned justify the allotment to be made;

2. The accounting classification is sufficient to reflect the purpose for which expenditures are to be made and that such classification is in accordance with the budget classifications adopted by the Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services and the Regents, which shall conform as nearly as possible to the account classification recommended by the National Committee on Standard Reports for Institutions of Higher Education; and

3. The realization of estimated revenues determined by the Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services is sufficient to allow the commitments to be made.

F. 1. In allotting appropriations and other funds, and approving subsequent allotments which may be required by each institution, the Regents shall follow the same general procedure set forth in the Oklahoma State Finance Act for other agencies of the state not under the control of said Regents, except as otherwise provided in this section.

2. All forms and account classifications shall be mutually agreed upon by the Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services and the State Regents.

3. The Regents shall file approved requests of constituent institutions with the Division of Central Accounting and Reporting and such requests shall be entered on the records of the ~~Office of State Finance~~ Office of Management and Enterprise Services in the same manner as is provided in the Oklahoma State Finance Act for other agencies of the state.

4. The State Regents and the Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services shall approve any request from the administrative head of a constituent institution for amendment of the approved schedule of positions and salaries, or transfers between items, so long as the currently

approved allotment for such purposes is not exceeded. Each such amendment shall be filed with the ~~Office of State Finance~~ Office of Management and Enterprise Services, in such detail as may be required, prior to the date on which the first payroll or other disbursement affected by such amendment or transfer is submitted for payment.

G. 1. In the event that the realization of estimated revenues at any time during the fiscal year indicates that the total revenue for that fiscal year to any state fund will be insufficient at the end of the fiscal year to meet the total appropriations from that fund, the Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services shall notify the Oklahoma State Regents for Higher Education as to the amount of reduction necessary against the consolidated, or lump sum appropriations, made to the Regents.

2. The Regents, in making itemized allotments during the fiscal year, may reserve an amount sufficient to meet a reasonable failure of revenue until receipt of notice from the Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services that the realization of estimated revenues indicates that the total appropriation may be allotted for expenditure. Upon receipt of notice from the Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services of a necessary reduction in the consolidated, or lump sum appropriation, to meet a failure in

revenue, the Regents for Higher Education shall immediately take action to control the approval of subsequent allotment requests sufficient to make the aggregate reduction in allotments of all constituent institutions under their control equal the amount of reduction ordered against the lump sum appropriation made by the Legislature. Such reductions against the lump sum appropriation shall not exceed the percentage reduction ordered against other agencies of the state in accordance with Section 23, Article 10, Oklahoma Constitution.

SECTION 381. AMENDATORY 62 O.S. 2011, Section 34.54, is amended to read as follows:

Section 34.54 There is hereby created in the State Treasury a division of the State General Revenue Fund which shall be designated the "General Revenue Cash-flow Reserve Fund". The purpose of the General Revenue Cash-flow Reserve Fund is to make cash available for the July cash allocation and so that, insofar as possible, each monthly cash allocation thereafter can equal one-twelfth (1/12) of the annual appropriation from the General Revenue Fund.

1. Each year the Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services may transfer monies from the then current fiscal year General Revenue Fund to the General Revenue Cash-flow Reserve Fund for the succeeding fiscal year when the apportionment to the General Revenue Fund is in excess of amounts required for the allocations necessary to fund appropriations made

by the Legislature for the then current fiscal year. The amount to be transferred shall not exceed ten percent (10%) of the amount certified by the State Board of Equalization as available for appropriation from the General Revenue Fund for the next succeeding fiscal year.

2. Any monies transferred to the General Revenue Cash-flow Reserve Fund pursuant to paragraph 1 of this section, shall be transferred by the Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services as nonrevenue receipts to the State General Revenue Fund in the amounts necessary to make cash available for the July cash allocation and so that, insofar as possible, each monthly cash allocation thereafter can equal one-twelfth (1/12) of the annual appropriation.

3. On the second Monday of June of each year, the Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services shall close the preceding fiscal year General Revenue Cash-flow Reserve Fund by transfer to the then current fiscal year General Revenue Fund.

4. Any monies in the prior year General Revenue Cash-flow Reserve Fund which are not necessary for the current year cash-flow needs shall be subject to legislative appropriation.

SECTION 382. AMENDATORY 62 O.S. 2011, Section 34.55, is amended to read as follows:

Section 34.55 A. The Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services may transfer monies from any treasury fund to the General Revenue Cash-flow Reserve Fund as required to satisfy monthly allocations scheduled from the General Revenue Fund for the then current fiscal year. Funds from which any monies are so transferred shall be repaid before any transfers are made from the General Revenue Fund to the General Revenue Cash-flow Reserve Fund for the subsequent fiscal year.

B. The Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services may transfer monies to any treasury fund from the General Revenue Cash-flow Reserve Fund as required to satisfy cash-flow requirements of the federal Cash Management Improvement Act. Funds to which any monies are so transferred shall be repaid within the same month. If insufficient funds exist in the General Revenue Cash-flow Reserve Fund for this purpose, the General Revenue Fund for the then current fiscal year may be used with the same repayment stipulations.

SECTION 383. AMENDATORY 62 O.S. 2011, Section 34.56, is amended to read as follows:

Section 34.56 A. There is hereby re-created, to continue until July 1, 2008, in accordance with the provisions of the Oklahoma Sunset Law, a Special Agency Account Board, to consist of the Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services, the State Treasurer and the Director of the

Legislative Service Bureau. The Board shall have the authority to approve the establishment of agency special accounts in the official depository of the State Treasury. In the case of institutions of higher education, the Special Agency Account Board, acting in conjunction with the Oklahoma State Regents for Higher Education, shall establish special agency accounts as appropriate which shall be consistent with provisions of the Oklahoma State Finance Act, as it relates to institutions in The Oklahoma State System of Higher Education.

B. The Board, created by this section, shall adopt procedures including application forms, justification and other pertinent information as to the basis for a state agency application for the establishment of agency special accounts.

C. The Board may approve agency special accounts for money received by state agencies for the following purposes:

1. Benefit programs for individuals, including, but not limited to, unemployment compensation, workers' compensation and state retirement programs;

2. Revenues produced by activities or facilities ancillary to the operation of a state agency which receive no money, directly or indirectly, from or through that state agency, including, but not limited to, revenues from the sales of food at retail level, sales at canteens, sales at student unions, sales at student bookstores, receipts from athletic programs and receipts from housing.

Provided, however, that a state institution of higher learning may purchase necessary equipment and instructional supplies and office supplies from a student bookstore, or, subject to authorization by the Oklahoma State Regents for Higher Education, may rent building space for institutional use in a building operated by an organization or entity whose existence is ancillary to the operation of a state agency, and whose cost was financed in whole or in part with revenue-type bonds; provided, further, that the cost of such office supplies or space rental shall not exceed the cost of similar supplies or rentals available commercially;

3. Gifts, devises and bequests with an agency as beneficiary, unless otherwise provided by statute;

4. Evidence funds for law enforcement agencies;

5. Student loan funds and scholarship funds;

6. Funds held in escrow;

7. Land Commission funds;

8. Funds for which the state agency acts as custodian, including, but not limited to, fees from employee earnings approved by the governing board of the agency, funds of student organizations including student activity fees collected by an educational institution as a separate item in enrollment procedures, professional organizations, patients and inmates;

9. Funds used by the Oklahoma Tax Commission to pay for the filing of liens with the Federal Aviation Administration;

10. Temporary accounts for funds arising from new or amended legislation not otherwise provided for in statute or for other emergency situations. Such accounts are to be utilized only pending legislative action directing custody of such funds;

11. Payment of liability claims against the state;

12. Activities of the various Armory Boards of the Oklahoma Military Department to receive and dispense funds derived by the Armory Boards pursuant to Sections 232.6 and 232.7 of Title 44 of the Oklahoma Statutes; and

13. Payment of expenses incurred in connection with the acceptance of payments made with nationally recognized credit cards.

D. The State Treasurer is authorized to accept deposit of money made directly to agency special accounts approved by the Board. All money received by a state agency, as described in Section 34.57 of this title, shall be deposited in State Treasury funds or accounts and no money shall be deposited in banks or other depositories unless the bank accounts are maintained by the State Treasurer or are for the deposit of authorized petty cash funds.

E. Money deposited in agency special accounts shall be disbursed on vouchers issued by the state agency concerned to accomplish the purpose for which the money was intended.

F. Funds and revenues of the Grand River Dam Authority are exempt from the requirements of this section.

G. Funds and revenues of the Oklahoma Municipal Power Authority are exempt from the requirements of this section.

H. Monies used for investment purposes by the Oklahoma Firefighters Pension and Retirement System, the Oklahoma Police Pension and Retirement System, the Uniform Retirement System for Justices and Judges, the Oklahoma Law Enforcement Retirement System, the Oklahoma Public Employees Retirement System, the Teachers' Retirement System of Oklahoma, the State Insurance Fund, the ~~State and Education~~ Oklahoma Employees ~~Group~~ Insurance and Benefits Board, the Commissioners of the Land Office, and the Oklahoma State Regents for Higher Education for its Endowment Trust Fund are exempt from the requirements of this section, and shall be placed with the respective custodian bank or trust company.

SECTION 384. AMENDATORY 62 O.S. 2011, Section 34.58, is amended to read as follows:

Section 34.58 A. Each state agency shall furnish to the Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services, in such form as the Director shall prescribe, detailed information showing the income, disbursements, and transfers for each agency clearing account and each agency's special account. Income, disbursements and transfers shall be identified in accordance with code designations as provided in the accounting procedures of the ~~Office of State Finance~~ Office of Management and Enterprise Services.

B. The Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services may approve any modification in the code designations of income, disbursements and transfers that he or she finds expedient.

C. The State Treasurer shall not honor vouchers disbursing and transferring monies from agency clearing accounts or special accounts, when he or she has been notified by the Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services that an agency is not in compliance with the provisions of subsection A of this section.

SECTION 385. AMENDATORY 62 O.S. 2011, Section 34.62, is amended to read as follows:

Section 34.62 Encumbrance requirements for payments from funds of the state shall include the following:

1. Whenever agencies of this state enter into contracts for, or on behalf of the state for the purchase of tangible or intangible property, or for services or labor, such agreement shall be evidenced by written contracts or purchase orders, and must be transmitted to the Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services within a reasonable time from the date of the awarding of the contract or purchase order, as determined by the Director;

2. The Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services shall charge such contracts or

purchase orders against the proper account as an outstanding order until it is liquidated by payment of a claim, or claims, against said contracts or purchase orders, or by cancellation of the contract or purchase order;

3. The Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services shall have the power to authorize agencies of the state to make purchases without the submission of competitive bids as otherwise required by Sections 85.7 and 85.12 of Title 74 of the Oklahoma Statutes, for or on behalf of the state whenever the Director determines that it is in the best interests of the state. The administrative head of any agency shall be personally liable for obligations incurred in excess of the authorization granted by the Director;

4. The Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services shall never authorize payment of claims for any agency of the state unless they are supported by:

a. contracts or purchase orders of the ~~Department of Central Services~~ Office of Management and Enterprise Services,

b. institutional purchase orders or contracts,

c. departmental purchase orders or contracts, or

d. authorizations for purchases granted by the Director as provided by paragraph 3 of this section;

5. Any invoice or claim dated prior to the date of any of the above-mentioned encumbrance documents shall be rejected by the ~~Office of State Finance~~ Office of Management and Enterprise Services;

6. Any encumbrance document that is outstanding on the records in the ~~Office of State Finance~~ Office of Management and Enterprise Services when its funding source or sources lapse shall be canceled, unless another current funding source is assigned; and

7. The Commissioners of the Land Office shall be authorized to make payment of fees to its custodial bank and investment managers from the proceeds of total realized investment gains and such payments may be made from a special fund hereby created in the State Treasury for this purpose. Total payments for this purpose in a fiscal year shall not exceed one-half percent (0.5%) of the market value of the funds under the Commissioners' management on June 30 of the previous fiscal year.

SECTION 386. AMENDATORY 62 O.S. 2011, Section 34.63, is amended to read as follows:

Section 34.63 A. The State Treasurer shall be the disbursing agency of the state and shall draw either checks or warrants payable at the State Treasury, in payment of all claims, including payrolls, against the state which shall be paid out of the Treasury, as follows:

1. Each check or warrant shall specify the date of its issue and the name of the person to whom payable; and

2. For each check, or warrant, issued by the State Treasurer, there shall be a record which shall specify the gross amount, the amount of withholding, if any, and the net amount payable to the payee.

B. At the end of each month the State Treasurer shall report to the Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services in such form as the Director shall prescribe, all checks or warrants issued during the month.

C. Checks or warrants issued by the State Treasurer shall be registered on the records of the State Treasurer in such manner as shall be prescribed by the Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services; provided, that each check or warrant shall indicate thereon the fund against which the same shall be charged. The purpose of this section is to permit checks or warrants to be registered in the order in which they are drawn upon the State Treasury.

SECTION 387. AMENDATORY 62 O.S. 2011, Section 34.64, is amended to read as follows:

Section 34.64 A. Except as otherwise provided in the Oklahoma State Finance Act, procedures for paying claims or payrolls shall include the following:

1. All miscellaneous claims and payroll claims for the payment of money from the State Treasury, shall be filed with the Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services for audit and settlement prior to being filed for payment with the State Treasurer;

2. The Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services may establish alternative procedures for the settlement of claims whenever such procedures are more advantageous so long as they are consistent with the requirements of state law;

3. Such alternative procedures shall be at the discretion of the Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services and may include, but are not limited to:

a. a procedure to permit consolidated payment to vendors for claims involving more than one agency of the state when audit and settlement of such claims, as hereinafter provided, can in all respects be accomplished,

b. procedures based upon valid statistical sampling models for preaudit of claims, against contracts, purchase orders and other commitments before entering such claims against the accounts, and

c. policies, procedures and performance criteria for the participation of agencies or departments, not

authorized by this section, to engage in an alternative system for the settlement of claims; and

4. The Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services may use a numeric or alphanumeric designation to cross-reference claims or payrolls to check warrant numbers, transfer entry or optional settlement mode used in the payment thereof.

B. After claims or payrolls or both have been properly audited and recorded against the respective contracts, purchase orders, other commitments and accounts, the Division of Central Accounting and Reporting shall certify such claims or payrolls to the State Treasurer for payment.

C. It shall be the responsibility of the Division of Central Accounting and Reporting to determine that:

1. All material legal requirements concerning the expenditure of monies involved in each claim or payroll have been complied with;

2. Funds have been properly and legally allotted for the payment of the claim or payroll; and

3. A sufficient balance exists for the payment of same.

D. The Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services or bonded employees in the Division of Central Accounting and Reporting authorized by the Director shall certify to the State Treasurer that the claim or payroll has been approved for payment.

E. 1. The Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services shall be authorized to establish necessary agency disbursing funds to efficiently accommodate the cash flow requirements of applicable federal regulations, bond indebtedness and other directives deemed appropriate by the Director.

2. Agencies operating such disbursing funds are authorized to establish a preaudit and settlement system for claims or payments or both relating to the purposes of the stated directives.

3. The State Treasurer shall establish procedures for the state in accordance with Federal Banking and National Automated Clearing House Association standards and agencies shall be required to utilize automated clearing house procedures established by the State Treasurer.

4. No individual or entity shall be required to have a bank account unless required by federal law or federal regulation.

5. Agencies shall be further required to present these transactions to the ~~Office of State Finance~~ Office of Management and Enterprise Services in a summarized format and shall include any accounting information necessary as determined by the Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services including, but not limited to, information related to federal law.

6. Administrative expenditures shall not be eligible for these procedures.

7. The efficiency of the payment system shall be considered when the interest earnings of the state are not diminished.

F. The Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services shall be authorized to process payments for federal tax withholding without claim forms. The Director shall establish a separate fund for the purpose of accumulating federal income tax withholding from payrolls and remitting same to the United States Treasury.

G. 1. The Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services shall be authorized to process, without claim forms, interest payments to the U.S. Treasury as required by federal law.

2. Agencies are responsible for the accrual of such interest liability of the state and shall provide payment to the ~~Office of State Finance~~ Office of Management and Enterprise Services in the amount and method prescribed by the Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services.

3. Any liability of the U.S. Treasury as determined by federal law shall be deposited in the State Treasury and transferred by the Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services to the General Revenue Fund of the state subsequent to final determination and necessary audit resolution.

H. Payments disbursed from the State Treasury shall be conveyed solely through an electronic payment mechanism. The State Treasurer may provide an exemption from the provisions of this subsection, with cause, provided the number of exempted payments and a corresponding list of causes shall be published in a regularly updated report which is featured prominently on the State Treasurer's website.

SECTION 388. AMENDATORY 62 O.S. 2011, Section 34.65, is amended to read as follows:

Section 34.65 A. To facilitate the payment of vendor invoices and contract estimates, the Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services shall prescribe a uniform document to be used by all agencies of the state. The document shall provide summarized information relative to the referenced invoices or contract estimates, together with a space for the approval of the head of the agency approving said vendor invoices or contract estimates for payment.

B. Vendor invoices and contract estimates shall be accepted by the state in lieu of the claim form previously required in the same manner as commercial invoices are paid.

C. Vendor invoices and contract estimates shall be filed with the agency receiving the merchandise or services in the same manner as invoices are filed with commercial firms.

D. Upon receipt of invoices or contract estimates, the head of the agency, or the agency's authorized agent, may approve said documents for payment as confirmation of delivery or acceptance of the goods or services. Whereupon, the approved invoices or contract estimates shall be attached to the document provided for such purpose and the head of the agency approving such invoices of contract estimates for payment shall affix the approval in the space provided on the document.

E. Commercial invoices shall be accepted in lieu of the standard notarized claim prescribed by the state.

SECTION 389. AMENDATORY 62 O.S. 2011, Section 34.66, is amended to read as follows:

Section 34.66 A. The State Treasurer shall write checks or warrants in payment of claims and payrolls certified to the State Treasurer for payment by the Division of Central Accounting and Reporting or:

1. The Department of Human Services;

2. The Department of Rehabilitative Services;

3. The State Department of Health;

4. The Department of Transportation;

5. The State Department of Education;

6. The Oklahoma Department of Career and Technology Education; and

7. The institutions within The Oklahoma State System of Higher Education.

B. The State Treasurer, within such limitations as the State Treasurer may prescribe, may authorize the Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services and the entities specified in subsection A of this section to issue the checks or warrants for payment of claims and payrolls that have been certified by the respective agency.

C. The Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services and the entities specified in subsection A of this section shall provide the State Treasurer a register of each payment for each check or warrant issued. To protect against fraud, information contained within the register of checks or warrants shall not be subject to the Oklahoma Open Records Act until the earlier of:

1. Such checks or warrants are submitted for redemption; or

2. Such checks or warrants are cancelled by statute.

D. In lieu of checks or warrants:

1. The Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services may, with the concurrence of the State Treasurer, settle interagency claims by transfer entry; and

2. At the discretion of the State Treasurer, pay claims and payrolls by the electronic transfer of funds.

SECTION 390. AMENDATORY 62 O.S. 2011, Section 34.67, is amended to read as follows:

Section 34.67 A. The Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services is hereby authorized to prescribe forms and electronic systems to process claims and payroll to be used by the various agencies of the state. Any agency of the state may file a claim against more than one item of the current allotments within funds by indicating on the claim or payroll the account, or accounts to be charged. The Director shall approve and charge such claim to the account, or accounts, indicated after proper audit of the claim or payroll.

B. These payroll systems are hereby authorized for use in claiming amounts due individually to all employees within an agency of the state. Each payroll record shall show the total earnings, the amount of each type of withholding and the net amount due each employee. Withholdings may be reserved by the Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services to be paid to the proper entity by lump sum payments.

SECTION 391. AMENDATORY 62 O.S. 2011, Section 34.68, is amended to read as follows:

Section 34.68 A. The elected or appointed executives of any state agency or their designated administrative employees shall approve individual claims of the agency which are used as the basis

for the payment of money from the State Treasury from any fund. These individuals shall be known as the "agency approving officers".

B. Payrolls shall show the amount to be paid to each named person for the period of time shown.

C. The number of persons authorized to make such approval shall not exceed five people for any one state agency without the special approval of the Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services.

D. All agency approving officers shall execute a bond issued by a surety company licensed to do business in this state, payable to the state in the amount required by the Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services but not less than Fifty Thousand Dollars ($50,000.00) and conditioned for the faithful performance of their duties, as surety, which shall be approved by the Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services and filed in the office of the Secretary of State.

E. After state claims and/or payrolls have been approved by the above agency approving officers, they shall be filed with the Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services for auditing and settlement.

SECTION 392. AMENDATORY 62 O.S. 2011, Section 34.69, is amended to read as follows:

Section 34.69 There is hereby created in the State Treasury a Payroll Fund which shall be used by the Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services and the State Treasurer to issue a consolidated payroll for each agency of the state. Payrolls of state agencies shall be charged against the Payroll Fund created herein. Each state agency shall prepare summary distributions of the amounts of payrolls to be charged against each fund within the State Treasury and the Director shall transfer monies from each fund in the State Treasury to the Payroll Fund amounts as shown on payroll distribution summaries, and shall charge such amounts to the account affected thereby.

B. As of July 1, 2010, the ~~Office of State Finance~~ Office of Management and Enterprise Services shall make available and each executive state agency shall make available to all state employees a centralized web-based system to access their personal employment and compensation-related information. The provisions of this subsection as it pertains to executive agencies may be waived by the Director of ~~State Finance~~ the Office of Management and Enterprise Services in the event that lack of timely access prevents employees from utilizing the centralized system. As used in subsections B, C and D of this section, "executive state agency" shall mean any state agency, authority, board, commission or other entity organized within the executive department of state government. Executive state agency shall not mean any government entity organized or

created within the legislative or judicial departments of state government.

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

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

2. In the six (6) months prior to an executive state agency's conversion to multi-monthly payroll, the executive state agency shall offer either multi-monthly or supplemental payroll to any employee who chooses to participate. The provisions of this paragraph shall not apply to employees placed on the multi-monthly payroll pursuant to paragraph 1 of this subsection.

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

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

a. earned compensatory time, if the agency normally provides its employees compensatory time,

b. earned annual leave,

c. earned sick leave up to a maximum of forty (40) hours, and

d. shared leave as approved by the appointing authority.

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

E. The ~~Office of State Finance in coordination with the Office of Personnel Management~~ Office of Management and Enterprise Services shall establish procedures concerning the conversion.

SECTION 393. AMENDATORY 62 O.S. 2011, Section 34.70, is amended to read as follows:

Section 34.70 A. 1. Upon the request of a state employee, a state agency shall make voluntary payroll deductions for the employee to any credit union, bank, or savings association having an office in this state.

2. If the governing body of any county, municipality, or school district provides for voluntary payroll deductions to a credit union serving the employees of the county, municipality, or school district, it shall provide voluntary payroll deductions to any credit union, bank, or savings association having an office in this state which has a minimum participation of twenty percent (20%) of the employees of the county, municipality, or school district.

B. Upon the request of a state employee and pursuant to procedures established by the ~~Administrator~~ Director of the ~~Office of Personnel Management~~ Office of Management and Enterprise Services, a state agency shall make payroll deductions for:

1. The payment of any insurance premiums due a private insurance organization with a minimum participation of five hundred (500) state employees for life, accident, and health insurance which is supplemental to that provided for by the state;

2. The payment of any insurance premiums due a private insurance organization or service company which is regulated by the State Insurance Commissioner and with a minimum participation of five hundred (500) state employees for legal services;

3. Premiums or payments for retirement plans with a minimum participation of five hundred (500) state employees for retirement plans which are supplemental to that provided for by the state;

4. Salary adjustment agreements included in a flexible benefits plan as authorized by the State Employees Flexible Benefits Act;

5. Membership dues utilized for benefits, goods or services provided by the Oklahoma Public Employees Association to the organization's membership or any other statewide association limited to state employee membership with a minimum membership of two thousand (2,000) dues-paying members. For purposes of this paragraph, state agencies shall accept online or electronically submitted forms from the Oklahoma Public Employees Association and other state employee associations. The ~~Office of Personnel Management~~ Office of Management and Enterprise Services shall develop and implement a verification process for online or electronically submitted forms which may include the use of electronic signature technology or other process as determined appropriate;

6. Contributions to any foundation organized pursuant to 26 U.S.C., Section 501(c)(3) of the Oklahoma Public Employees Association or any other statewide association limited to state employee membership with a minimum membership of two thousand (2,000) dues-paying members;

7. Payments to a college savings account administered under the Oklahoma College Savings Plan Act pursuant to Section 3970.1 et seq. of Title 70 of the Oklahoma Statutes;

8. Subscriptions to the Oklahoma Today magazine published by the State of Oklahoma through the Oklahoma Tourism and Recreation Department; and

9. The payment of any insurance premiums due a private insurance organization, which is regulated by the State Insurance Commission, for an Oklahoma Long-Term Care Partnership Program approved policy pursuant to the Oklahoma Long-Term Care Partnership Act.

C. The administrative costs of processing payroll deductions or administering salary adjustment agreements for insurance premiums as provided for in subsection B of this section shall be a charge of two percent (2%) of the gross annual premiums for insurance plans. The administrative costs of processing payroll deductions or administering salary adjustment agreements for payments for retirement plans as provided for in subsection B of this section shall be one percent (1%) of the gross annual payments for retirement plans. These charges shall be collected monthly from the private insurance or retirement plan organization by the ~~Office of Personnel Management~~ Office of Management and Enterprise Services and shall be deposited to the credit of the General Revenue Fund. Provided that these costs shall not be collected from state employees or state agencies unless otherwise directed in the Oklahoma State Finance Act.

D. Any statewide association granted a payroll deduction prior to January 1, 2008, shall be exempt from the minimum state employee membership requirement.

E. Approval of a payroll deduction or salary adjustment agreement for any insurance organization, line of coverage or policy shall not be construed as an assumption of liability, for the term of policy or the performance of the insurance organization, by this state, or any of its agencies or any officer or employee thereof. Contracts for such insurance shall be in all respects subject to the insurance laws of this state, and shall be enforceable solely pursuant to such laws.

F. The Oklahoma Employment Security Commission is authorized to deduct from the wages or salary of its employees the employees' contribution to the Oklahoma Employment Security Commission Retirement Plan.

G. Payroll deductions shall be made for premium payments for group insurance for retired members or beneficiaries of any state-supported retirement system upon proper authorization given by the member or beneficiary to the board from which the member or beneficiary is currently receiving retirement benefits.

H. Upon request of instructional personnel employed at either the Oklahoma School for the Blind or the Oklahoma School for the Deaf and pursuant to procedures established by the ~~Administrator~~ Director of the ~~Office of Personnel Management~~ Office of Management and Enterprise Services, the Commission for Rehabilitation Services shall make payroll deductions for membership dues in any statewide educational employee organization or association.

I. Upon the request of a state employee of the Department of Corrections, the Department shall make voluntary payroll deductions for the employee to the Correctional Peace Officer Foundation.

SECTION 394. AMENDATORY 62 O.S. 2011, Section 34.71, is amended to read as follows:

Section 34.71 The Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services shall establish a procedure to issue payment of a proper invoice for goods or services within no more than forty-five (45) days from the date on which the invoice was received in the office designated by the agency to which the goods or services were sold and delivered.

SECTION 395. AMENDATORY 62 O.S. 2011, Section 34.72, is amended to read as follows:

Section 34.72 The Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services shall establish a procedure to assess and pay interest for the late payment of an invoice, which interest shall be calculated beginning the thirtieth day after receipt by the designated office of a proper invoice for which payment has not been mailed, transmitted, or delivered to a vendor by the close of business on the forty-fifth day. Such interest shall be at an annualized rate based on an average of the interest rate for thirty-day time deposits of state funds during the last calendar quarter of the last preceding fiscal year, as reported by the State Treasurer.

SECTION 396. AMENDATORY 62 O.S. 2011, Section 34.74, is amended to read as follows:

Section 34.74 Any vendor of goods or services purchased by or delivered to an agency of the state whose payment is delayed beyond the forty-five-day limit and who has not been compensated by payment of interest as provided for in the Oklahoma State Finance Act may file a grievance with the Office of the Governor, who shall transmit it to the Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services. Upon receipt of such grievance, the Director shall pay the total amount of such invoice with interest as required, within fifteen (15) days, to remedy such grievance. If the Director determines that the invoice or interest should not be paid, such determination and the reasons therefor shall be reported to the Governor and the aggrieved vendor.

SECTION 397. AMENDATORY 62 O.S. 2011, Section 34.75, is amended to read as follows:

Section 34.75 A. The Department of Human Services may establish an encumbrance and preaudit system for settlement of claims relating to public assistance, social service benefits and medical benefits to or for persons eligible under applicable federal laws and rules, Oklahoma Statutes, and policies established by the Oklahoma Commission for Human Services. The following programs shall be eligible for this procedure:

1. Aid to Families with Dependent Children;

2. Aid to Aged, Blind and Disabled;

3. Medical Assistance;

4. Day Care;

5. Refugee Resettlement;

6. Low Income Heating and Energy Assistance;

7. General Assistance;

8. Crippled Children;

9. Social Services under Title XX of the U.S. Social Security Act, 42 U.S.C., Section 301 et seq.;

10. Adoption Subsidies;

11. Foster Care;

12. Medical Examination;

13. Area Agencies on Aging;

14. Any contract for service for which the ~~Department of Central Services~~ Office of Management and Enterprise Services has approved as qualifying for a fixed and uniform rate pursuant to Section 85.7 of Title 74 of the Oklahoma Statutes;

15. Sheltered Workshops;

16. Contracted Group Homes;

17. Rehabilitative Client Interpreters;

18. Rehabilitative Client Drivers; and

19. Maternal and Child Health Services Block Grant.

B. Prior to inclusion in this procedure, the Department of Human Services shall provide to the Director of the ~~Office of State~~

~~Finance~~ Office of Management and Enterprise Services, for approval, detailed listings of the type of payments to be made for each of these programs specified in subsection A of this section.

C. The Department of Human Services shall provide the Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services a daily report of the dollar amount of claims settled and checks or warrants issued, the dollar amount of checks or warrants canceled, and the dollar amount of checks or warrants canceled by statutes.

D. The Department of Human Services and the Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services shall jointly establish a system for the settlement of claims, except for payroll, by the Department of Human Services. The settlement system shall include policy, procedures and performance criteria for participation.

SECTION 398. AMENDATORY 62 O.S. 2011, Section 34.77, is amended to read as follows:

Section 34.77 A. The State Department of Rehabilitation Services is authorized to establish an encumbrance and preaudit system for settlement of claims relating to social service benefits and medical benefits to or for persons eligible under applicable federal laws and regulations, Oklahoma Statutes, and policies established by the Commission for Rehabilitation Services for the following programs:

1. Vocational and other rehabilitation;

2. Educational services;

3. Disability Determination Services; and

4. Visual Services.

B. Prior to inclusion in this procedure, the State Department of Rehabilitation Services shall provide to the Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services, for approval, detailed listings of the type of payments to be made for each of these programs specified in subsection A of this section.

C. The State Department of Rehabilitation Services shall provide the Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services a daily report of the dollar amount of claims settled and checks or warrants issued, the dollar amount of checks or warrants canceled, and the dollar amount of checks or warrants canceled by statutes.

SECTION 399. AMENDATORY 62 O.S. 2011, Section 34.78, is amended to read as follows:

Section 34.78 A. The Oklahoma State Regents for Higher Education and the Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services shall jointly establish a system for the settlement of claims, except for payroll, by institutions of The Oklahoma State System of Higher Education. The settlement system shall include policy, procedures, and performance criteria

for participation. The State Regents may approve or disapprove the participation of any institution or other entity of the State System in the claims settlement system.

B. The Department of Education and the Oklahoma Department of Career and Technology Education may establish a preaudit and settlement system for claims and/or payments of state-funded assistance to school districts and institutions within The Oklahoma State System of Higher Education. The payment system shall be neutral as to interest income to the state and the school districts.

SECTION 400. AMENDATORY 62 O.S. 2011, Section 34.80, is amended to read as follows:

Section 34.80 A. All warrants, checks or orders issued by the State Treasurer against claims submitted through the ~~Office of State Finance~~ Office of Management and Enterprise Services in payment of obligations of the state which shall for any cause remain outstanding or unpaid for a period of ninety (90) days after funds are available for their payment shall be revoked and canceled.

B. Such warrants, checks or orders shall be entered into the records of the ~~Office of State Finance~~ Office of Management and Enterprise Services and the State Treasurer and the administrative head of the agency certifying the claim for payment shall be notified that such items have been canceled.

C. If, for any reason, a warrant should not be issued to replace a warrant canceled pursuant to the provisions of this

section, the administrative head of the agency originally certifying the claim for payment shall, within seven (7) days after notification of the cancellation, advise the Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services that a reissue should not be made.

D. Notwithstanding the provisions of subsection B of this section, warrants issued or caused to be issued by the Department of Human Services for public assistance or medical assistance may be reissued at any time within three (3) years after cancellation upon submission of the canceled warrants to the Department.

E. No canceled warrants shall be paid, except that the holder of any warrant that may have been canceled pursuant to the provisions of this section may, within thirty-six (36) months following the month in which the warrant was canceled, present the warrant or an affidavit of loss or destruction, and a request for reissuance to the Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services.

F. The Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services shall certify a claim as needed for payment of those verified unpaid requests presented, unless the certifying agency has advised that a reissuance should not be made.

G. 1. There is hereby created in the State Treasury a fund to be known as the Canceled Warrant Fund.

2. The Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services shall transfer to the Canceled Warrant Fund the total of the payable amounts of the warrants canceled pursuant to the provisions of this section from the funds and accounts against which the canceled warrants had been drawn.

3. The ~~Office of State Finance~~ Office of Management and Enterprise Services shall disburse from the fund such amounts as necessary to pay warrants reissued as provided in this section.

4. These expenditures shall remain recorded in the funds and accounts against which the original canceled warrants were issued and they shall not be considered expenses of the state nor shall receipts to the fund be considered revenue to the state.

5. Any such claim drawn against the Canceled Warrant Fund shall identify the current holder of record and the warrant number of the canceled warrant, which shall be provided on the warrant record.

H. The Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services shall determine the minimum necessary balance to be maintained in the Canceled Warrant Fund and on the third Monday of October shall transfer the amount in excess of the required minimum balance to the General Revenue Fund of the current year. The minimum balance retained shall be not less than the total amount of the warrants canceled by statute within the past thirty-six (36) months preceding October 1 of each year and which remain eligible for replacement according to the records of the

~~Office of State Finance~~ Office of Management and Enterprise Services.

SECTION 401. AMENDATORY 62 O.S. 2011, Section 34.81, is amended to read as follows:

Section 34.81. A. The State Treasurer is hereby authorized and empowered to issue a replacement warrant or bond in lieu of any warrant or bond that has been lost or destroyed; provided, that no replacement warrant or bond shall be issued until an affidavit setting forth the facts as to the loss or destruction of said original warrant or bond has been filed with the Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services.

B. The Director and the State Treasurer shall maintain appropriate records in their offices to prevent, as nearly as reasonably possible, the state from mistakenly issuing any replacement warrant or bond.

C. Such records shall include a stop payment order against the original warrant to cancel the original warrant.

D. For such lost or destroyed miscellaneous warrants, the Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services shall cancel the original warrant record and process a replacement warrant against the original disbursement claim when possible, or otherwise shall transfer to the Canceled Warrant Fund the payable amount of lost or destroyed warrants on

which payment has been stopped pursuant to the provisions of this section from the fund and account against which said warrant had been drawn and issue a replacement from the Canceled Warrant Fund.

E. For lost or destroyed payroll warrants, the Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services shall issue all payroll replacement warrants pursuant to the provisions of this section from the Canceled Warrant Fund. The Director shall allow the original payroll warrant record to cancel by statute and shall transfer to the Canceled Warrant Fund the payable amount to cover the lost or destroyed warrants on which payment has been stopped pursuant to the provisions of this section from the fund and account against which the warrant had been drawn.

SECTION 402. AMENDATORY 62 O.S. 2011, Section 34.82, is amended to read as follows:

Section 34.82 A. Disbursement information for all bonds and interest coupons redeemed by the State Treasurer shall be delivered to the Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services for posting. Deposit information for each and every receipt issued for monies received into the State Treasury shall be receipted for by the ~~Office of State Finance~~ Office of Management and Enterprise Services.

B. Such information shall be maintained as a permanent record in the ~~Office of State Finance~~ Office of Management and Enterprise Services.

C. The ~~Office of State Finance~~ Office of Management and Enterprise Services shall audit such redeemed information and apportion and distribute the collections as indicated by the State Treasury receipts.

D. All warrants and checks redeemed by the State Treasurer shall be maintained by the State Treasurer in accordance with state law.

SECTION 403. AMENDATORY 62 O.S. 2011, Section 34.83, is amended to read as follows:

Section 34.83 A. If nonpayable warrants are issued pursuant to the provisions of Section 23 of Article X of the Oklahoma Constitution, the Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services shall issue and publish the official call for payment for any warrants that may be outstanding and registered as "nonpayable".

B. Notice of such call shall be published in some newspaper of general circulation, published at the seat of government, and interest on all warrants so called for payment shall cease on or after ten (10) days from the date of the first publication of such notice.

C. The Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services shall be responsible for the custody of claims certified for payment which call for the disbursement of money from the Treasury.

D. Such claims shall be maintained in files accessible to the Division of Central Accounting and Reporting and the employees of the Division of Central Accounting and Reporting shall have authority to inspect such claims for the purpose of making accounting adjustments in the records maintained by the ~~Office of State Finance~~ Office of Management and Enterprise Services.

SECTION 404. AMENDATORY 62 O.S. 2011, Section 34.87, is amended to read as follows:

Section 34.87 In order to ensure that the Oklahoma Higher Learning Access Program will be fully funded and all eligible and qualifying students receive scholarships, the following procedures shall be observed:

1. Not later than November 1, 2007, and November 1 of each subsequent year, the Oklahoma State Regents for Higher Education shall estimate the amount of revenue they deem necessary to fund awards allowed pursuant to the Oklahoma Higher Learning Access Act, for the fiscal year which begins the following July 1 and provide such estimate to the State Board of Equalization;

2. At its meeting in December 2007, and December of each subsequent year, held pursuant to the provisions of paragraph 1 of Section 23 of Article X of the Oklahoma Constitution, the State Board of Equalization shall determine the total amount of revenue necessary to fund awards allowed pursuant to the Oklahoma Higher Learning Access Act for the fiscal year which begins the following

July 1 and subtract such amount from the amount it certifies as available for appropriation from the General Revenue Fund by the Legislature for such fiscal year; and

3. Notwithstanding any other provisions of law directing the apportionment of revenues, beginning with the fiscal year ending June 30, 2009, and for each subsequent fiscal year, the Director of ~~State Finance~~ the Office of Management and Enterprise Services shall transfer on a periodic basis as needed the amount of revenue subtracted pursuant to the provisions of paragraph 2 of this section to be deposited to the Oklahoma Higher Learning Access Trust Fund, in lieu of being deposited to the General Revenue Fund.

SECTION 405. AMENDATORY 62 O.S. 2011, Section 34.90, is amended to read as follows:

Section 34.90 There is hereby created in the State Treasury a revolving fund for the State Department of Education to be designated the "Common Education Technology Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of monies received pursuant to the provisions of subparagraph a of paragraph 2 and subparagraph a of paragraph 3 of Section 1004 of Title 68 of the Oklahoma Statutes and any funds previously deposited in the Common Education Technology Fund. All monies accruing to the credit of the fund are hereby appropriated and may be budgeted and expended by the State Department of Education as authorized by the Oklahoma Legislature.

Expenditures from the fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 406. AMENDATORY 62 O.S. 2011, Section 34.91, is amended to read as follows:

Section 34.91 There is hereby created in the State Treasury a revolving fund for the Oklahoma State Regents for Higher Education to be designated the "Higher Education Capital Revolving Fund". The fund shall be a continuing fund not subject to fiscal year limitations, and shall consist of monies received pursuant to the provisions of subparagraph b of paragraph 2 and subparagraph b of paragraph 3 of Section 1004 of Title 68 of the Oklahoma Statutes and any funds previously deposited in the Higher Education Capital Fund. All monies accruing to the credit of the fund are hereby appropriated and may be budgeted and expended by the Oklahoma State Regents for Higher Education as authorized by the Oklahoma Legislature. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 407. AMENDATORY 62 O.S. 2011, Section 34.92, is amended to read as follows:

Section 34.92 A. There is hereby created in the State Treasury a revolving fund for the Oklahoma State Regents for Higher Education to be designated the "Oklahoma Student Aid Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of monies received pursuant to the provisions of subparagraph c of paragraph 2 and subparagraph c of paragraph 3 of subsection A of Section 1004 of Title 68 of the Oklahoma Statutes and any funds previously deposited in the Oklahoma Tuition Scholarship Fund. All monies accruing to the credit of the fund are hereby appropriated and may be budgeted and expended by the Oklahoma State Regents for Higher Education as authorized by the Oklahoma Legislature. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services for approval and payment.

B. Beginning with fiscal year 2003, monies accruing to the credit of the Oklahoma Student Aid Revolving Fund shall be appropriated for and budgeted and expended for providing student aid in the form of state tuition aid grants awarded pursuant to the Higher Education Tuition Aid Act and scholarships awarded pursuant to the Oklahoma State Regents' Academic Scholars Program.

SECTION 408. AMENDATORY 62 O.S. 2011, Section 34.93, is amended to read as follows:

Section 34.93 A. The ~~Office of State Finance~~ Office of Management and Enterprise Services shall separately account for revenues which are deposited to the credit of the Teachers' Retirement System Dedicated Revenue Revolving Fund of the State Treasury pursuant to the provisions of Sections 1353, 1403 and 2352 of Title 68 of the Oklahoma Statutes on a fiscal year basis and shall provide an accounting to the Governor, President Pro Tempore of the Senate, and the Speaker of the House of Representatives within thirty (30) days after the end of the fiscal year.

B. Funds separately accounted for herein shall be used only to fund the currently unfunded liability of the Teachers' Retirement System and for no other purpose. Any appropriation or expenditure of any of such funds for any other purpose shall be null and void and of no effect. Each month the State Department of Education shall transfer the monies apportioned to the Teachers' Retirement System Dedicated Revenue Revolving Fund to the Teachers' Retirement System of Oklahoma to be used by the System for the purposes prescribed by this section.

C. There is hereby created in the State Treasury a revolving fund for the benefit of the Oklahoma Teachers' Retirement System to be designated the "Teachers' Retirement System Dedicated Revenue Revolving Fund" which fund shall be administered by the State Department of Education. The fund shall consist of any monies as apportioned to the fund by Sections 1353, 1403 and 2352 of Title 68

of the Oklahoma Statutes. The fund herein created may be expended for the purpose set forth in subsection B of this section and in the same manner as appropriated funds.

SECTION 409. AMENDATORY 62 O.S. 2011, Section 34.94, is amended to read as follows:

Section 34.94 The ~~Office of State Finance~~ Office of Management and Enterprise Services shall separately account for and report monthly revenues which it determines are attributable to fees collected by the Oklahoma Board of Private Vocational Schools pursuant to Section 21-106 of Title 70 of the Oklahoma Statutes. The ~~Office of State Finance~~ Office of Management and Enterprise Services shall track the fee revenue deposited by the Board on a fiscal year basis and shall provide an accounting to the Governor, the Speaker of the House of Representatives and the President Pro Tempore of the Senate within thirty (30) days after the end of the fiscal year.

SECTION 410. AMENDATORY 62 O.S. 2011, Section 34.95, is amended to read as follows:

Section 34.95 A. The Appropriations and Budget Committee of the Oklahoma House of Representatives and the Appropriations Committee of the State Senate shall:

1. Utilize information collected by the ~~Office of State Finance~~ Office of Management and Enterprise Services pursuant to Section ~~41.29~~ 34.36 of ~~Title 62 of the Oklahoma Statutes~~ this title and any

reports issued by the Legislative Oversight Committee on State Budget Performance to evaluate management programs, operations and fiscal needs of state agencies, boards, commissions, departments, divisions, offices, bureaus, institutions and other spending agencies, including those created or established pursuant to constitutional provisions; and

2. File an evaluation report no later than March 1 of each fiscal year with the Chief Clerk of the Oklahoma House of Representatives and the Clerk of the State Senate which shall include, but not be limited to, the following information:

a. a review of the agency's programs, performance and management,

b. whether the agency has demonstrated a public need for the services and programs justifying the agency's continued existence, and

c. whether the agency is the most appropriate provider of the programs and services furnished by the agency.

B. The Appropriations and Budget Committee of the Oklahoma House of Representatives and the Appropriations Committee of the State Senate shall utilize information contained in the evaluation report in determining final appropriations for state agencies and in any future adjustments in funding levels.

C. No action shall be taken on a measure making an appropriation unless the evaluation report described by paragraph 2

of subsection A of this section with respect to the entity to which the appropriation is made has first been filed with the applicable clerk.

SECTION 411. AMENDATORY 62 O.S. 2011, Section 34.96, is amended to read as follows:

Section 34.96 A. There is hereby established the Legislative Oversight Committee on State Budget Performance. The purposes of this committee shall include oversight of the implementation of a system of program performance-based budgeting for implementation by state agencies.

B. The Committee's duties shall also include:

1. Development of agency budget request forms and instructions in conjunction with the ~~Office of State Finance~~ Office of Management and Enterprise Services;

2. Directing studies to aid in the development of legislative and procedural changes to further improve the budgetary, financial, accounting, reporting, personnel, and purchasing processes and systems of the state;

3. Direction of program evaluation and management studies;

4. Oversight and reporting on executive branch compliance with the legislative intent of appropriation measures. Such oversight and reporting duties may include:

a. agency reorganization actions,

b. executive orders calling for reduction of full-time-equivalents or hiring freezes, and

c. transfer of funds by the executive branch;

5. The development of revenue and expenditure estimates and analyses;

6. Study of the management, operations, programs and fiscal needs of the agencies and institutions of Oklahoma state government pursuant to the Oklahoma Program Performance Budgeting and Accountability Act;

7. Review of the executive budget, agency strategic plans and the estimate of needs of each state agency and institution. Reports may be issued by the Committee as it deems appropriate; and

8. Implementation of an ongoing evaluation review procedure of existing programs based on zero-base budgeting techniques pursuant to the Oklahoma Program Performance Budgeting and Accountability Act. The committee in cooperation with the ~~Office of State Finance~~ Office of Management and Enterprise Services shall establish a schedule to review strategic plans and existing programs for each agency a minimum of once every four (4) years. The committee shall issue an evaluation report for each agency once every four (4) years which will include but not be limited to the following information:

a. a review of the agency's programs, performance and management,

b. whether the agency has demonstrated that there is a need for the services and programs which justifies the agency's continued existence,

c. whether the agency is the most appropriate provider of the programs and services furnished by the agency.

C. Any reference in the Oklahoma Statutes to the Joint Legislative Committee on Budget and Program Oversight shall be a reference to the Legislative Oversight Committee on State Budget Performance.

D. The Committee shall be composed of three members appointed by the President Pro Tempore of the Senate, three members appointed by the Speaker of the House of Representatives, two members by the minority leader of the Senate and two members appointed by the minority leader of the House of Representatives. The Chair and Vice Chair of the Committee shall rotate every two (2) years between the Senate and the House of Representatives beginning with a Senate member serving as Chair in 2003. The Committee shall meet at least four (4) times per year and at other times as called by the Chair. The Legislative Oversight Committee on State Budget Performance shall function as a committee of the Legislature when the Legislature is in session and is not in session. Each member of the Committee shall serve until a successor is appointed.

E. The Committee shall be staffed jointly by the staff of the fiscal divisions of the Senate and the House of Representatives.

F. The Committee may make use of all available teleconferencing technology to facilitate meetings of the Committee when the Legislature is not in session. The Committee shall take any appropriate action to make such teleconferenced meetings comply with the provisions of the Oklahoma Open Meeting Act, Section 301 et seq. of Title 25 of the Oklahoma Statutes.

G. The Committee shall periodically meet in different geographical regions of the state to enhance the Committee's understanding of local conditions and to help educate the public as to the fiscal condition of the state.

SECTION 412. AMENDATORY 62 O.S. 2011, Section 34.100, is amended to read as follows:

Section 34.100 The ~~Office of State Finance~~ Office of Management and Enterprise Services shall maintain a website providing public access to the documentation of the disbursement by state agencies of federal funds received pursuant to the federal American Recovery and Reinvestment Act of 2009. The website shall provide a list of all stimulus fund expenditures regardless of amount. The entire list of stimulus fund expenditures shall be available for export in standardized formats including but not limited to eXtensible Markup Language (XML) and Comma Separated Value (CSV) formats. The list of expenditures shall include searchable functionality including but not limited to the ability to search the expenditures by the name of the entity receiving funding, name of entity processing funding and

name of entity benefiting from funding. This site shall include the name and principal location of the entity and/or recipients of the funds regardless of amount, the amount of funds expended, the funding or expending agency, and a descriptive purpose of the funding action or expenditure. The State Auditor and Inspector shall not be responsible for maintaining the website described in this section.

SECTION 413. AMENDATORY 62 O.S. 2011, Section 35.3, is amended to read as follows:

Section 35.3 As used in the Information Technology Consolidation and Coordination Act:

1. "Appropriated state agency" means any state agency that receives funding through the annual legislative appropriations process;

2. "Information technology assets" means any equipment or interconnected system or subsystem of equipment that is used in the acquisition, storage, manipulation, management, movement, control, display, switching, interchange, transmission, or reception of data or information. The term shall include computers, ancillary equipment, software, firmware and similar procedures, services, including support services and consulting services, software development, and related resources, and shall further include telecommunications fiber networks used for conveying electronic communication or information systems to multiple physical locations;

3. "Information technology position" means a classified or unclassified position in the following functional areas:

a. applications programming,

b. EDP audit,

c. data examination,

d. computer applications,

e. computer data entry,

f. computer networking,

g. computer operations,

h. computer programming,

i. computer security,

j. computer software design,

k. web applications,

l. database analysis,

m. data management analysis,

n. database development,

o. database programming,

p. software design/development,

q. help desk,

r. imaging,

s. systems analysis,

t. systems application planning,

u. systems application,

v. systems administration,

w. systems coordination,

x. systems integration,

y. systems operation,

z. systems planning/development,

aa. systems programming,

bb. systems engineering,

cc. systems service specialist,

dd. systems support,

ee. network administration,

ff. network management,

gg. network technical,

hh. operating systems specialist,

ii. systems program manager,

jj. telecommunications, whether data or voice,

kk. software training, and

ll. technology development or support;

4. "Nonappropriated state agency" means any state agency that does not receive funding through the annual legislative appropriations process;

5. "Planned project" includes any major project or objective included in the operations plan submitted by the agency to the Information Services Division of the ~~Office of State Finance~~ Office of Management and Enterprise Services as required pursuant to Section 34.16 of ~~Title 62 of the Oklahoma Statutes~~ this title;

6. "Shared services" means those state agency functions which are or could be provided through:

a. the services and systems specified in subsection A of Section ~~6~~ 35.6 of this ~~act~~ title, and

b. the programs, services, software or processes specified in subsection B of Section ~~6~~ 35.6 of this ~~act~~ title; and

7. "State agency" means any office, elected or appointed officer, bureau, board, commission, counsel, unit, division, body, authority or institution of the executive branch of state government, excluding institutions within The Oklahoma State System of Higher Education, the Oklahoma State Regents for Higher Education and the telecommunications network known as OneNet.

SECTION 414. AMENDATORY 62 O.S. 2011, Section 35.5, is amended to read as follows:

Section 35.5 A. 1. Not later than thirty (30) days after the effective date of this act, all state agencies shall provide to the Chief Information Officer a list of information technology assets of the agency which are integral to agency-specific applications or functions and a list of information technology positions which are directly associated with the assets. The agency shall further provide the reference to federal or state statutory or constitutional provisions which require it to perform the applications or functions.

2. If the Chief Information Officer disputes the identification of assets or positions provided by a state agency as being integral to agency-specific applications or functions, the Director of ~~State Finance~~ the Office of Management and Enterprise Services shall make the final determination.

B. Not later than December 1, 2011, and not later than December 1 of each year thereafter, the Chief Information Officer shall modify the assessment required by subsection D of Section 34.11.1 of ~~Title 62 of the Oklahoma Statutes~~ this title to include identification of:

1. All information technology assets of all state agencies, which are not integral to agency-specific applications or functions, and the transfer of which to the Information Services Division of the ~~Office of State Finance~~ Office of Management and Enterprise Services and the Chief Information Officer would result in a cost savings to the taxpayers of this state or improved efficiency of state government operations, including all furniture, equipment, vehicles, supplies, records, current and future liabilities, fund balances, encumbrances, obligations, and indebtedness associated with the information technology assets; and

2. All information technology positions associated with the information technology assets identified pursuant to paragraph 1 of this subsection. The assessment shall identify the amount of compensation and related liabilities for accrued sick leave, annual

leave, holidays, unemployment benefits, and workers' compensation benefits for the positions.

C. The information technology assets and positions identified in the assessment pursuant to subsection B of this section of appropriated state agencies shall be transferred to the Information Services Division of the ~~Office of State Finance~~ Office of Management and Enterprise Services subject to the following provisions:

1. Information technology assets identified in the assessment pursuant to the provisions of paragraph 1 of subsection B of this section of appropriated state agencies shall be transferred effective January 1, 2012. The costs of operation, maintenance, licensing and service of the assets shall remain the responsibility of the state agency from which they are transferred until July 1, 2012, unless otherwise agreed to by the state agency and the Division. Appropriate conveyances and other documents shall be executed to effectuate the transfer of the information technology assets and positions to the Information Services Division of the ~~Office of State Finance~~ Office of Management and Enterprise Services; and

2. Information technology positions identified in the assessment pursuant to the provisions of paragraph 2 of subsection B of this section of appropriated state agencies shall be transferred effective February 1, 2012. Each state agency shall enter into an

agreement with the Division not later than January 1, 2012, for the remainder of fiscal year 2012, specifying the terms of the transfers, including provisions for the Division to provide information technology services to the agency and for the agency to reimburse the Division for the cost of the services. If an agreement cannot be reached, the Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services shall be authorized to negotiate the terms of the agreement, which shall then be entered into by the state agency and the Division.

D. 1. For modifications of the assessment required by subsection D of Section 34.11.1 of ~~Title 62 of the Oklahoma Statutes~~ this title made in fiscal year 2013 and subsequent fiscal years, the Chief Information Officer shall identify:

a. the amount of savings to the taxpayers of this state resulting from the provisions of the Information Technology Consolidation and Coordination Act, and

b. any changes in law required or any changes to the amount of state appropriations or other state funds associated with the transfer of the information technology assets or positions.

2. The Chief Information Officer shall recommend changes to the Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services and the Governor for inclusion in the next executive budget to be submitted to the Legislature.

E. For fiscal year 2013 and subsequent fiscal years, the Information Services Division shall provide information technology services to each state agency for shared services at no cost to the agency. The Legislature shall appropriate sufficient funds to the ~~Office of State Finance~~ Office of Management and Enterprise Services for the Division to provide the services. The amount of appropriations shall not exceed the amount appropriated to other state agencies for such services prior to the effective date of this act.

F. The Information Services Division of the ~~Office of State Finance~~ Office of Management and Enterprise Services shall succeed to any contractual rights, easement rights, lease rights, and responsibilities related to the information technology assets that are transferred as provided for in this section and incurred by an appropriated state agency.

SECTION 415. AMENDATORY 62 O.S. 2011, Section 35.6, is amended to read as follows:

Section 35.6 A. On July 1, 2011, all appropriated and nonappropriated state agencies shall be required to use the following information technology services and systems operated and maintained by the ~~Office of State Finance~~ Office of Management and Enterprise Services for all agency functions:

1. Data Service Center of the Divisions;

2. Networking services;

3. Communication or intercommunication systems;

4. Electronic mail systems; and

5. Data and network security systems.

B. On July 1, 2011, all appropriated and nonappropriated state agencies shall be required to exclusively use the following programs, services, software and processes provided through the Integrated Central Financial System known as CORE and as implemented by the ~~Office of State Finance~~ Office of Management and Enterprise Services and shall not utilize any programs, services, software or processes that are duplicative of the following:

1. Payroll;

2. Employee leave system;

3. Human resources;

4. Accounts receivable;

5. Accounts payable;

6. Purchasing system;

7. Budgeting system;

8. Enterprise Learning Management (ELM);

9. Budget request system;

10. Asset management; and

11. Projects, grants and contracts, which includes federal billing.

C. The Chief Information Officer shall have the authority to enforce the provisions of this section.

SECTION 416. AMENDATORY 62 O.S. 2011, Section 35.7, is amended to read as follows:

Section 35.7 A. A state agency may apply to the Chief Information Officer for an exemption from any provisions of the Information Technology Consolidation and Coordination Act or for an extension of any deadline specified in the Act, if it determines that compliance with the provisions of the Act would:

1. Cause it to be in violation of federal law or regulations or in violation of any provision of the Oklahoma Constitution or statutes;

2. Result in a loss of federal funds to the state; or

3. Create an impediment to the performance of a unique agency function that is not duplicated by another state agency and is required by the Oklahoma Statutes or Constitution or by federal law.

B. Any state agency applying for an exemption or extension pursuant to this section shall provide written documentation of the circumstances to the Chief Information Officer. After reviewing the documentation, the Chief Information Officer shall grant or deny the application. If the state agency disputes the decision of the Chief Information Officer, the Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services shall make the final determination as to whether the exemption or extension will be granted.

SECTION 417. AMENDATORY 62 O.S. 2011, Section 35.8, is amended to read as follows:

Section 35.8 A. Notwithstanding any other provision of law, the provisions of the Information Technology Consolidation and Coordination Act shall operate to maintain or increase security standards and shall not jeopardize confidentiality or compliance with state or federal laws or regulations. The State Governmental Technology Applications Review Board, with the advice of the Oklahoma Integrated Justice Information Systems Steering Committee, shall consider and approve security protocols which shall be followed by the Information Services Division of the ~~Office of State Finance~~ Office of Management and Enterprise Services. The Board, in conjunction with the Committee, shall make recommendations to state officers and employees related to continuity of criminal justice information system security protocols.

B. Notwithstanding the provisions of Section ~~5~~ 35.5 of this ~~act~~ title, the transfer of information technology assets and positions of the Department of Public Safety shall occur prior to the transfer of assets and positions of other public safety agencies.

SECTION 418. AMENDATORY 62 O.S. 2011, Section 35.9, is amended to read as follows:

Section 35.9 In addition to any other reporting requirements required by law, the Chief Information Officer shall submit quarterly progress reports to the Director of the ~~Office of State~~

~~Finance~~ Office of Management and Enterprise Services, the Speaker of the House of Representatives and the President Pro Tempore of the Senate. The reports shall be submitted not later than January 31, April 30, July 31 and October 31 of each year and shall include, but not be limited to, the following information:

1. The status of the development of the plan of action required in paragraph 2 of subsection D of Section 34.11.1 of ~~Title 62 of the Oklahoma Statutes~~ this title;

2. After the plan of action is presented to the Governor, the Speaker of the House of Representatives and the President Pro Tempore of the Senate as required in paragraph 3 of subsection D of Section 34.11.1 of ~~Title 62 of the Oklahoma Statutes~~ this title, the status of implementation of the plan of action;

3. A list of information technology assets and positions transferred to the Information Services Division of the ~~Office of State Finance~~ Office of Management and Enterprise Services pursuant to the provisions of subsection C of Section ~~5~~ 35.5 of this ~~act~~ title;

4. The amount of net savings realized through the reallocation and consolidation of resources and personnel and a comparison to the standard of not less than fifteen percent (15%) of the overall statewide information technology and telecommunications expenditures made by all state agencies during the fiscal year ending June 30,

2009, as set forth in subsection G of Section 34.11.1 of ~~Title 62 of the Oklahoma Statutes~~ this title;

5. A list of all state agencies which are not using the shared services as required in Section ~~6~~ 35.6 of this ~~act~~ title;

6. A list of all exemptions or extensions granted pursuant to the provisions of Section ~~7~~ 35.7 of this ~~act~~ title; and

7. Any other information as deemed appropriate by the Chief Information Officer.

SECTION 419. AMENDATORY 62 O.S. 2011, Section 41.5a-4, is amended to read as follows:

Section 41.5a-4 A. The Information Services Division of the ~~Office of State Finance~~ Office of Management and Enterprise Services is authorized to:

1. Develop and publish a state policy and procedures for the destruction or disposal of all electronic storage media to ensure that all confidential information stored on such electronic media devices is destroyed or disposed of in a secure and safe manner;

2. Define the requirements for the secure destruction or disposal of electronic storage media; and

3. Assist the ~~Department of Central Services~~ Office of Management and Enterprise Services in implementing the policy and procedures for the destruction or disposal of state electronic storage media.

B. The Information Services Division of the ~~Office of State Finance~~ Office of Management and Enterprise Services shall notify all agencies, boards, commissions and authorities of the policy and procedures for the secure and safe destruction or disposal of electronic storage media.

C. The ~~Department of Central Services~~ Office of Management and Enterprise Services shall remove all data from electronic storage media from all surplus information technology and telecommunication equipment before it is sold, donated, stored or destroyed. A state agency may remove electronic storage media from their surplus information technology and telecommunication equipment prior to sending the surplus to the ~~Department of Central Services~~ Office of Management and Enterprise Services, so long as the agency has the technical expertise for removal and that the electronic storage media is sent for destruction or disposal pursuant to this subsection.

D. The ~~Department of Central Services~~ Office of Management and Enterprise Services shall use existing and future funds from the sale of state surplus equipment and appropriations, as necessary, to pay for the destruction of electronic storage media of equipment processed through the ~~Department of Central Services~~ Office of Management and Enterprise Services.

SECTION 420. AMENDATORY 62 O.S. 2011, Section 45.3, is amended to read as follows:

Section 45.3 A. Each state agency shall make a strategic plan for its operations. The first strategic plans will be due October 1, 2001, and in each subsequent even-numbered year. Each state agency plan shall cover five (5) fiscal years beginning with the next odd-numbered fiscal year.

B. The ~~Office of State Finance~~ Office of Management and Enterprise Services shall determine the elements required to be included in each agency's strategic plan. Unless modified by the ~~Office of State Finance~~ Office of Management and Enterprise Services, and except as provided by subsection C of this section, a plan must include, but is not limited to, the following items:

1. A statement of the mission and goals of the state agency;

2. A description of the indicators developed under this act and used to measure the output and outcome of the agency and its programs;

3. Identification of the groups of people served by the agency, including those having service priorities, or other service measures established by law, and estimates of changes in those groups expected during the term of the plan;

4. An analysis of the use of the agency's resources to meet the agency's mission, including future needs, and an estimate of additional resources that may be necessary to achieve said mission;

5. An analysis of expected changes in the services provided by the agency because of changes in state or federal law;

6. A description of the means and strategies, including cost-containment strategies and efficiency proposals, for meeting the agency's needs, including future needs, and achieving the goals for each area of state government for which the agency provides services;

7. A summary of the capital improvement needs of the agency which were provided to the Long-Range Capital Planning Commission as required by Section 901 of this title; and

8. Other information that may be required.

C. A state agency's plan that does not include an item described by subsection B of this section must include the reason the item does not apply to the agency.

D. Each state agency's plan shall be submitted at the same time as the estimate of funds needed developed pursuant to Section ~~41.29~~ 34.36 of this title.

E. A state agency shall send one copy of the plan each to:

1. The Governor;

2. The President Pro Tempore of the State Senate;

3. The Speaker of the House of Representatives;

4. The Legislative Oversight Committee on State Budget Performance;

5. The Chair and Vice Chair of the Joint Committee on Accountability in Government;

6. The Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services; and

7. The State Auditor and Inspector.

F. In this section, "capital improvement" means any building or infrastructure project that will be owned by the state and built with direct appropriations or with the proceeds of state-issued bonds or paid from revenue sources other than general revenue at a cost of at least Twenty-five Thousand Dollars ($25,000.00) and has a useful life of at least five (5) years.

SECTION 421. AMENDATORY 62 O.S. 2011, Section 45.4, is amended to read as follows:

Section 45.4 The official forms which must be used in making those plans shall be approved or furnished by the Director of ~~State Finance~~ the Office of Management and Enterprise Services.

SECTION 422. AMENDATORY 62 O.S. 2011, Section 45.5, is amended to read as follows:

Section 45.5 A. The ~~Office of State Finance~~ Office of Management and Enterprise Services and the Joint Legislative Committee on Budget and Program Oversight shall work with each state agency to determine acceptable measures of output, outcome, unit cost, and cost-effectiveness for use in the agency's plan.

B. The Office of ~~Personnel Management~~ Management and Enterprise Services is authorized to provide training or other services to state agencies pursuant to this act.

SECTION 423. AMENDATORY 62 O.S. 2011, Section 45.6, is amended to read as follows:

Section 45.6 The ~~Office of State Finance~~ Office of Management and Enterprise Services or the Joint Legislative Committee on Budget and Program Oversight, jointly or separately, may hold hearings on any matter required by the Oklahoma Program Performance Budgeting and Accountability Act.

SECTION 424. AMENDATORY 62 O.S. 2011, Section 46, is amended to read as follows:

Section 46. A. This act shall be known and may be cited as the "Taxpayer Transparency Act".

B. As used in the Taxpayer Transparency Act:

1. "Single website" means a website that allows the public to access information identified in subsection C of this section without any fee or charge to the public for such access;

2. "Expenditure of state funds" means the disbursement of all state funds regardless of amount of expenditure, whether appropriated or nonappropriated, excluding:

a. the transfer of funds between two state agencies,

b. payments of state or federal assistance to an individual,

c. child support payments, and

d. refunds issued by the Oklahoma Tax Commission resulting from the overpayment of tax;

3. "Incentive payments" means payments made under the Oklahoma Quality Jobs Program Act, Saving Quality Jobs Act, Oklahoma Quality Jobs Incentive Leverage Act, Small Employer Quality Jobs Incentive Act, Oklahoma Specialized Quality Investment Act and Oklahoma Quality Investment Act;

4. "Tax credit" means a credit pursuant to the Oklahoma Income Tax Act against tax liability which is taken by a taxpayer, excluding credits authorized under paragraphs 1 and 2 of subsection B of Section 2357 and Sections 2357.29 and 2357.43 of Title 68 of the Oklahoma Statutes; and

5. "Stimulus funds expenditure" means the disbursement by state agencies of federal funds received pursuant to the federal American Recovery and Reinvestment Act of 2009.

C. No later than January 1, 2008, the ~~Office of State Finance~~ Office of Management and Enterprise Services shall develop and operate a single website accessible by the public. The website shall include aggregate information on state revenue, expenditures and incentive payments and information on state tax preferences as contained in the tax expenditure report published by the Oklahoma Tax Commission pursuant to subsection E of Section 205 of Title 68 of the Oklahoma Statutes. No later than January 1, 2009, the website shall include search capabilities.

D. Effective January 1, 2011, the ~~Office of State Finance~~ Office of Management and Enterprise Services shall update the

website with "Open Books 2.0," an expanded online database through which each individual expenditure shall be listed individually separate of aggregated amount. The information shall be searchable by term including name of recipient, entity making expenditure and date of expenditure. The website shall allow members of the public to export sets of data produced by search query in a standardized exportable form. No later than eighteen (18) months after "Open Books 2.0" is online, the ~~Office of State Finance~~ Office of Management and Enterprise Services shall create an online archive for each fiscal year, beginning with Fiscal Year 2011, which shall be accessible and searchable to online users.

E. As soon as practicable after January 1, 2008, such website shall also include, but not be limited to:

1. For the expenditure of state funds or incentive payments:

a. the name and principal location of the entity and/or recipients of the funds, excluding release of information relating to an individual's place of residence, release of information prohibited by subsection D of Section 24A.7 of Title 51 of the Oklahoma Statutes or by federal law relating to privacy rights,

b. the amount of state funds expended,

c. the type of transaction,

d. the funding or expending agency, and

e. a descriptive purpose of the funding action or expenditure;

2. For stimulus fund expenditures:

a. a link to the name and principal location of the entity and/or recipients of the funds regardless of amount,

b. the amount of stimulus funds expended,

c. the funding or expending agency, and

d. a descriptive purpose of the funding action or expenditure; and

3. For each tax credit, information, including but not limited to:

a. the name of each taxpayer to which a credit has been granted,

b. the amount of such credit, and

c. the specific provision under which a credit has been granted.

F. The single website provided for in subsection C of this section shall include data on state revenue, expenditures and incentive payments for the fiscal year 2007 and each fiscal year thereafter, on state tax credits for tax year 2007 and each tax year thereafter, and on stimulus fund expenditures for the fiscal year 2009 and each fiscal year thereafter. Such data shall be available on the single website no later than one hundred twenty (120) days

after the last day of the preceding fiscal year; provided, data on stimulus fund expenditures for the fiscal year 2009 shall be available on the single website within one hundred twenty (120) days after the effective date of this act.

G. No later than January 1, 2012, the ~~Office of State Finance~~ Office of Management and Enterprise Services shall include as part of the single website all spending data subject to publication by the "School District Transparency Act" in Title 70 of the Oklahoma Statutes.

H. The Oklahoma Tax Commission, the Office of the State Treasurer, all institutions of The Oklahoma State System of Higher Education and any other state agency shall provide to the ~~Office of State Finance~~ Office of Management and Enterprise Services such information as is necessary to accomplish the purposes of the Taxpayer Transparency Act.

I. So that the Tax Commission may fulfill its obligations as required by this section, all recipients of tax credits, as that term is defined herein, shall file their reports or returns claiming the tax credits in an electronic format, as may be required by the Tax Commission. The Tax Commission may disallow any claim of a person for a tax credit due to its failure to file a report or return as required under the authority of this subsection.

J. Nothing in the Taxpayer Transparency Act shall require the disclosure of information which is required to be kept confidential by state or federal law.

K. The disclosure of information required by this section shall create no liability whatsoever, civil or criminal, to the State of Oklahoma or any member of the ~~Office of State Finance~~ Office of Management and Enterprise Services or any employee thereof for disclosure of the information or for any error or omission in the disclosure.

L. The State Auditor and Inspector shall maintain a website providing public access to the documentation of stimulus funding pursuant to the requirements of this section. The website shall provide a list of all stimulus fund expenditures regardless of amount. The entire list of stimulus fund expenditures and each of the related content requirements as detailed in subsection D of this section shall be available for export in standardized formats including but not limited to eXtensible Markup Language (XML) and Comma Separated Value (CSV) formats. The list of expenditures shall include searchable functionality including but not limited to the ability to search the expenditures by the name of the entity receiving funding, name of entity processing funding and name of entity benefiting from funding.

M. Information about tax credits subject to disclosure pursuant to this section shall include the identity of all taxpayers or

organizations having any part in the chain of custody or claim to the credit or credits at any time during the credit's existence.

SECTION 425. AMENDATORY 62 O.S. 2011, Section 46.1, is amended to read as follows:

Section 46.1 A. On July 1, 2005, or as soon thereafter as feasible, the ~~Office of State Finance~~ Office of Management and Enterprise Services shall transfer any surplus funds which accrue to the General Revenue Fund of the State of Oklahoma for the fiscal year ending June 30, 2005, over and above that which is placed in the Constitutional Reserve Fund pursuant to Section 23 of Article X of the Constitution of the State of Oklahoma for the fiscal year ending June 30, 2005, to the following funds and in the specified amounts:

1. Fifty percent (50%) to the Oklahoma Dynamic Economy and Budget Security Fund established in Section 46.2 of this title; and

2. Fifty percent (50%) to the Oklahoma Taxpayer Relief Revolving Fund established in Section 2355.2 of Title 68 of the Oklahoma Statutes.

B. On July 1, 2006, or as soon thereafter as feasible, the ~~Office of State Finance~~ Office of Management and Enterprise Services shall transfer the following amounts of surplus funds which accrue to the General Revenue Fund of the State of Oklahoma for the fiscal year ending June 30, 2006, over and above that which is placed in the Constitutional Reserve Fund pursuant to Section 23 of Article X

of the Constitution of the State of Oklahoma for the fiscal year ending June 30, 2006:

1. The first Eighty-five Million Five Hundred Thousand Dollars ($85,500,000.00) to the State Regents Revolving Fund of the Oklahoma State Regents for Higher Education, to be used for operations of The Oklahoma State System of Higher Education;

2. Contingent upon passage and approval of Enrolled House Bill No. 1169 of the 2nd Extraordinary Session of the 50th Oklahoma Legislature, the next Forty-five Million Dollars ($45,000,000.00) to the Oklahoma Opportunity Fund created in Section ~~1~~ 48 of ~~Enrolled House Bill No. 1169 of the 2nd Extraordinary Session of the 50th Oklahoma Legislature~~ this title;

3. Contingent upon passage and approval of Enrolled Senate Bill No. 99 of the 2nd Extraordinary Session of the 50th Oklahoma Legislature, the next One Hundred Fifty Million Dollars ($150,000,000.00) to the Economic Development Generating Excellence (EDGE) Fund created in Section ~~1~~ 47 of ~~Enrolled Senate Bill No. 99 of the 2nd Extraordinary Session of the 50th Oklahoma Legislature~~ this title;

4. The next Twenty-five Million Dollars ($25,000,000.00) to the County Bridges and Road Improvement Fund, to be expended for repair, renovation, rehabilitation, or replacement of county bridges;

5. The next Seven Million Dollars ($7,000,000.00) to the Oklahoma Department of Veterans Affairs Revolving Fund, to be used for expenses associated with the veterans center in Sulphur;

6. The next Five Million Dollars ($5,000,000.00) to the Rural Fire Equipment Grant Revolving Fund of the Oklahoma Department of Agriculture, Food, and Forestry;

7. The next Eighty Million Dollars ($80,000,000.00) to the Comprehensive University Capital Projects Revolving Fund created in Section 2 ~~of this act~~, Chapter 84, O.S.L. 2006;

8. The next Eight Million Dollars ($8,000,000.00) to the Tourism Equipment Revolving Fund of the Oklahoma Tourism and Recreation Department, to be used for operations, capital improvements and maintenance of state parks; and

9. The next Fifteen Million Dollars ($15,000,000.00) to the State Emergency Fund created in Section 139.42 of ~~Title 62 of the Oklahoma Statutes~~ this title;

10. The next Nine Hundred Thousand Dollars ($900,000.00) to the Oklahoma Tax Commission Fund created pursuant to Section 221 of ~~Title 62 of the Oklahoma Statutes~~ this title for the implementation of a digital license plate system;

11. The next Thirty-five Million Dollars ($35,000,000.00) to the Oklahoma Firefighters Pension and Retirement System in order to replace monies that would otherwise have been apportioned over a period of years pursuant to paragraph 1 of subsection C of Section

312.1 of Title 36 of the Oklahoma Statutes if such modified apportionment is enacted pursuant to legislation passed during the 2nd Extraordinary Session of the 50th Oklahoma Legislature. If such modification to the apportionment is not enacted as a result of the passage of such legislation, the sum specified by this paragraph shall not be transferred to the Oklahoma Firefighters Pension and Retirement System; and

12. The next Nine Hundred Thousand Dollars ($900,000.00) to the Oklahoma Tax Commission Fund created pursuant to Section 221 of ~~Title 62 of the Oklahoma Statutes~~ this title for the acquisition of a main frame computer.

The transfers authorized pursuant to the provisions of paragraphs 1 through 12 of this subsection shall not be subject to fiscal year 2007 agency category or budget limits.

SECTION 426. AMENDATORY 62 O.S. 2011, Section 46.3, is amended to read as follows:

Section 46.3 A. On July 1, 2007, or as soon thereafter as feasible, the ~~Office of State Finance~~ Office of Management and Enterprise Services shall transfer the following amounts of surplus funds which accrue to the General Revenue Fund of the State of Oklahoma for the fiscal year ending June 30, 2007, over and above that which is placed in the Constitutional Reserve Fund pursuant to Section 23 of Article X of the Constitution of the State of Oklahoma for the fiscal year ending June 30, 2007:

1. The first Ten Million Dollars ($10,000,000.00) to the following entities in order to provide funding for the incremental revenues necessary to fund the employer contribution rate increases prescribed by Section 17-108.1 of Title 70 of the Oklahoma Statutes resulting from the enactment of Enrolled Senate Bill No. 357 of the 1st Session of the 51st Oklahoma Legislature:

a. Six Million Six Hundred Twenty-one Thousand Four Hundred Sixty-eight Dollars ($6,621,468.00) to the State Board of Education to transfer to the appropriate dispensing fund,

b. Two Million Eight Hundred Twenty-one Thousand Ninety-three Dollars ($2,821,093.00) to the State Regents Revolving Fund (210) of the Oklahoma State Regents for Higher Education,

c. Five Hundred Thirty-one Thousand Eight Hundred Fifteen Dollars ($531,815.00) to the State Career Technology Revolving Fund of the Oklahoma Department of Career and Technology Education,

d. Two Thousand Nine Hundred Twenty-two Dollars ($2,922.00) to the Oklahoma Department of Corrections Revolving Fund of the Oklahoma Department of Corrections,

e. Eleven Thousand Seven Hundred Eighty Dollars ($11,780.00) to the Oklahoma School of Science and

Mathematics Revolving Fund of the Oklahoma School of Science and Mathematics, and

f. Ten Thousand Nine Hundred Twenty-two Dollars ($10,922.00) to the School for the Blind/Deaf Revolving Fund (205) for the Department of Rehabilitation Services;

2. The next Ten Million Dollars ($10,000,000.00) to the State Emergency Fund;

3. The next Twenty-two Million Dollars ($22,000,000.00) to be allocated to the following entities for purposes of a teacher salary increase:

a. Nineteen Million Nine Hundred Fifty-three Thousand One Hundred Thirty-three Dollars ($19,953,133.00) to the State Board of Education to transfer to the appropriate dispensing fund for teacher salary increases as provided for in Enrolled House Bill No. 1134 of the 1st Session of the Oklahoma Legislature. These funds shall be distributed in the same manner as funds appropriated to the State Board of Education for the financial support of public schools,

b. One Million Seventy-three Thousand Six Hundred Four Dollars ($1,073,604.00) to the State Board of Education to transfer to the appropriate dispensing fund shall be used to implement the Science and

Mathematics Advanced Recruiting Technique Program which shall provide incentives for the employment of persons in the common schools of the state who have advanced degrees in science, mathematics or both such disciplines,

c. Eight Hundred Forty-five Thousand Seven Hundred Seventy-eight Dollars ($845,778.00) to the State Career Technology Revolving Fund of the Oklahoma Department of Career and Technology Education,

d. Seventy-three Thousand Seven Hundred Twelve Dollars ($73,712.00) to the Department of Corrections Revolving Fund to implement the teacher salary increase for those employees eligible for such increase, and

e. Fifty-three Thousand Seven Hundred Seventy-three Dollars ($53,773.00) to the School for the Blind/Deaf Revolving Fund (205) for the State Department of Rehabilitation Services to implement the teacher salary increase for those employees eligible for such increase;

4. The next Twenty Million Dollars ($20,000,000.00) to the State Regents Revolving Fund of the Oklahoma State Regents for Higher Education for operational expenses within The Oklahoma State System for Higher Education;

5. The next Sixteen Million Five Hundred Thousand Dollars ($16,500,000.00) to the State Regents Revolving Fund of the Oklahoma State Regents for Higher Education in order to fund capital improvements to be allocated as follows:

a. Five Million Five Hundred Thousand Dollars ($5,500,000.00) for the University of Oklahoma,

b. Five Million Five Hundred Thousand Dollars ($5,500,000.00) for Oklahoma State University, and

c. Five Million Five Hundred Thousand Dollars ($5,500,000.00) for the regional universities and two-year colleges within The Oklahoma State System of Higher Education;

6. The next Fifteen Million Dollars ($15,000,000.00) to the Oklahoma Capitol Complex and Centennial Commemoration Commission Revolving Fund;

7. The next Five Million Five Hundred Thousand Dollars ($5,500,000.00) to the Department of Public Safety Revolving Fund for a study of the feasibility of implementing a statewide interoperable communications system and for capital expenditures necessary to upgrade and maintain the existing statewide emergency communications system;

8. The next Four Million Dollars ($4,000,000.00) to the State Regents Revolving Fund of the Oklahoma State Regents for Higher

Education for the construction of a forensics building on the campus of the University of Central Oklahoma;

9. The next Five Hundred Thousand Dollars ($500,000.00) to the Research Support Revolving Fund of the Oklahoma Center for the Advancement of Science and Technology for the purpose of providing funding for seed capital;

10. The next Six Million Dollars ($6,000,000.00) to the Research Support Revolving Fund of the Oklahoma Center for the Advancement of Science and Technology to provide funding for an Oklahoma Bioenergy Center involving collaborative efforts among Oklahoma State University, the University of Oklahoma and a private foundation. The amount authorized by this paragraph shall be allocated equally between the two universities;

11. The next One Million Eight Hundred Thousand Dollars ($1,800,000.00) to the State Regents Revolving Fund of the Oklahoma State Regents for Higher Education for purposes of capital expenditures for the Langston University campus if such amount is utilized to match federal monies available through the United States Department of Agriculture;

12. The next Two Million Five Hundred Thousand Dollars ($2,500,000.00) to the Rural Fire Equipment Grant Revolving Fund;

13. The next Six Million Five Hundred Thousand Dollars ($6,500,000.00) to the Conservation Commission Infrastructure Revolving Fund of the Conservation Commission for purposes of

matching funds available through federally authorized programs for the rehabilitation of flood control structures;

14. The next Five Million Dollars ($5,000,000.00) to the Private Prison and Halfway House Capacity Development Revolving Fund for the purposes authorized by Section ~~2~~ 561.4 of ~~this act~~ Title 57 of the Oklahoma Statutes;

15. The next Five Million Dollars ($5,000,000.00) to the State Board of Education to transfer to the appropriate dispensing fund for the Educare Program if the funds are used in connection with a matching program with a private foundation;

16. The next One Million Dollars ($1,000,000.00) to the Oklahoma Department of Agriculture, Food, and Forestry to the Agriculture Revolving Fund for the Justin Whitefield Memorial Youth Expo Endowment;

17. The next Two Million Dollars ($2,000,000.00) to the Oklahoma Space Industry Development Authority Revolving Fund for the construction of a security fence and other capital assets;

18. The next Two Hundred Fifty Thousand Dollars ($250,000.00) to the Oklahoma Department of Agriculture, Food, and Forestry to the Agriculture Revolving Fund for equipment expenses of the agriculture laboratory;

19. The next One Million Dollars ($1,000,000.00) to the Department of Public Safety Revolving Fund of the Department of Public Safety for vehicle replacement costs;

20. The next Two Million Dollars ($2,000,000.00) to the School for the Deaf/Blind Revolving Fund of the State Department of Rehabilitation Services for capital improvements to the Oklahoma School for the Deaf and the Oklahoma School for the Blind;

21. The next One Million Two Hundred Thousand Dollars ($1,200,000.00) to the Career Technology Revolving Fund of the Oklahoma Department of Career and Technology Education for an aerospace industries training program to be offered at the MetroTech campus facility;

22. The next Two Million Dollars ($2,000,000.00) to the Department of Mental Health Revolving Fund of the Department of Mental Health and Substance Abuse Services for the "Smart on Crime" initiative; and

23. The next Fifty Thousand Dollars ($50,000.00) to the Office of Juvenile Affairs Revolving Fund of the Office of Juvenile Affairs for the Oklahoma Statewide Gang Intervention Steering Committee as created pursuant to Enrolled House Bill No. 1760 of the 1st Session of the 51st Oklahoma Legislature.

B. The transfers authorized pursuant to the provisions of paragraphs 1 through 23 of subsection A of this section shall not be subject to fiscal year 2008 agency category or budget limits.

SECTION 427. AMENDATORY 62 O.S. 2011, Section 48, is amended to read as follows:

Section 48. A. There is hereby created in the State Treasury a revolving fund for the Oklahoma Department of Commerce to be designated the "Oklahoma Opportunity Fund". The fund shall be a continuing fund, not subject to fiscal year limitations and shall consist of:

1. All monies apportioned or allocated to the fund pursuant to law;

2. Any amounts appropriated by the Legislature to the fund;

3. Interest earned on the investment of money in the fund; and

4. Gifts, grants, and other donations received for the fund.

B. All monies accruing to the credit of the fund are hereby appropriated and may be budgeted and expended by the Governor for the purposes of economic development and related infrastructure development, subject to the unanimous approval of the Contingency Review Board pursuant to subsection E of this section. Expenditures from the fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

C. Expenditures from the Oklahoma Opportunity Fund shall be proposed by the Director of the Oklahoma Department of Commerce. The Director of the Oklahoma Department of Commerce shall only propose expenditures that the Director determines are expected to

result in a substantial economic benefit to the state through any of the following:

1. The creation of new jobs which offer a basic health benefit plan, as defined in the Oklahoma Quality Jobs Program Act;

2. The maintenance of existing jobs which are at risk for termination;

3. Investment in new real property, plant or equipment or in the improvement or retooling of existing plant or equipment; or

4. Additional revenues in either ad valorem, income or sales and use taxes.

D. The Oklahoma Department of Commerce shall develop rules for the process of reviewing proposed expenditures from the Oklahoma Opportunity Fund and for determination of whether or not proposed expenditures meet the criteria identified in subsection C of this section. Criteria shall include requirements for economic impact, local participation in the project and average wage thresholds.

E. No expenditure shall be made from the Oklahoma Opportunity Fund unless such expenditure has been unanimously approved by the Contingency Review Board.

F. The Oklahoma Department of Commerce shall administer the Oklahoma Opportunity Fund. The Governor may, on behalf of this state and with the express approval of the Contingency Review Board, award monies by entering into a written agreement.

G. Before awarding any monies pursuant to subsection F of this section, the Governor shall enter into a written agreement with the entity to be awarded the money specifying that:

1. If any or all of the amount to be awarded is used to build a capital improvement:

a. the state retains a lien or other interest in the capital improvement in proportion to the amount awarded by the written agreement for the capital improvement, and

b. if the capital improvement is sold, the recipient of the award shall:

(1) repay to the state the money awarded to pay for the capital improvement, with interest at the rate and according to the other terms provided by the agreement, and

(2) share with the state a proportionate amount of any profit realized from the sale; and

2. If, as of the date certain provided in the agreement, the award recipient has not used monies awarded under this section for the intended purposes, the recipient shall repay that amount and any related interest to the state at the agreed rate and on the agreed terms.

H. The Legislature finds that for profit entities, nonprofit entities and state and local governmental entities that qualify for

funding pursuant to the provisions of this section are a source of economic benefits for the state, its political subdivisions and its residents that can only be achieved through the use of specialized economic incentives. All expenditures from the Oklahoma Opportunity Fund shall be deemed to be in furtherance of essential governmental functions for public purposes as a method of promoting and sustaining economic growth and activity within the State of Oklahoma.

SECTION 428. AMENDATORY 62 O.S. 2011, Section 48.2, is amended to read as follows:

Section 48.2 A. There is hereby created in the State Treasury a revolving fund for the Oklahoma Department of Commerce to be designated the Oklahoma Quick Action Closing Fund. The fund shall be a continuing fund, not subject to fiscal year limitations and shall consist of:

1. All monies apportioned or allocated to the fund pursuant to law;

2. Any amounts appropriated by the Legislature to the fund;

3. Interest earned on the investment of money in the fund; and

4. Gifts, grants, and other donations received for the fund.

B. All monies accruing to the credit of the fund are hereby appropriated and may be budgeted and expended by the Governor for the purposes of economic development and related infrastructure development in instances in which expenditure of such funds would

likely be a determining factor in locating a high-impact business project or facility in Oklahoma or in retaining such project or facility within the state. Expenditures from the fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services for approval and payment.

C. In order to qualify for any funds from the Oklahoma Quick Action Closing Fund, the establishment making application shall be engaged in a business activity described by a North American Industry Classification System (NAICS) Code used to define eligibility for incentive payments from the Oklahoma Quality Jobs Program Act as defined in Section 3603 of Title 68 of the Oklahoma Statutes or a business activity described by Section 3603 of Title 68 of the Oklahoma Statutes or be engaged in a "basic industry" used to define eligibility for incentive payments from the 21st Century Quality Jobs Incentive Act as prescribed by Section 3913 of Title 68 of the Oklahoma Statutes.

D. The Governor shall not approve payments from the Oklahoma Quick Action Closing Fund unless the Department of Commerce has conducted a complete analysis of the potential impact of the applicant's business activity which shall include, but not be limited to:

1. The number of jobs to be created by a new business establishment;

2. The number of jobs to be retained by an existing business establishment;

3. The average salary of jobs to be created by a new establishment;

4. The average salary of jobs to be retained by an existing business establishment;

5. The total capital investment to be made by the business establishment;

6. The likelihood of other business establishments locating within the same vicinity or within the state as a result of the business activity to be conducted by the entity to receive payments from the Oklahoma Quick Action Closing Fund;

7. The impact on the economy of the area or community in which the business activity of the applicant is or will be conducted; and

8. Such other factors as the Governor and the Department of Commerce determine to be relevant.

E. The Oklahoma Department of Commerce shall administer the Oklahoma Quick Action Closing Fund, and expenditures from the fund shall be recommended by the Director of the Oklahoma Department of Commerce to the Governor after a thorough evaluation of selected projects or facilities. The Director of the Oklahoma Department of Commerce shall only recommend expenditures that the Director

determines are expected to result in a net economic benefit to the state through the following:

1. The creation of new jobs which offer a basic health benefit plan, as defined in the Oklahoma Quality Jobs Program Act;

2. The maintenance of existing jobs which are at a risk for termination;

3. Investment in new real property, plant or equipment or in the improvement or retooling of existing plant or equipment; or

4. Additional revenues in either ad valorem, income or sales and use taxes.

F. The Oklahoma Department of Commerce shall develop rules for the process of reviewing proposed expenditures from the Oklahoma Quick Action Closing Fund and for the determination of whether or not proposed expenditures meet the criteria identified in subsection E of this section. Criteria shall include requirements for economic impact, local participation in the project, capital investment and average wage thresholds.

G. Upon receipt of an evaluation that recommends an expenditure from the Oklahoma Quick Action Closing Fund from the Director of the Oklahoma Department of Commerce, the Governor shall provide the evaluation and recommendation to the President Pro Tempore of the State Senate and the Speaker of the Oklahoma House of Representatives before giving final approval for the expenditure on the project. The Executive Office of the Governor shall recommend

final approval of an expenditure on a project pursuant to consultation with the President Pro Tempore of the State Senate and the Speaker of the Oklahoma House of Representatives.

H. Upon approval by the Governor, the Oklahoma Department of Commerce shall enter into an agreement that sets forth the conditions for payment of monies from the Oklahoma Quick Action Closing Fund. The agreement must include:

1. The total amount of funds awarded;

2. The performance conditions that must be met to obtain the award, including, but not limited to, net new employment in the state, average salary, and total capital investment;

3. If appropriate, a baseline of current service and measure of enhanced capability;

4. The methodology of validating performance;

5. The schedule of payments from the fund, and claw-back provisions for failure to meet performance conditions; and

6. A requirement that no monies paid from the Oklahoma Quick Action Closing Fund shall be used by a recipient or any other person or entity for purposes of any political contribution to or on behalf of any candidate or for the support of or opposition to any measure including but not limited to an initiative petition or referendum

I. The Department of Commerce shall make available on its website or other website dedicated for this purpose a complete disclosure of all payments made from the Oklahoma Quick Action

Closing Fund. The disclosure shall include a description of the expenditures made by the business establishment with the payments made from the fund. No proprietary information of the business establishment shall be subject to the requirements of this subsection.

J. If any or all of the amount to be awarded is used to build a capital improvement:

1. The funds used for the capital improvement shall be deemed to be held in trust for the benefit of the state and shall be considered as a priority claim for purposes of federal bankruptcy law; and

2. If the capital improvement is sold, the recipient of the award shall:

a. repay the state the money awarded to pay for the capital improvement, with interest at the rate and according to the other terms provided by the agreement, and

b. share with the state a proportionate amount of any profit realized from the sale.

K. If, as of the date certain provided in the agreement, the award recipient has not used monies awarded for the intended purposes, the recipient shall repay that amount and any related interest to the state at the agreed rate and on the agreed terms and any such amounts shall be deemed to be held in trust for the benefit

of the state and shall be considered as a priority claim for purposes of federal bankruptcy law.

L. The provisions of this act shall cease to have the force and effect of law on the July 1 date of the sixth fiscal year after the first fiscal year for which any funds are deposited to, appropriated to, apportioned to or otherwise transferred to the Oklahoma Quick Action Closing Fund.

SECTION 429. AMENDATORY 62 O.S. 2011, Section 49, is amended to read as follows:

Section 49. On or before November 1 of each year, the ~~Office of State Finance~~ Office of Management and Enterprise Services shall develop and publish a multi-year trend analysis of the state's budget outlook. The trend analysis shall include projections of revenues and expenditures reflecting the best available information concerning economic activity, population change, policy developments and other factors affecting the state budget.

SECTION 430. AMENDATORY 62 O.S. 2011, Section 57.39, is amended to read as follows:

Section 57.39 The bonds and interest coupons attached thereto shall be delivered to the purchaser thereof only upon payment of par and accrued interest to the date of delivery thereof, together with any premium bid. The proceeds of the sale of said bonds shall be deposited in the State Treasury of this state, in a fund which is hereby created and designated the "1961 Building Bond Fund", where

they shall remain subject to disposition to be provided for by the Legislature of this state, provided that the State Treasurer, when so directed by the Director of ~~Public Affairs~~ the Office of Management and Enterprise Services and the Oklahoma State Regents for Higher Education acting on behalf of the governing boards, according to the funds allocated, as to the amounts available for investment shall invest said designated amounts of the 1961 Building Bond Fund in direct obligations of the United States of America or in certificates of deposits from banks in this state acceptable as depositories by the State Treasurer when such certificates of deposits are secured by acceptable collateral and yield as much as or more than direct obligations of the United States of America. All such investments of said monies must be so made that the same shall mature in time to enable this state to issue warrants for payment of the valid indebtedness incurred for the purpose for which said bonds are issued, when the said indebtedness has been incurred pursuant to legislative authority. The Director of ~~Public Affairs~~ the Office of Management and Enterprise Services and the Oklahoma State Regents for Higher Education shall promptly certify to the State Treasurer the amount of all sums not needed for payment of construction and other legal expenditures payable from the 1961 Building Bond Fund to meet the construction payment schedule, and upon receipt of such certification the State Treasurer shall forthwith make the investment specified in this section. All

interest received by the State Treasurer upon the securities referred to in this section shall be deposited in the 1961 Building Bond Fund.

SECTION 431. AMENDATORY 62 O.S. 2011, Section 57.69, is amended to read as follows:

Section 57.69 The bonds and interest coupons attached thereto shall be delivered to the purchaser thereof only upon payment of par and accrued interest to the date of delivery thereof, together with any premium bid. The proceeds of the sale of said bonds shall be deposited in the State Treasury to a fund which is hereby created and designated the "State of Oklahoma Institutional Building Bonds of 1965 Fund", where they shall remain subject to disposition to be provided for by the Legislature of this state, provided that the State Treasurer, when so directed by the Director of ~~Public Affairs~~ the Office of Management and Enterprise Services and the Oklahoma State Regents for Higher Education acting on behalf of the governing boards, according to the funds allocated, as to the amounts available for investment shall invest said designated amounts of the State of Oklahoma Institutional Building Bonds of 1965 Fund in direct obligations of the United States of America or in certificates of deposits from banks in this state acceptable as depositories by the State Treasurer when such certificates of deposits are secured by the acceptable collateral and yield as much as or more than direct obligations of the United States of America.

All such investments of said monies must be made so that the same shall mature in time to enable this state to issue warrants for payment of the valid indebtedness incurred for the purpose for which said bonds are issued, when the said indebtedness has been incurred pursuant to legislative authority. The Director of ~~Public Affairs~~ the Office of Management and Enterprise Services and the Oklahoma State Regents for Higher Education shall promptly certify to the State Treasurer the amount of all sums not needed for payment of construction and other legal expenditures payable from the State of Oklahoma Institutional Building Bonds of 1965 Fund to meet the construction payment schedule, and upon receipt of such certification the State Treasurer shall make the investment specified in this section. All interest received by the State Treasurer upon the securities referred to in this section shall be deposited in the State of Oklahoma Institutional Building Bonds of 1965 Fund.

SECTION 432. AMENDATORY 62 O.S. 2011, Section 57.89, is amended to read as follows:

Section 57.89 The bonds and interest coupons attached thereto shall be delivered to the purchaser thereof only upon payment of par and accrued interest to the date of delivery thereof, together with any premium bid. The proceeds of the sale of said bonds shall be deposited in the State Treasury, in a fund which is hereby created and designated the "1965 Institutional Building Bond Fund Series C",

where they shall remain subject to disposition to be provided for by the Legislature of this state, provided that the State Treasurer, when so directed by the Director of ~~Public Affairs~~ the Office of Management and Enterprise Services and the Oklahoma State Regents for Higher Education acting on behalf of the governing boards, according to the funds allocated, as to the amounts available for investment shall invest said designated amounts of the 1965 Institutional Building Bond Fund Series C in direct obligations of the United States of America or in certificates of deposits from banks in this state acceptable as depositories by the State Treasurer when such certificates of deposits are secured by the acceptable collateral and yield as much as or more than direct obligations of the United States of America. All such investments of said monies must be made so that the same shall mature in time to enable this state to issue warrants for payment of the valid indebtedness incurred for the purpose for which said bonds are issued, when the said indebtedness has been incurred pursuant to legislative authority. The Director of ~~Public Affairs~~ the Office of Management and Enterprise Services and the Oklahoma State Regents for Higher Education shall promptly certify to the State Treasurer the amount of all sums not needed for payment of construction and other legal expenditures payable from the 1965 Institutional Building Bond Fund Series C to meet the construction payment schedule, and upon receipt of such certification the State Treasurer

shall make the investment specified in this section. All interest received by the State Treasurer upon the securities referred to in this section shall be deposited in the 1965 Institutional Building Bond Fund Series C.

SECTION 433. AMENDATORY 62 O.S. 2011, Section 57.109, is amended to read as follows:

Section 57.109 The bonds and interest coupons attached thereto shall be delivered to the purchaser thereof only upon payment of par and accrued interest to the date of delivery thereof, together with any premium bid. The proceeds of the sale of said bonds shall be deposited in the State Treasury in the sinking fund, where they shall remain subject to disposition as provided for by the Legislature of this state, provided that the State Treasurer, when so directed by the Director of ~~Public Affairs~~ the Office of Management and Enterprise Services and the Oklahoma State Regents for Higher Education acting on behalf of the governing boards, according to the funds allocated, as to the amounts available for investment shall invest said designated amounts of the sinking fund in direct obligations of the United States of America or in certificates of deposits from banks in this state acceptable as depositories by the State Treasurer when such certificates of deposits are secured by the acceptable collateral and yield as much as or more than direct obligations of the United States of America. All such investments of said monies must be made so that the same

shall mature in time to enable this state to issue warrants forpayment of the valid indebtedness incurred for the purpose for which said bonds are issued, when the said indebtedness has been incurred pursuant to legislative authority. The Director of ~~Public Affairs~~ the Office of Management and Enterprise Services and the Oklahoma State Regents for Higher Education shall promptly certify to the State Treasurer the amount of all sums not needed for payment of construction and other legal expenditures payable from the sinking fund to meet the construction payment schedule, and upon receipt of such certification the State Treasurer shall make the investment specified in this section. All interest received by the State Treasurer upon the securities referred to in this section shall be deposited in the sinking fund.

SECTION 434. AMENDATORY 62 O.S. 2011, Section 57.189, is amended to read as follows:

Section 57.189 The Director of ~~Public Affairs~~ the Office of Management and Enterprise Services and the governing boards of the institutions of higher education are authorized to enter into necessary contracts and exercise supervision of the expenditure of funds authorized by Sections 57.181 through 57.191 of this title.

SECTION 435. AMENDATORY 62 O.S. 2011, Section 57.303, is amended to read as follows:

Section 57.303 A. The Commission acting for and on behalf of the State of Oklahoma shall be the agency by and through which the

State of Oklahoma shall incur indebtedness in the sum of Three Hundred Fifty Million Dollars ($350,000,000.00) as principal for the purpose of restoring and modernizing the state's infrastructure, for constructing new buildings and other capital improvements, and for equipping, remodeling, modernizing and repairing any and all existing buildings and capital improvements, and purchase of land, equipment and furnishings necessary for such new construction or remodeling, including any costs associated with the issuance of the indebtedness, as follows:

1. Oklahoma State Regents for Higher Education for expenditure as follows:

a. University of Oklahoma - Norman Campus	$22,731,000.00
b. University of Oklahoma - Health Sciences Center	$22,400,000.00
c. Oklahoma State University – Stillwater Campus	$22,328,000.00
d. Oklahoma State University – Agriculture Experiment Station	$4,000,000.00
e. Oklahoma State University – Veterinary Medicine	$5,075,000.00
f. Oklahoma State University – Technical Branch - Okmulgee	$4,118,000.00
g. Oklahoma State University – Technical Branch - Oklahoma City	$3,868,000.00

h.	Oklahoma State University - College of Osteopathic Medicine	$3,750,400.00
i.	University of Central Oklahoma	$7,765,106.00
j.	East Central University	$5,869,000.00
k.	Northeastern State University	$8,813,400.00
l.	Northwestern Oklahoma State University	$2,860,000.00
m.	Southeastern Oklahoma State University	$5,586,900.00
n.	Southwestern Oklahoma State University - Weatherford Campus	$6,297,500.00
o.	Southwestern Oklahoma State University - Sayre Campus	$300,000.00
p.	Cameron University	$10,200,000.00
q.	Langston University	$2,842,500.00
r.	Oklahoma Panhandle State University	$2,016,500.00
s.	University of Science and Arts of Oklahoma	$3,104,376.00
t.	University Center at Tulsa	$15,000,000.00
u.	Carl Albert State College	$3,021,000.00
v.	Connors State College	$2,055,100.00
w.	Eastern Oklahoma State College	$2,007,600.00
x.	Murray State College	$2,045,000.00
y.	Northeastern Oklahoma Agricultural and Mechanical College	$2,410,400.00
z.	Northern Oklahoma College	$1,206,500.00

aa.	Oklahoma City Community College	$6,152,100.00
bb.	Redlands Community College	$2,003,900.00
cc.	Rogers State College	$5,035,100.00
dd.	Rose State College	$6,158,600.00
ee.	Seminole Junior College	$2,125,924.00
ff.	Tulsa Junior College	$22,333,800.00
gg.	Western Oklahoma State College	$2,500,000.00
hh.	Enid Higher Education Program	$619,123.00
ii.	Enid Higher Education Program – this allocation is contingent upon a $2,200,000.00 match by the local community	$1,980,877.00
jj.	Ardmore Higher Education Program	$619,123.00
kk.	Muskogee Higher Education Program	$619,123.00
ll.	Idabel Higher Education Program	$619,123.00
mm.	Tulsa Medical Center debt retirement	$6,600,000.00
nn.	Food Processing Research Center – Stillwater	$14,000,000.00
oo.	Natural History Museum - Norman	$15,000,000.00

2. Oklahoma Department of Career and Technology Education for expenditure as follows:

a.	Instructional equipment for technology center schools, including inmate training facilities	$2,300,000.00

b. Mid-Del Technology Center $200,000.00

c. Okmulgee County Technology Center $3,200,000.00

d. Southwest Technology Center $1,500,000.00

e. Wes Watkins Technology Center $1,000,000.00

f. Western Oklahoma Technology Center $2,000,000.00

3. Oklahoma Water Resources Board $5,700,000.00

4. Oklahoma Tourism and Recreation Department for the following purposes: roads, park improvements, sewage treatment, facility rehab, equipment, trails, park visitor centers, welcome centers, Will Rogers Museum and other museums, Oklahoma Jazz Hall of Fame and Quartz Mountain Arts and Conference Center $18,000,000.00

5. Oklahoma Historical Society $1,700,000.00

6. Department of Human Services $5,300,000.00

7. Department of Corrections for the following purposes: drug offender work camps and meat processing facility at Jackie Brannon $6,500,000.00

8. State Department of Health $7,500,000.00

9. State Department of Agriculture for purposes of dry fire hydrants and rural fire equipment $1,000,000.00

10. ~~Department of Central Services~~

Office of Management and Enterprise Services $4,300,000.00

11. Oklahoma Military Department $800,000.00

12. Oklahoma School of Science and Mathematics. Said amount shall not be used for purposes of subsection D of Section 168.3 of Title 73 of the Oklahoma Statutes $4,500,000.00

13. ~~Office of State Finance~~ Office of Management and Enterprise Services for expenditure for telecommunications as recommended by the State Data Processing and Telecommunications Advisory Committee $14,000,000.00

14. Oklahoma Department of Libraries for expenditure for matching grant program for handicapped access $500,000.00

15. Oklahoma Department of Veterans Affairs for the following purposes: New facility at Norman, computer programming-mapper system, and improvements at the facilities at Ardmore, Sulphur, Talihina, Clinton, Claremore and Okmulgee $16,432,500.00

16. Department of Mental Health and Substance Abuse Services $6,400,000.00

If the full amount of funding for any project specified in this subsection is not necessary for provision of such project, any remaining available funds shall be allocated by the Commission to

the full funding of other projects listed in this subsection or to the Oklahoma Building Bonds of 1992 Fund for appropriation by the Legislature for other capital projects.

B. The Commission, acting for and on behalf of the State of Oklahoma, shall issue, sell and deliver as hereinafter provided "Oklahoma Building Bonds of 1992" in a total principal amount of Three Hundred Fifty Million Dollars ($350,000,000.00). It is hereby expressly provided and pledged for the benefit of the purchasers, owners and holders of said bonds that the tax on each package of cigarettes levied by Section 302 of Title 68 of the Oklahoma Statutes, constituting the remainder of revenue available from the revenues lawfully levied and collected by the State of Oklahoma on the sale of cigarettes not already committed to other obligations of the State of Oklahoma, and the tax levy on cigarettes pursuant to Sections 302-2 and 302-4 of Title 68 of the Oklahoma Statutes, or so much as may be necessary, shall be devoted irrevocably to the payment and discharge of the interest on, and the principal of, the bonds issued hereunder as the same become due, and to create an adequate reserve to assure such payments when due; and said revenues shall be, and hereby are, irrevocably pledged for such purposes.

SECTION 436. AMENDATORY 62 O.S. 2011, Section 57.306, is amended to read as follows:

Section 57.306 A. There is hereby created in the State Treasury of the State of Oklahoma the "Oklahoma Building Bonds of

1992 Fund". The proceeds of the sale of bonds pursuant to this act shall be deposited in said fund, where they shall remain subject to disposition to be provided for by the Legislature of this state, provided that the State Treasurer, when so directed by the Commission, shall invest the amounts designated by the Commission for the period of time specified by the Commission; provided that all such investments of said monies must be made so that the same shall mature in time to enable the State of Oklahoma to issue warrants for payment of the valid obligations incurred for the purpose for which the bonds were issued.

B. It shall be the duty of the Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services to promptly certify to the State Treasurer the amount of all sums not needed for payment of construction and other legal expenditures payable from the fund to meet the payment schedule, and upon receipt of such certification the State Treasurer shall forthwith invest such funds.

C. All interest received by the State Treasurer for such investments shall be utilized pursuant to appropriations by the Legislature.

SECTION 437. AMENDATORY 62 O.S. 2011, Section 71.1, is amended to read as follows:

Section 71.1 A. There is hereby created the Cash Management and Investment Oversight Commission. The Commission shall consist of five (5) members as follows:

1. The Director of ~~State Finance~~ the Office of Management and Enterprise Services, or designee;

2. The Bank Commissioner, or designee;

3. The Administrator of the Oklahoma Department of Securities, or designee;

4. One citizen member appointed by the Speaker of the House of Representatives who shall have a demonstrated expertise in public or private investment finance and who shall serve at the Speaker's pleasure; and

5. One citizen member appointed by the President Pro Tempore of the State Senate who shall be a certified public accountant or public accountant with a demonstrated expertise in public or private auditing procedures and who shall serve at the President Pro Tempore's pleasure.

B. The appointed members shall have no direct or indirect business relationship with the State Treasurer or the State Treasurer's Office.

C. The Commission shall elect from its membership a chairperson and vice-chairperson. Such officers shall serve one-year terms and may be reelected. There shall be an Executive Review Committee of the Cash Management and Investment Oversight Commission consisting of the Director of ~~State Finance~~ the Office of Management and Enterprise Services, the Bank Commissioner and the Administrator of the Oklahoma Department of Securities or their respective designees.

The Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services shall call a meeting to organize the Executive Review Committee. The Executive Review Committee shall elect from its membership a chairperson who shall serve for a period of one (1) year and who may be reelected. The Executive Review Committee shall meet at such times as it deems necessary for the performance of its duties.

D. The Commission shall hold regular meetings at least once each quarter, and at such other times as it deems necessary for the performance of its duties. The date, time and place of the meetings shall be set by the Commission. The Legislative Service Bureau shall provide the administrative support required by the Commission. The Commission shall be staffed by the Legislative Service Bureau who shall prepare all materials and information needed by the Commission to perform its duties and responsibilities. Meetings of the Commission and of the Executive Review Committee of the Commission shall be subject to the Oklahoma Open Meeting Act, and their records shall be public records pursuant to the Oklahoma Open Records Act.

E. The Commission in conjunction with the State Auditor and Inspector shall develop a standardized and uniform reporting system which the State Treasurer shall use to make the reports required by ~~Sections~~ Section 89.7 ~~and 89.10~~ of this title. The Commission shall prescribe such forms in order to obtain an objective and accurate

analysis of the investment of state funds by the State Treasurer and to obtain an accurate analysis of investment performance according to an objective standard established by the Commission. The Commission shall not be subject to the provisions of the Administrative Procedures Act for purposes of developing the reporting system required by this subsection. The Commission shall review the reports prepared by the State Treasurer pursuant to ~~Sections~~ Section 89.7 ~~and 89.10~~ of this title. The Commission shall review with the State Treasurer investment strategies and practices and the development of internal auditing procedures and practices. The Commission shall review the reports submitted by the State Treasurer and shall identify any event, transaction or trend which the Commission determines to represent a violation or potential violation of law or public policy regarding the investment of state funds. The Commission shall specifically identify its concerns or objections and shall communicate such concerns or objections in writing to the State Treasurer.

F. The Commission staff shall submit a written report to each member of the Commission for each month of the calendar year which specifically identifies entities with whom or with which the State Treasurer has transacted business related to investment of any state funds during the applicable reporting period. Any person or entity to whom or to which any form of compensation has been or will be paid for services rendered to the State Treasurer's Office related

to the investment of state funds shall be identified in the report. The report shall also be submitted to the Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services, the State Auditor and Inspector, the Speaker of the House of Representatives, the President Pro Tempore of the Senate and the Governor.

G. Members of the Commission shall serve without compensation, except for travel, pursuant to the State Travel Reimbursement Act, to be paid by the appointing authority.

H. The Commission may make written recommendations for changes in legislation to the Legislature or in the policies or procedures and practices of the State Treasurer to the State Treasurer.

I. The Commission shall determine the positions, including but not limited to the investment officer, in the State Treasurer's Office which shall require criminal background investigations by the Oklahoma State Bureau of Investigation. The Bureau shall advise the State Treasurer and the Cash Management and Investment Oversight Commission in writing of the results of the investigation.

SECTION 438. AMENDATORY 62 O.S. 2011, Section 71.2, is amended to read as follows:

Section 71.2 The State Treasurer is authorized to purchase software, hardware, and associated services to assist the State Treasurer in the Treasurer's duties related to the control, custody, deposit, transfer disbursement, management and investment of funds

and securities held by the state. Software, hardware, and associated services shall be chosen by a solicitation of proposals on a competitive basis, but shall be exempt from the provisions of The Oklahoma Central Purchasing Act. Software, hardware and associated services purchases by the State Treasurer for these purposes shall not require the authorization of the Director of ~~State Finance~~ the Office of Management and Enterprise Services.

SECTION 439. AMENDATORY 62 O.S. 2011, Section 89.2, is amended to read as follows:

Section 89.2 A. The State Treasurer is directed to invest the maximum amount of funds under control of the State Treasurer consistent with good business practices; provided that the Treasurer shall keep eighty percent (80%) or more of the money under control of the State Treasurer invested during each fiscal year based on the average daily balances during the fiscal year. Except as otherwise provided for by law, the investments shall earn not less than the rate for comparable maturities on United States Treasury obligations. Except as otherwise provided for by law, the State Treasurer may purchase and invest only in:

1. Obligations of the United States Government, its agencies and instrumentalities, or other obligations fully insured or unconditionally guaranteed as to the payment of principal and interest by the United States government or any of its agencies and instrumentalities;

2. Collateralized or insured certificates of deposit and other evidences of deposit at banks, savings banks, savings and loan associations and credit unions located in this state;

3. Negotiable certificates of deposit issued by a nationally or state-chartered bank, a savings bank, a savings and loan association or a state-licensed branch of a foreign bank. Purchases of negotiable certificates of deposit shall not exceed ten percent (10%) of the cash available for investment which may be invested pursuant to this section. Not more than one-half (1/2) of the ten percent (10%) limit shall be invested in any one financial institution specified in this paragraph;

4. Prime banker's acceptances which are eligible for purchase by the Federal Reserve System and which do not exceed two hundred seventy (270) days' maturity. Purchases of prime banker's acceptances shall not exceed ten percent (10%) of the cash available for investment which may be invested pursuant to this section. Not more than three-fourths (3/4) of the ten percent (10%) limit shall be invested in any one commercial bank pursuant to this paragraph;

5. Prime commercial paper which shall not have a maturity that exceeds one hundred eighty (180) days nor represent more than ten percent (10%) of the outstanding paper of an issuing corporation. Purchases of prime commercial paper shall not exceed seven and one-half percent (7 1/2%) of the cash available for investment which may be invested pursuant to this section;

6. Investment grade obligations of state and local governments, including obligations of Oklahoma state public trusts which possess the highest rating from at least one nationally recognized rating agency acceptable to the State Treasurer. Purchases of investment grade obligations of state and local governments shall not exceed ten percent (10%) of the cash available for investment which may be invested pursuant to this section;

7. Repurchase agreements, provided that such agreements are included within the written investment policy required by subsection D of this section that have underlying collateral consisting of those items and those restrictions specified in paragraphs 1 through 6 of this subsection;

8. Money market funds and short term bond funds regulated by the Securities and Exchange Commission and which investments consist of those items and those restrictions specified in paragraphs 1 through 7 of this subsection; and

9. Bonds, notes, debentures or other similar obligations of a foreign government which the International Monetary Fund lists as an industrialized country and for which the full faith and credit of such nation has been pledged for the payment of principal and interest; provided, that any such security shall be rated at least A- or better by Standard & Poor's Corporation or A3 or better by Moody's Investors Service, or an equivalent investment grade by a securities ratings organization accepted by the National Association

of Insurance Commissioners; and provided further, that the total investment in such foreign securities at any one time shall not exceed five percent (5%) of the cash available for investment which may be invested pursuant to this section. In no circumstance shall investments be made in bonds, notes, debentures or any similar obligations of a foreign government that:

a. is identified as a state sponsor of terrorism by the United States Department of State, or

b. any authoritarian or totalitarian government the sovereign powers of which are exercised through a single person or group of persons who are not elected by any form of legitimate popular voting.

B. Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived.

C. The State Treasurer shall appoint an investment officer who shall perform duties related to the investment of state funds in the Office of the State Treasurer. The investment officer shall not perform or supervise any accounting functions, data processing functions or duties related to the documentation or settlement of investment transactions.

D. Investments of public funds by the State Treasurer shall be made in accordance with written policies developed by the State Treasurer. The written investment policies shall address:

1. Liquidity;

2. Diversification;

3. Safety of principal;

4. Yield;

5. Maturity and quality; and

6. Capability of investment management.

The State Treasurer shall place primary emphasis on safety and liquidity in the investment of public funds. To the extent practicable taking into account the need to use sound investment judgment, the written investment policies shall include provision for utilization of a system of competitive bidding in the investment of state funds. The written investment policies shall be designed to maximize yield within each class of investment instrument, consistent with the safety of the funds invested.

E. The State Treasurer shall select one custodial bank to settle transactions involving the investment of state funds under the control of the State Treasurer. The State Treasurer shall review the performance of the custodial bank at least once every year. The State Treasurer shall require a written competitive bid every five (5) years. The custodial bank shall have a minimum of Five Hundred Million Dollars ($500,000,000.00) in assets to be

eligible for selection. Any out-of-state custodial bank shall have a service agent in the State of Oklahoma so that service of summons or legal notice may be had on such designated agent as is now or may hereafter be provided by law. In order to be eligible for selection, the custodial bank shall allow electronic access to all transaction and portfolio reports maintained by the custodial bank involving the investment of state funds under control of the State Treasurer. The access shall be given to both the State Treasurer and to the Cash Management and Investment Oversight Commission. The requirement for electronic access shall be incorporated into any contract between the State Treasurer and the custodial bank. Neither the State Treasurer nor the custodial bank shall permit any of the funds under the control of the State Treasurer or any of the documents, instruments, securities or other evidence of a right to be paid money to be located in any place other than within a jurisdiction or territory under the control or regulatory power of the United States Government.

F. The investment policy shall specify the general philosophy, policies and procedures to be followed in the investment of state monies by the State Treasurer. The investment policy shall include, but not be limited to, the following:

1. Policy objectives;

2. Performance measure objectives;

3. Authority for investment program;

4. Possible use of an investment advisory committee;

5. Reporting and documentation of investments;

6. Authorized investment instruments;

7. Diversification of investment risk;

8. Maturity limitations;

9. Selections of financial institutions;

10. Interest controls;

11. Safekeeping of investments;

12. Investment ethics; and

13. Formal adoption of policy.

G. The State Treasurer shall provide weekly reports of all investments made by the State Treasurer if requested by the Cash Management and Investment Oversight Commission, and list any commissions, fees or payments made for services regarding such investments. The reports required by this subsection shall be delivered to the Commission within three (3) business days of the end of the applicable week.

H. Not later than July 1 of each year, the State Treasurer shall forward a copy of the written investment policy to the Governor, the Speaker of the House of Representatives, the President Pro Tempore of the Senate, the Attorney General, the Bank Commissioner, and the Director of ~~State Finance~~ the Office of Management and Enterprise Services. In addition, the State Treasurer shall maintain one copy of the investment policy in the

office of the State Treasurer for public inspection during regular business hours. Copies of any modifications to the investment policy shall be forwarded to the Governor, Speaker of the House of Representatives, President Pro Tempore of the Senate, and each member of the Cash Management and Investment Oversight Commission.

SECTION 440. AMENDATORY 62 O.S. 2011, Section 89.5, is amended to read as follows:

Section 89.5 A. There is hereby created in the State Treasury a revolving fund for the Office of the State Treasurer to be designated the "State Treasurer's Revolving Fund". The fund shall be a continuing fund not subject to fiscal year limitations, and shall consist of all monies received by the Office of the State Treasurer from fees and receipts collected pursuant to the Oklahoma Open Records Act, Section 24A.1 et seq. of Title 51 of the Oklahoma Statutes; monies received, including, but not limited to, reasonable and customary service-related charges, any monies received from the sale of surplus property, and any grants-in-aid received from the federal government for the operations of the Office of the State Treasurer unless otherwise provided by federal law or regulation. All monies accruing to the credit of said fund are hereby appropriated and may be budgeted and expended by the Office of the State Treasurer for the operating expenses of the said office. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with

the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

B. The State Treasurer shall appoint and fix the duties and compensation of employees, not otherwise prescribed by law, necessary to perform the duties imposed upon the Office of the State Treasurer by law.

SECTION 441. AMENDATORY 62 O.S. 2011, Section 90, is amended to read as follows:

Section 90. A. The State Treasurer may implement and engage in a securities lending program. As used in this section, "securities lending program" means any program, arrangement or agreement whereby the state deposits securities with a federally or state-chartered savings and loan association, a trust company, a state or national bank, or a broker-dealer registered with the National Association of Securities Dealers, Inc. and insured by the Securities Investors Protection Corporation, for the purpose of permitting the financial institution or broker-dealer to lend securities to a borrower approved by the State Treasurer in return for a fee or charge paid by the borrower for the use of such securities. All income from securities lending, less fees, shall be deposited into the Securities Lending and Custodial Fee Revolving Fund created in this section; provided, securities lending income in excess of amounts necessary to pay custodial or other banking fees, shall be deposited into the General Revenue Fund. Securities loaned under this program

shall be subject to the collateral requirements specified by the State Treasurer. The State Treasurer must receive collateral equal to at least one hundred percent (100%) of the market value of the securities loaned, consisting of securities or instruments which the State Treasurer can purchase pursuant to Section 89.2 of this title. Nothing herein shall be deemed to prohibit the implementation of securities lending programs by the state retirement systems which are designed and managed by the boards of trustees of such systems.

B. There is hereby created in the State Treasury a revolving fund for the Office of the State Treasurer, to be designated the "Securities Lending and Custodial Fee Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of any monies transferred thereto by act of the Legislature and any monies which may be deposited thereto by the State Treasurer's Office as provided by this section. All monies accruing to the credit of the fund are hereby appropriated and may be budgeted and expended by the Office of the State Treasurer for the purposes of paying custodial or other banking fees. Expenditures from the fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 442. AMENDATORY 62 O.S. 2011, Section 90.8, is amended to read as follows:

Section 90.8 There is hereby created in the State Treasury a revolving fund for the Commissioner of Agriculture to be designated the "Rural Economic Development Loan Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies received by the Commissioner as provided in the Rural Economic Development Loan Act. All monies accruing to the credit of the fund are hereby appropriated and may be budgeted and expended by the Commissioner for the purpose of implementing the Rural Economic Development Loan Act. Expenditures from the fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 443. AMENDATORY 62 O.S. 2011, Section 139.45, is amended to read as follows:

Section 139.45 The Governor may, subject to the provisions of this act, allocate and authorize the expenditure of any or all of the money accruing to the State Emergency Fund only for the purpose of defraying expenses arising by reason of emergencies as hereinafter defined, and which were not foreseen or reasonably foreseeable by the legislature or either house thereof, but for which the legislature could have lawfully made appropriations. In no event may any monies in said fund be allocated or expended for any purpose, use, or object considered or acted upon adversely by

the legislature or either house thereof. The ~~State Budget~~ Director of the Office of Management and Enterprise Services is hereby authorized and directed to disallow and reject any claim against an allocation made from the State Emergency Fund contrary to the provisions of this act.

SECTION 444. AMENDATORY 62 O.S. 2011, Section 139.48, is amended to read as follows:

Section 139.48 Where the written findings of fact required by Section 139.46 of this title do not include one of the specific emergencies listed in Section 139.47 of this title but do show the existence of some other emergency not foreseen or reasonably foreseeable by the Legislature, the Governor may allocate and authorize the expenditure of monies from the State Emergency Fund to provide for such emergency if, and only if:

(1) the Contingency Review Board, by a majority vote thereof, has first found that such emergency exists, and was not foreseen or reasonably foreseeable by the Legislature, and has certified such findings in writing to the Governor and the Director of ~~State Finance~~ the Office of Management and Enterprise Services. A copy of such findings shall be filed in the office of each of the members of said Board.

(2) the Governor, after having received the findings of the Contingency Review Board, has also found that such emergency exists, and was not foreseen or reasonably foreseeable by the Legislature.

(3) the funds so allocated and authorized are expended solely for direct assistance or relief to qualified individuals or entities, pursuant to eligibility guidelines developed by the Contingency Review Board for each emergency, or for costs associated with providing direct assistance.

SECTION 445. AMENDATORY 62 O.S. 2011, Section 139.49, is amended to read as follows:

Section 139.49 No allocation shall be made from the State Emergency Fund except upon approval of the Governor in writing, and under such limitations as may be specified by the Governor, and subject to the conditions provided for by this act. The Governor's findings and certificate of approval shall be certified to the Director of ~~State Finance~~ the Office of Management and Enterprise Services, the Secretary of State, the State Treasurer, and the State Auditor and Inspector.

SECTION 446. AMENDATORY 62 O.S. 2011, Section 155, is amended to read as follows:

Section 155. A. There is hereby created in the State Treasury a revolving fund for each of the following state boards, commissions and departments:

1. The Board of Governors of the Licensed Architects, Landscape Architects and Registered Interior Designers of Oklahoma;

2. The State ~~Board of~~ Barber ~~Examiners~~ Advisory Board;

3. ~~The State Board of Examiners in the Basic Sciences;~~

~~4.~~ Oklahoma ~~State Board of Embalmers and~~ Funeral ~~Directors~~ Board;

~~5. Oklahoma State~~ 4. Board of ~~Podiatry~~ Podiatric Medical Examiners;

~~6.~~ 5. Board of Chiropractic Examiners;

~~7. State Board of Electrology;~~

~~8.~~ 6. State Board of Registration for Foresters;

~~9.~~ 7. State Board of Medical Licensure and Supervision;

~~10.~~ 8. Oklahoma Board of ~~Nurse Registration and~~ Nursing ~~Education~~;

~~11.~~ 9. State Board of ~~Osteopathy~~ Osteopathic Examiners;

~~12. Oklahoma~~ 10. State Board of Pharmacy;

~~13.~~ 11. State Board of ~~Registration for~~ Licensed Social Workers;

~~14. Department of Registration for Professional Sanitarians;~~

~~15.~~ 12. Oklahoma Motor Vehicle Commission;

~~16.~~ 13. Oklahoma Peanut Commission;

~~17. Pork Utilization, Research and Market Development Commission;~~

~~18.~~ 14. Oklahoma Real Estate Commission;

~~19.~~ 15. Santa Claus Commission; and

~~20.~~ 16. Wheat Utilization, Research and Market Development Commission.

B. Each revolving fund shall consist of all monies received by the boards, commissions and departments, pursuant to statutory authority, but not including appropriated funds. These revolving funds shall be continuing funds, not subject to fiscal year limitations and shall be under the control and management of the administrative authorities of the respective boards, commissions or departments.

C. Expenditures from said revolving funds shall be made pursuant to the laws of the state and the statutes relating to said boards, commissions and departments, and without legislative appropriation. Warrants for expenditures from said revolving funds shall be drawn by the State Treasurer, based on claims signed by an authorized employee or employees of the respective boards, commissions or departments and approved for payment by the Director of ~~State Finance~~ the Office of Management and Enterprise Services.

SECTION 447. AMENDATORY 62 O.S. 2011, Section 156, is amended to read as follows:

Section 156. There is hereby created in the State Treasury a revolving fund for the Oklahoma Educational Television Authority to be designated "The Educational Television Authority Revolving Fund".~~"~~ The fund shall consist of monies received by the Oklahoma Educational Television Authority pursuant to statutory provisions, but not including appropriated funds. The revolving fund shall be a continuing fund not subject to fiscal year limitations and shall be

under the administrative direction of the Oklahoma Educational Television Authority. Expenditures from said fund shall be made pursuant to the laws of this state and the statutes relating to the said Authority, and without legislative appropriation. Warrants for expenditures from said fund shall be drawn by the State Treasurer, based on claims signed by an authorized employee or employees of the said Authority and approved for payment by the Director of ~~State Finance~~ the Office of Management and Enterprise Services.

SECTION 448. AMENDATORY 62 O.S. 2011, Section 157, is amended to read as follows:

Section 157. There is hereby created in the State Treasury a revolving fund for the Will Rogers Memorial Commission to be designated "The Will Rogers Memorial Commission Revolving Fund." The fund shall consist of monies received by the Will Rogers Memorial Commission pursuant to statutory provisions, but not including appropriated funds. The revolving fund shall be a continuing fund not subject to fiscal year limitations and shall be under the administrative direction of the Will Rogers Memorial Commission. Expenditures from said fund shall be made pursuant to the laws of this state and the statutes relating to the said Commission, and without legislative appropriation. Warrants for expenditures shall be drawn by the State Treasurer, based on claims signed by an authorized employee or employees of the said Commission

and approved for payment by the Director of ~~State Finance~~ the Office of Management and Enterprise Services.

SECTION 449. AMENDATORY 62 O.S. 2011, Section 158, is amended to read as follows:

Section 158. There is hereby created in the State Treasury a revolving fund for the Teachers' Retirement System of Oklahoma, to be designated "The Teachers' Retirement System Revolving Fund".~~"~~ The fund shall consist of monies deposited to said fund by the Board of Trustees of the Teachers' Retirement System of Oklahoma, or pursuant to said Board's authorization. The revolving fund shall be a continuing fund not subject to fiscal year limitations and shall be under the administrative direction of the Board of Trustees of the Teachers' Retirement System of Oklahoma. Expenditures from said fund shall be made pursuant to general laws for expenses of administration of the Teachers' Retirement System. Warrants for expenditures shall be drawn by the State Treasurer based on claims signed by an authorized employee or employees of the Teachers' Retirement System and approved for payment by the Director of ~~State Finance~~ the Office of Management and Enterprise Services.

SECTION 450. AMENDATORY 62 O.S. 2011, Section 159, is amended to read as follows:

Section 159. There is hereby created in the State Treasury a revolving fund for the Secretary of the State Election Board. Said revolving fund shall consist of all monies received by the Secretary

of the State Election Board under 26 O.S. 1971, Sections 161, 165a, 391 and 392. The revolving fund shall be a continuing fund, not subject to fiscal year limitations. Expenditures from said fund shall be made pursuant to the laws of this state and the statutes relating to the Secretary of the State Election Board, and without legislative appropriation. Warrants for expenditures from said fund shall be drawn by the State Treasurer, based on claims signed by an authorized employee or employees of the State Election Board and approved for payment by the Director of ~~State Finance~~ the Office of Management and Enterprise Services.

SECTION 451. AMENDATORY 62 O.S. 2011, Section 159.1, is amended to read as follows:

Section 159.1 There is hereby created in the State Treasury a revolving fund for the Oklahoma State Senate to be designated the "State Senate Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies received by the Oklahoma State Senate from fees, payment of services, refunds, appropriations and other receipts as authorized by law. All monies accruing to the credit of said fund are hereby appropriated and may be budgeted and expended by the Oklahoma State Senate for the duties and operations of the Senate. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the

Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 452. AMENDATORY 62 O.S. 2011, Section 159.2, is amended to read as follows:

Section 159.2 There is hereby created in the State Treasury a revolving fund for the Oklahoma House of Representatives to be designated the "House of Representatives Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies received by the Oklahoma House of Representatives from fees, payment of services, refunds, appropriations and other receipts as authorized by law. All monies accruing to the credit of said fund are hereby appropriated and may be budgeted and expended by the Oklahoma House of Representatives for the duties and operations of the House of Representatives. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 453. AMENDATORY 62 O.S. 2011, Section 160.1, is amended to read as follows:

Section 160.1 There is hereby created in the State Treasury a revolving fund for the University of Oklahoma Health Sciences Center to be designated the "Comprehensive Cancer Center Debt Service Revolving Fund". The fund shall be a continuing fund, not subject

to fiscal year limitations, and shall consist of all monies apportioned to the fund pursuant to Sections 302-5 and 402-3 of Title 68 of the Oklahoma Statutes. All monies accruing to the credit of the fund are hereby appropriated and may be budgeted and expended by the University for the purpose of construction, operations and servicing debt obligations incurred by the University to construct a nationally designated comprehensive cancer center. The cancer center constructed shall include a department known as the Janna L. Robbins Memorial Colorectal Screening and Research Department that has a primary function of conducting research and screening procedures for the treatment and detection of colorectal cancer. Expenditures from the fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 454. AMENDATORY 62 O.S. 2011, Section 160.2, is amended to read as follows:

Section 160.2 There is hereby created in the State Treasury a revolving fund for the Oklahoma State University College of Osteopathic Medicine to be designated the "Oklahoma State University College of Osteopathic Medicine Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies apportioned to the fund pursuant to Sections ~~2~~ 302-5 and ~~10~~ 402-3 of ~~this act~~ Title 68 of the Oklahoma Statutes.

All monies accruing to the credit of the fund are hereby appropriated and may be budgeted and expended by the Oklahoma State University College of Osteopathic Medicine for the purpose of servicing debt obligations for construction of a building dedicated to telemedicine to expand telemedicine to rural areas, for the purchase of telemedicine equipment and to provide uninsured/indigent care in Tulsa County. Expenditures from the fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 455. AMENDATORY 62 O.S. 2011, Section 166d, is amended to read as follows:

Section 166d. All royalty monies received upon behalf of this state, any and all bonus monies received upon behalf of this state, and any and all delay rentals received upon behalf of this state, in connection with or pursuant to the provisions of any oil and gas lease covering any of the lands occupied by, or assigned to the use of, the Southern Oklahoma Resource Center of Pauls Valley, entered into by the ~~Office of Public Affairs~~ Office of Management and Enterprise Services, shall be deposited in the revolving fund of the Southern Oklahoma Resource Center of Pauls Valley and shall be expended by said institution in the same manner that other treasury funds of said institution are expended.

SECTION 456. AMENDATORY 62 O.S. 2011, Section 178, is amended to read as follows:

Section 178. The said fund shall consist of all appropriations made for such purpose and shall include all net earnings or profits derived from all business enterprises, occupations, factories, shops, manufacturing, farming, dairying, livestock, and poultry raising, or any other business enterprise or undertaking that may be conducted and carried on by said institution by and through its administrative officers subject to the supervision and authority of the ~~Office of Public Affairs~~ Office of Management and Enterprise Services as an ex officio board of control or their successors or such supervising or managing officers as may be provided for by law. The fund shall be kept in such a way as to show from what particular source, business, or enterprise such fund was derived, and each particular source, business, or enterprise being credited with its proper part of said fund.

SECTION 457. AMENDATORY 62 O.S. 2011, Section 193, is amended to read as follows:

Section 193. A. There is hereby created in the State Treasury a revolving fund for the Oklahoma Tax Commission to be designated the "Ad Valorem Reimbursement Fund". The fund shall be a continuing fund, not subject to fiscal year limitations. Monies apportioned to this fund shall be expended:

1. To reimburse counties of this state for loss of revenue due to exemptions of ad valorem taxes for new or expanded manufacturing or research and development facilities;

2. To reimburse counties of this state for loss of revenue for school district and county purposes due to exemptions granted pursuant to the provisions of Section 2890 of Title 68 of the Oklahoma Statutes; and

3. To reimburse counties of this state for loss of revenue due to decreased valuation and assessment for buffer strips pursuant to Section ~~2~~ 2817.2 of ~~this act~~ Title 68 of the Oklahoma Statutes.

Provided that it shall be the duty of the Tax Commission to assess the valuation of all property for new or expanded manufacturing or research and development facilities which are exempt from ad valorem taxes.

Monies apportioned to this fund also may be transferred to other state funds or otherwise expended as directed by the Legislature by law.

B. The county commissioners of each county seeking reimbursement for lost revenue from the Ad Valorem Reimbursement Fund shall make claims for reimbursement on forms prescribed by the Tax Commission prior to April 30 of each year. Claims for reimbursement for loss of revenue due to exemptions of ad valorem taxes for new or expanded manufacturing or research and development facilities shall be made separately from claims for reimbursement

for loss of revenue for school district and county purposes due to exemptions granted pursuant to the provisions of Section 2890 of Title 68 of the Oklahoma Statutes and separately from claims for reimbursement for loss of revenue for decreased valuation and assessment of buffer strips. Provided, the assessed valuation of a school district as stated in the claim for reimbursement shall be the same as reported to the State Department of Education on the Estimate of Need and shall include the total valuation of property exempt from taxation pursuant to Section 2902 of Title 68 of the Oklahoma Statutes. The claims shall be either approved or disapproved in whole or in part by the Tax Commission by June 15 of each year. A claim for reimbursement for loss of revenue due to an exemption of ad valorem taxes for a new or expanded manufacturing or research and development facility shall be disapproved if a county or school district has received any payment in lieu of ad valorem taxes from such facility, to the extent of the amount of such reimbursement. If the Tax Commission determines that an exemption has been erroneously or unlawfully granted, it shall notify the appropriate county assessor who shall immediately value and assess the property and place it on the rolls for ad valorem taxation. Disbursements from the fund shall be made on warrants issued by the State Treasurer against claims filed by the Tax Commission with the ~~Office of State Finance~~ Office of Management and Enterprise Services for payment. Such disbursements shall be exempt from all agency

expenditure ceilings. The county treasurer shall apportion or disburse such funds for expenditures in the same manner as other ad valorem tax collections.

C. In the event monies apportioned to the Ad Valorem Reimbursement Fund are insufficient to pay all claims for reimbursement made pursuant to subsection B of this section, claims for reimbursement for loss of revenue due to exemptions of ad valorem taxes for new or expanded manufacturing or research and development facilities shall be paid first, and any remaining funds shall be distributed proportionally among the counties making claims for reimbursement for loss of revenue for school district and county purposes due to exemptions granted pursuant to the provisions of Section 2890 of Title 68 of the Oklahoma Statutes, according to the amount of the claim made by each county. If any funds remain after paying all claims for reimbursement for loss of revenue due to exemptions of ad valorem taxation for new or expanded manufacturing or research and development facilities and for reimbursement for loss of revenue for school district and county purposes due to exemptions granted pursuant to the provisions of Section 2890 of Title 68 of the Oklahoma Statutes, the remaining funds shall be distributed proportionally among the counties making claims for reimbursement for loss of revenue for decreased valuation and assessment for buffer strips pursuant to Section ~~2~~ 2817.2 of ~~this act~~ Title 68 of the Oklahoma Statutes.

SECTION 458. AMENDATORY 62 O.S. 2011, Section 195, is amended to read as follows:

Section 195. A. 1. There is hereby created a petty cash fund at each of the following institutions: Oklahoma School for the Blind, Muskogee, Oklahoma; Oklahoma School for the Deaf, Sulphur, Oklahoma; Griffin Memorial Hospital, Norman, Oklahoma; Eastern State Hospital, Vinita, Oklahoma; Northern Oklahoma Resource Center of Enid, Enid, Oklahoma; Southern Oklahoma Resource Center of Pauls Valley, Pauls Valley, Oklahoma; Western State Psychiatric Center, Fort Supply, Oklahoma; Central Oklahoma Juvenile Treatment Center, Tecumseh, Oklahoma; L.E. Rader Children's Diagnostic and Evaluation Center, Sand Springs, Oklahoma; L.E. Rader Intensive Treatment Center, Sand Springs, Oklahoma; the Southwest Oklahoma Juvenile Center, Manitou, Oklahoma; the Office of Juvenile Affairs' Boys' Group Home, Enid, Oklahoma; the Office of Juvenile Affairs' Boys' Group Home, Lawton, Oklahoma; the Office of Juvenile Affairs' Girls' Group Home, Tulsa, Oklahoma; the Oklahoma Medical Center; and the J.D. McCarty Center for Children with Developmental Disabilities.

2. The Director of ~~State Finance~~ the Office of Management and Enterprise Services and the head of the institution involved are hereby authorized and it shall be their duty to fix the maximum amount of the petty cash funds. The Director of ~~State Finance~~ the Office of Management and Enterprise Services shall prescribe all

forms, systems, and procedures for administering the petty cash funds of the institution.

B. 1. There is hereby created a petty cash fund in the legal division of the Department of Human Services which fund shall be used solely to pay court costs, filing fees, witness fees, and expenses related to any case or proceeding within the responsibility of the legal division.

2. There is hereby created a petty cash fund in the Child Support Enforcement Division of the Department of Human Services. The fund shall be used solely to pay litigation expenses, including court costs, filing fees, witness fees, and expenses related to any case or proceeding within the responsibility of the Child Support Enforcement Division.

3. The Director of ~~State Finance~~ the Office of Management and Enterprise Services, and the Director of the Department of Human Services are hereby authorized and it shall be their duty to fix the maximum amount of the petty cash funds. The Director of ~~State Finance~~ the Office of Management and Enterprise Services shall prescribe all forms, systems, and procedures for administering the petty cash funds.

C. 1. There is hereby created a petty cash fund in the finance department of the ~~Oklahoma~~ Corporation Commission which shall be used solely to pay litigation expenses of the legal division, including court costs, filing fees, witness fees, and other expenses

related to any case, proceeding, or matter within the responsibility of the legal division.

2. The Director of ~~State Finance~~ the Office of Management and Enterprise Services and the Corporation Commission are hereby authorized and it shall be their duty to fix the maximum amount of the petty cash fund, not to exceed Five Hundred Dollars ($500.00). The Director of ~~State Finance~~ the Office of Management and Enterprise Services shall prescribe all forms, systems, and procedures for administering the petty cash fund.

D. 1. There is hereby created a petty cash fund for the Property Distribution Division of the ~~Department of Central Services~~ Office of Management and Enterprise Services.

2. The amount of the Property Distribution petty cash fund shall not exceed Five Hundred Dollars ($500.00). The initial amount shall be drawn by warrant from the State Surplus Property Revolving Fund. The Director of ~~State Finance and the Director of the Department of Central Services are~~ the Office of Management and Enterprise Services is authorized to prescribe forms, systems and procedures for the administration of the Property Distribution petty cash fund.

E. 1. There is hereby created a petty cash fund in the legal division of the Oklahoma Health Care Authority which fund shall be used solely to pay for court costs, filing fees, witness fees, and

expenses related to any case or proceeding within the responsibility of the legal division.

2. The Director of ~~State Finance~~ the Office of Management and Enterprise Services and the Chief Executive Officer of the Oklahoma Health Care Authority are hereby authorized and it shall be their duty to fix the maximum amount of the petty cash fund, not to exceed Five Hundred Dollars ($500.00). The Director of ~~State Finance~~ the Office of Management and Enterprise Services shall prescribe all forms, systems, and procedures for administering the petty cash fund.

F. 1. The Director of ~~State Finance~~ the Office of Management and Enterprise Services is hereby authorized, upon request by the State Commissioner of Health, to establish a petty cash fund for the State Department of Health in an amount not to exceed One Thousand Dollars ($1,000.00), to be used for the purpose of making change for persons obtaining licenses, paying fees and fines, and transacting other such business with the Department.

2. The fund shall be established and replenished from any monies available to the Department for operating expenses.

3. The Director of ~~State Finance~~ the Office of Management and Enterprise Services shall prescribe all forms, systems, and procedures for administering the fund.

SECTION 459. AMENDATORY 62 O.S. 2011, Section 221, is amended to read as follows:

Section 221. A. There is hereby created a fund to be known as the "Oklahoma Tax Commission Fund". There shall be paid to the State Treasurer and placed to the credit of said "Oklahoma Tax Commission Fund", out of collections made by said Commission, the sums of money required to be apportioned thereto by law.

B. From and after July 1, 1986, the Oklahoma Tax Commission Fund shall be a revolving fund. Such fund shall be a continuing fund not subject to fiscal year limitations and shall consist of any revenues required to be deposited in the Oklahoma Tax Commission Fund by Article XXVIII, Section 7 of the Oklahoma Constitution, any other revenues apportioned to such fund by law, and any other miscellaneous fees and monies received by the Oklahoma Tax Commission. All monies accruing to the credit of said fund are hereby appropriated and may be budgeted and expended by the Oklahoma Tax Commission to carry out the duties of the Commission according to law. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 460. AMENDATORY 62 O.S. 2011, Section 275.8, is amended to read as follows:

Section 275.8 All state bonds, bond interest coupons and duplicates of receipts redeemed by the State Treasurer and delivered to the Director of ~~State Finance~~ the Office of Management and

Enterprise Services as provided by Section ~~41.19~~ 34.80 of this title shall be delivered by the Director of ~~State Finance~~ the Office of Management and Enterprise Services to the Archives and Records Commission to be retained in accordance with the provisions of Sections 305 through 317 of Title 67 of the Oklahoma Statutes. All warrants or checks redeemed by the State Treasurer, shall be microfilmed, imaged or duplicated by the State Treasurer. The microfilm, image or other duplication shall be in accordance with requirements established for such records by the Archives and Records Commission. Any redeemed warrant or check that has been microfilmed, imaged or duplicated in a manner acceptable to the Archives and Records Commission shall be destroyed after a period of time consistent with banking industry standards for checks. The Archives and Records Commission, with the assistance of the State Treasurer, shall survey financial institutions to determine the industry standard for retention of paper checks after they have been duplicated in a manner consistent with federal law and industry practice. Such survey shall include the industry standard or federal law for retention of duplicated checks.

No state agency may require the State Treasurer to furnish an original warrant, state check, or state voucher to the state agency if the State Treasurer makes a duplicate available. If the State Treasurer is in possession of the original warrant, the original may be furnished in response to the following:

1. A subpoena;

2. A proper discovery request in a legal proceeding;

3. For investigative purposes of a law enforcement agency; or

4. For other good cause as determined by the State Treasurer.

SECTION 461. AMENDATORY 62 O.S. 2011, Section 275.9, is amended to read as follows:

Section 275.9 Claims and/or payrolls filed with the Director of ~~State Finance~~ the Office of Management and Enterprise Services shall be maintained by said officer in accordance with the provisions of Sections ~~564~~ 305 through ~~576~~ 317 of Title ~~74~~ 67 of the Oklahoma Statutes.

SECTION 462. AMENDATORY 62 O.S. 2011, Section 276.1, is amended to read as follows:

Section 276.1 There is hereby created in the State Treasury a revolving fund for the Office of the Secretary of State to be designated the "Revolving Fund for the Office of the Secretary of State". The revolving fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of fees and monies received by the Office of the Secretary of State for reproducing records or other papers or documents, and such other fees as are directed by law to be deposited in this fund, and any other miscellaneous receipts not otherwise directed by law. All monies accruing to the credit of said fund are hereby appropriated and may be budgeted and expended by the Office of the Secretary of State for

costs incurred in performing the duties and functions of the Office. Expenditures from said fund shall be made on warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 463. AMENDATORY 62 O.S. 2011, Section 276.3, is amended to read as follows:

Section 276.3 There is hereby created in the State Treasury a revolving fund for the Office of the Secretary of State to be designated the "Central Filing System Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all fees generated by paragraphs 4 through 9 of subsection A of Section 111 of Title 28 of the Oklahoma Statutes and all penalties collected pursuant to ~~subsections~~ subsection (9) ~~and (10)~~ of Section 1-9-320.6 of Title 12A of the Oklahoma Statutes. All monies accruing to the credit of this fund are hereby appropriated and may be budgeted and expended by the Office of the Secretary of State for expenses related to the central filing system created pursuant to Section 1-9-320.6 of Title 12A of the Oklahoma Statutes. Expenditures from this fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 464. AMENDATORY 62 O.S. 2011, Section 276.4, is amended to read as follows:

Section 276.4 There is hereby created a petty cash fund not to exceed Three Hundred Dollars ($300.00) for the Office of the Secretary of State to be used as a cash drawer change fund and for the purchase of or reimbursement for expenditures of less than One Hundred Dollars ($100.00) pursuant to the rules and procedures established by the Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services.

SECTION 465. AMENDATORY 62 O.S. 2011, Section 555, is amended to read as follows:

Section 555. The clerk of any county, city or town, is hereby authorized and empowered to issue a second or duplicate check, warrant or voucher in lieu of any check, warrant or voucher that has been issued and subsequently lost or destroyed. Unless the treasurer of any county, city or town has evidence that a stop-payment order has been issued, no second or duplicate check, warrant or voucher shall be issued until an affidavit setting forth the facts as to the loss or destruction of the original check, warrant or voucher has been filed with the clerk, together with an indemnifying bond running to the treasurer of the county, city or town, or to the Treasurer of the State of Oklahoma, in double the amount of such lost or destroyed check, warrant or voucher. The conditions of such bond shall be to indemnify and protect the

county, city or town, or to the Treasurer of the State of Oklahoma, from any loss or harm occasioned or sustained on account of the issue of such second or duplicate check, warrant or voucher. The bond shall be satisfactory to the treasurer of such county, city or town, or to the Treasurer of the State of Oklahoma, who shall, upon being satisfied as to the sufficiency of the bond, endorse approval thereon. The clerk and treasurer shall make such records in their respective offices as will, as nearly as possible, preclude any loss being sustained by the county, city or town, or to the Treasurer of the State of Oklahoma, on account of the issue of any second or duplicate check, warrant or voucher. Warrants issued by the State Treasurer against claims submitted through the Director of ~~State Finance~~ the Office of Management and Enterprise Services in payment of obligations of the state which may subsequently be lost or destroyed will be governed by the provisions of Section ~~34~~ 34.81 of ~~Title 74 of the Oklahoma Statutes~~ this title.

SECTION 466. AMENDATORY 62 O.S. 2011, Section 695.8a, is amended to read as follows:

Section 695.8a There is hereby created in the State Treasury a revolving fund for the Office of the State Bond Advisor, to be designated the "Bond Oversight Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of fees collected pursuant to Section 695.8 of this title and any other monies provided for by law. All monies accruing to

the credit of said fund are hereby appropriated and may be budgeted and expended by the Office of the State Bond Advisor for expenses related to the Oklahoma Bond Oversight and Reform Act. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 467. AMENDATORY 62 O.S. 2011, Section 695.11A, is amended to read as follows:

Section 695.11A A. In the event either the Executive or Legislative Bond Oversight Commission is found unconstitutional by a final, unappealed order of a court of competent jurisdiction, all of the powers, duties and responsibilities of the Commissions shall devolve upon the Council of Bond Oversight, and previous joint or individual actions, approvals and disapprovals of the Executive and Legislative Bond Oversight Commissions are hereby confirmed, ratified, validated and deemed incontestable. In the event the Executive or the Legislative Bond Oversight Commission or the Council of Bond Oversight is found unconstitutional by a final, unappealed order of a court of competent jurisdiction, such determination shall not nullify joint or individual actions, approvals and disapprovals of the Executive and Legislative Bond Oversight Commissions or the Council of Bond Oversight and any obligations entered into by the Oklahoma Development Finance

Authority pursuant to provisions of the Oklahoma Development Finance Authority Act and the Credit Enhancement Reserve Fund Act with approval by the Bond Oversight Commissions or the Council of Bond Oversight and such obligations are hereby confirmed, ratified, validated and deemed incontestable.

B. The Council shall consist of five (5) nonlegislative members. One member shall be appointed by the Speaker of the House of Representatives, one member shall be appointed by the President Pro Tempore of the Senate, two members shall be appointed by the Governor with the advice and consent of the Senate and one member shall be the Director of ~~State Finance~~ the Office of Management and Enterprise Services. Three members of the Council shall constitute a quorum. The affirmative vote of three members present and voting shall be necessary for any action taken by the Council. Appointed members shall serve a term of two (2) years and may be removed for cause by the appointing authority. Members may be appointed for additional terms.

C. A vacancy on the Council shall be filled in a like manner as the original appointment, but only for the remainder of the term. The Council shall elect one of its members chairman and may elect such other officers as it deems necessary. No vacancy in the membership of the Council shall impair the right of the Council to exercise all rights and duties of the Council.

D. If the powers, duties and responsibilities of the Commissions devolve upon the Council pursuant to this section, the person serving as the Oklahoma State Bond Advisor on the date of such devolution shall continue to serve in that position until the Governor appoints a new Oklahoma State Bond Advisor from a list of candidates provided by the Council and said appointee has been confirmed by the Senate. Thereafter, and in the case of a vacancy, the Oklahoma State Bond Advisor shall be appointed, subject to the advice and consent of the Senate, by the Governor from a list of candidates provided by the Council and shall serve a term of office coterminous with that of the appointing Governor. The Oklahoma State Bond Advisor may be removed by the Council for cause, after a public hearing.

SECTION 468. AMENDATORY 62 O.S. 2011, Section 891.15, is amended to read as follows:

Section 891.15 There is hereby created in the State Treasury a revolving fund for the Oklahoma Development Finance Authority to be designated the "Community Economic Development Pooled Finance Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies received by the Oklahoma Development Finance Authority from revenues derived from levies imposed by counties, cities, towns or combinations of such local governmental entities as provided by this act in addition to any withholding tax revenues as provided by Section ~~12~~ 891.12 of

this ~~act~~ title. All monies accruing to the credit of said fund are hereby appropriated and may be budgeted and expended by the Oklahoma Development Finance Authority for the purpose of paying principal, interest and other costs of borrowing by the Authority as authorized by this act. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 469. AMENDATORY 62 O.S. 2011, Section 901, is amended to read as follows:

Section 901. A. 1. There is hereby created a Long-Range Capital Planning Commission to advise and assist the Legislature in providing for capital facilities in this state. The Commission shall consist of twelve (12) members as follows:

a. four members appointed by the President Pro Tempore of the Senate to serve at his pleasure. Of these appointees two shall be members of the Senate and two shall be from the public at large,

b. four members appointed by the Speaker of the House of Representatives to serve at his pleasure. Of these appointees two shall be members of the House of Representatives and two shall be from the public at large,

c. four members shall be appointed by the Governor to serve at his pleasure. These appointees shall be from the public at large.

2. A chairman of the Commission shall be elected from its membership. Seven members of the Commission shall constitute a quorum. Members of the Commission shall serve without compensation, but all public members shall be entitled to reimbursement, pursuant to the State Travel Reimbursement Act, for expenses incurred in the performance of their duties.

3. Initial appointments to the Commission shall be made within thirty (30) days of the effective date of this act.

B. The Commission shall have the authority to promulgate rules and regulations necessary to implement the provisions of this act.

C. The Oklahoma State Bond Advisor shall provide staffing for the Commission and other such assistance as the Commission may require.

D. 1. The Commission shall prepare each year a state capital plan for addressing state, regional and local public capital facility needs for the next ensuing five (5) years. The Oklahoma State Regents for Higher Education and each state governmental entity as defined in Section 695.3 of Title 62 of the Oklahoma Statutes shall cooperate with the Commission in the preparation of the state plan. By October 1, 1992, each state governmental entity shall submit a copy of its complete inventory and a need list.

Beginning December 1, 1993, the plan shall be submitted to the Governor, Speaker of the House of Representatives and President Pro Tempore of the Senate no later than December 1 of each year.

2. a. The capital plan should supplement and integrate, not replace, existing capital planning processes at the state, regional or local level. The plan shall consider and incorporate, as appropriate, the local and regional plans that may be developed pursuant to the provisions of Sections ~~3 through 6~~ 910 to 912 of this ~~act~~ title and Section 5003.7 of Title 74 of the Oklahoma Statutes.

b. The plan shall assess long-term needs for capital facilities provided by both state and local governments as determined by the Commission. The plan shall include:

(1) an inventory of capital facilities held by the state, and when available, by units of local government or special districts. The inventory shall include such information as is reasonably available on the physical and economic condition of these assets,

(2) a projection of economic and demographic trends likely to influence the needs for new or expanded capital facilities,

(3) an estimate of mandatory, essential, desirable and deferrable repair, replacement and expansions,

(4) estimates of life cycle costs for new and substantially expanded or renovated facilities. Life cycle costs shall include the cost of construction, financing, repair and maintenance,

(5) an analysis of recent trends and projections of revenues available from general obligation and revenue bonds, general and dedicated taxes used for capital facilities finance, user fees, the federal government and other sources,

(6) an analysis of the capacity of the state and local governments to incur debt or finance public capital facilities,

(7) a detailed list of all capital projects of the state which the Commission recommends be undertaken or continued for any state agency in the next two (2) fiscal years, together with information as to the effect of such capital projects on future operating expenses of the state, and with recommendations as to the priority of such capital projects and the means of funding them,

(8) the forecasts of the Commission as to the requirements for capital projects of state agencies for the three (3) fiscal years next following such two (2) fiscal years and for such additional periods, if any, as may be necessary or desirable for adequate presentation of particular capital projects, and a schedule for the planning and implementation or construction of such capital projects,

(9) a schedule for the next fiscal year of recommended projects,

(10) a review of capital projects which have recently been implemented or completed or are in process of implementation or completion,

(11) recommendations as to the maintenance of physical properties and equipment of state agencies, and

(12) such other information as the Commission deems relevant to the foregoing matters.

3. The Governor shall prepare at the same time as the state budget document is prepared, a capital budget. The capital budget shall be prepared and submitted by the Governor or Governor-elect in accordance with the procedures for preparing the state budget document. The capital budget shall embrace all expenditures of the state government for facilities and equipment and all revenues to be

raised for purpose of meeting expenditure commitments during the next ensuing fiscal year and shall include the following:

a. for each expenditure and class of expenditures, the costs to be incurred during the next ensuing fiscal year, plus where appropriate, the annual operating and maintenance costs of such facilities and a schedule of depreciation calculated in accordance with the principles and standards of capital budgeting authorized by paragraph 4 of this subsection,

b. the revenues and sources required to meet projected expenditures. Revenue sources to be indicated include, but are not limited to: the General Revenue Fund, the Transportation Fund, any special funds, proceeds of bond sales, federal funds, local government revenue or other sources. Where additional revenues in the form of additional taxes, user fees or new bond issues are proposed to meet expenditure requests, any funds created for such purposes shall be included in this act, and

c. a statement regarding the relationship between the proposals contained in the capital budget and the capital plan. The capital budget shall be based upon the capital plan prepared by the Commission.

4. The Commission, with the assistance of the Office of ~~State Finance~~ Management and Enterprise Services, shall prepare and publish rules and regulations that set forth principles and standards for capital planning and budgeting to be used by state agencies. The rules and regulations shall set forth definitions of relevant terms to be used in the capital planning and budgeting processes, establish accounting standards and standards for costs and benefits of public facility investments.

E. The Oklahoma Department of Commerce shall assist the Long-Range Capital Planning Commission in developing any portion of the state capital plan addressing regional and local public capital facility needs. The Department shall assist in providing the expertise and information required to assess long-term needs for capital facilities at the regional and local level. The Department shall have the authority to contract with other entities to provide the type of information needed to prepare:

1. An inventory of capital facilities held by units of local government, and special districts, including such information as is reasonably available on the physical and economic condition of these assets. Inventories shall be conducted according to the geographical boundaries of the regional councils;

2. A projection of economic and demographic trends likely to influence the needs for new or expanded local capital facilities;

3. An estimate of mandatory, essential, desirable and deferrable repair, replacement and expansions; and

4. Estimates of life cycle costs for new and substantially expanded or renovated facilities. Life cycle costs shall include the cost of construction, financing, repair and maintenance.

F. 1. The Commission and the Oklahoma State Bond Advisor may call to their assistance such personnel or any state agency in order to perform their duties pursuant to the State Capital Improvement Planning Act and such agencies shall respond and provide any such assistance as may be required. The Office of ~~State Finance~~ Management and Enterprise Services and other state agencies also shall assist the Commission in the performance of its functions. The Commission may use existing studies, surveys, plans, data and other materials in the possession of any state agency or any municipality or political subdivision of this state. Each such agency, municipality or subdivision may make the same available to the Commission so that the Commission may have available to it current information with respect to the capital plans and programs of each such agency, municipality or subdivision.

2. The officers and personnel of any state agency, municipality or political subdivision, and any other person may serve at the request of the Commission upon such advisory committees as the Commission may create and such officers and personnel may serve upon such committees without forfeiture of office or employment and with

no loss or diminution of the compensation, status, rights and privileges which they otherwise enjoy.

G. 1. There is hereby created the Policy Advisory Committee to the Commission to meet no less than once a year or at the call of the chairman of the Commission.

2. The purposes and responsibilities of the Policy Advisory Committee shall be:

a. to counsel and otherwise assist the Commission in the development of the capital plan, and

b. to review and comment on the capital plan and make recommendations to the Commission concerning capital planning and debt management issues as deemed appropriate by the Committee.

3. The Policy Advisory Committee shall be composed of the members of the Bond Oversight Commissions and the chief executive officer or fixed designate from each of the following entities; provided, designated members shall be appointed by each chief executive officer for a term certain which shall not be less than one (1) year:

a. Association of County Commissioners of Oklahoma,

b. Oklahoma Municipal League,

c. ~~State~~ Department of Transportation,

d. Oklahoma Turnpike Authority,

e. ~~Office of Public Affairs~~ Office of Management and Enterprise Services,

f. Oklahoma Water Resources Board,

g. Department of Human Services,

h. Department of Corrections,

i. Department of Mental Health and Substance Abuse Services,

j. Oklahoma Tourism and Recreation Department,

k. State Department of Education,

l. Oklahoma State Regents for Higher Education,

m. State Department of Health,

n. ~~State~~ Oklahoma Department of Agriculture, Food, and Forestry,

o. Oklahoma Department of Career and Technology Education,

p. Oklahoma Association of Regional Councils, and

q. Such other members as determined by the Commission.

SECTION 470. AMENDATORY 62 O.S. 2011, Section 2310, is amended to read as follows:

Section 2310. A. The Board of Directors of the Tobacco Settlement Endowment Trust Fund shall adopt a budget for each fiscal year after the Board of Directors has been notified by the Board of Investors of the amount of earnings available for distribution. The budget shall be broken out into an operating budget and a programs

budget. The budget shall be presented to the Board of Investors of the Tobacco Settlement Endowment Trust Fund and filed with the ~~Office of State Finance~~ Office of Management and Enterprise Services.

1. The operating budget shall consist of the administrative expenses of the Board of Directors and the administrative expenses of the State Treasurer approved by the Board of Directors of the Tobacco Settlement Endowment Trust Fund.

a. Administrative expenses include the portion of salaries, travel, and other administrative expenses of the Board of Investors and Board of Directors of the Tobacco Settlement Endowment Trust Fund that cannot be identified with a specific program of the Board of Directors. Administrative expenses allocable to the operating budget may also include, but are not limited to: regular board and committee meetings; staff meetings; personnel or human resource management; board legal services; board consultant services; central purchasing and procurement; board budgeting, accounting and auditing; and public information activities.

b. Administrative expenses do not include program expenses as defined below or the professional expenses paid by the Board of Investors related to the

management of the Trust Fund. The fees paid to investment managers and the custodian bank must be properly disclosed and approved by the Board of Investors or authorized staff in the Office of the State Treasurer, but the fees may be paid from assets under management.

c. Administrative expenses of the Board of Directors may not exceed fifteen percent (15%) of the annual amount of earnings certified by the Board of Investors.

2. The programs budget shall consist of the program expenses of the Board of Directors.

a. Program expenses include direct funding awarded to grantees or contractors under grants programs developed by the Board. Program expenses allocable to the programs budget may also include, but are not limited to, staff time, represented by a proportional amount of the employee's salary, and board and staff travel expenses that can be identified to benefit a specific program of the Board of Directors.

b. Other expenses allocable to the programs budget may include, but are not limited to: special board and committee meetings to conduct an activity identifiable to a specific program; contracted consultants, technical or program support personnel assigned

directly to specific programs; professional services contracts to evaluate, audit or provide budgeting, accounting, auditing or legal services for specific programs or program grantees, contractors or participants; and training or informational activities to inform applicants, contractors, grantees or the public about a specific program developed by the Board of Directors.

3. The Board shall develop policies and procedures to define, clarify, and implement the allocation of identified expenses to either the programs or operating budget.

4. All operating expenses and program expenses shall be paid out against the amount of earnings from the Tobacco Settlement Endowment Trust Fund.

B. The Board of Investors shall ensure that sufficient cash is transferred at appropriate times to honor these claims, but shall keep as much as possible of the trust fund invested at all times. The operating budget of the Board of Directors shall be allotted in twelve substantially equal amounts throughout the fiscal year. Amounts to be distributed to carry out the purposes of the Tobacco Settlement Endowment Trust Fund Act shall be made available as needed and determined by the Board of Directors of the Tobacco Settlement Endowment Trust Fund.

C. The Board of Directors shall direct the Board of Investors of the Tobacco Settlement Endowment Trust Fund to set aside sufficient cash reserves out of earnings from the Tobacco Settlement Endowment Trust Fund to ensure that the expenses of the Board of Directors and Board of Investors of the Tobacco Settlement Endowment Trust Fund and the State Treasurer may be funded in the event that there is insufficient earnings achieved in a future year to cover those expenses. Earnings from a fiscal year may be carried over or used as reserves for expenditure in future fiscal years.

D. The Board of Investors shall calculate earnings of the Tobacco Settlement Endowment Trust Fund for the fiscal year ending June 30, 2003, and future fiscal years pursuant to this act.

SECTION 471. AMENDATORY 62 O.S. 2011, Section 3112, is amended to read as follows:

Section 3112. A. Following the close of each regular legislative session during which retirement bills having a fiscal impact may be enacted, the State Board of Equalization shall make a determination for each such bill enacted during such session, which is not vetoed by the Governor, of whether or not provision has been made for the concurrent funding of the bill in conformity with the applicable requirements of Section ~~11~~ 311 of this ~~act~~ title.

B. The Legislative Actuary, the Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services, legislative staff, retirement system administrators, and employers shall provide

such information and assistance as may be necessary for the State Board of Equalization to make the determinations required by subsection A of this section.

C. The State Board of Equalization shall make the determinations required by subsection A of this section by not later than the fifteenth day immediately following the last day on which the Governor is authorized to veto bills following the close of each regular legislative session. The State Board of Equalization's findings shall be made in a report to the Secretary of State showing the determination for each retirement bill by reference to the respective Senate or House of Representatives number for the bill. The report shall be submitted to the Secretary of State by not later than the last day on which the State Board of Equalization is required to make the determinations. The Secretary of State shall cause the State Board of Equalization's report to be printed in the annual session laws of the State of Oklahoma.

SECTION 472. AMENDATORY 63 O.S. 2011, Section 1-105d, is amended to read as follows:

Section 1-105d. There is hereby created in the State Treasury a revolving fund for the State Department of Health, to be designated the "Tobacco Prevention and Cessation Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies deposited to the credit of the fund by law. All monies accruing to the credit of the fund are hereby

appropriated and may be budgeted and expended by the State Department of Health for purposes of paragraph 2 of subsection C of Section 1 ~~of this act~~, Chapter 340, O.S.L. 2000. Expenditures from the fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 473. AMENDATORY 63 O.S. 2011, Section 1-107, is amended to read as follows:

Section 1-107. There is hereby created in the State Treasury a revolving fund to be known as the Public Health Special Fund. All monies, fees and revenues collected, authorized or received from any source by the State Commissioner of Health or the State Department of Health under the provisions of this Code or any other law or any agreement shall, unless otherwise expressly provided in this Code or other law, be placed in said fund. Said fund shall be a continuing fund not subject to fiscal year limitations. All monies accruing to the credit of said fund are hereby appropriated and may be budgeted and expended by the Commissioner for the purpose of maintaining and operating the State Department of Health, and in administering and executing the laws pertaining to the duties and functions of the State Department of Health. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the

Office of Management and Enterprise Services for approval and payment.

SECTION 474. AMENDATORY 63 O.S. 2011, Section 1-107.1A, is amended to read as follows:

Section 1-107.1A A. There is hereby created in the State Treasury a Revolving Fund for the State Department of Health to be designated the "Eldercare Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies deposited to the credit of the fund by law.

B. All monies accruing to the credit of the fund are hereby appropriated and may be budgeted and expended by the State Department of Health for operation of local Eldercare case management programs. A full accounting of the expenditures of the program shall be sent to the Speaker of the House of Representatives, the President Pro Tempore of the Senate, and the Governor by January 15 of each year. Expenditures from the fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

C. The Eldercare Revolving Fund shall not be used for the costs the State Department of Health incurs in administering the local programs.

D. The State Department of Health shall recognize and reimburse indirect costs for Eldercare programs, administered by contractors, if the costs are charged in accordance with an indirect cost allocation plan developed in accordance with federal guidelines established by the United States Office of Management and Budget Circular A-87. In no case shall the State Department of Health reimburse indirect costs in excess of twenty percent (20%) of total direct salaries for Eldercare and Advantage program personnel.

SECTION 475. AMENDATORY 63 O.S. 2011, Section 1-107.2, is amended to read as follows:

Section 1-107.2 There is hereby created in the State Treasury a revolving fund for the State Department of Health, to be designated the "Vaccine Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies deposited to the credit of the fund by law. All monies accruing to the credit of said fund are hereby appropriated and may be budgeted and expended by the State Department of Health for the purchase of vaccines. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 476. AMENDATORY 63 O.S. 2011, Section 1-107.3, is amended to read as follows:

Section 1-107.3 There is hereby created in the State Treasury a revolving fund for the State Department of Health, to be designated as the "Health Department Media Campaign Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies deposited to the credit of the fund by law. All monies accruing to the credit of said fund shall be budgeted and expended by the State Department of Health for media campaigns. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 477. AMENDATORY 63 O.S. 2011, Section 1-110.1, is amended to read as follows:

Section 1-110.1 A. There is hereby created in the State Treasury a revolving fund for the State Department of Health to be designated the "Children First Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies deposited to the credit of the fund by law. All monies accruing to the credit of the fund are hereby appropriated and may be budgeted and expended by the State Department of Health for operation of Children First family resource programs. Expenditures from the fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by

law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

B. The State Department of Health shall submit to the Speaker of the House of Representatives, the President Pro Tempore of the Senate, and the Governor by January 15 of each year, an annual report, including a full accounting of administrative expenditures from the fund for the prior fiscal year, and a summary detailing the demographic characteristics of families served including, but not limited to, the following:

1. Age and marital status of parent(s);

2. Household composition of families served;

3. Number of families accepted into the program, by location, and average length of time enrolled;

4. Referrals made on behalf of families not accepted into the program; and

5. Average actual expenditures per child during the most recent state fiscal year.

C. Projects shall comply with the uniform components of the State Plan for the Prevention of Child Abuse.

D. The Department shall forward to the Oklahoma Health Care Authority a report of the total number of hours of nursing services provided to families under Children First family resource programs. The Oklahoma Health Care Authority shall submit such information to the Centers for Medicaid and Medicare Services for purposes of

applying for federal matching funds and shall submit any necessary applications for waivers to accomplish the provisions of this subsection.

E. The State Department of Health shall contract with a university-related program for a performance-based evaluation of programs. Program sites shall fully cooperate and comply with the evaluation process, and sites shall provide weekly caseload and referral information to the State Department of Health.

SECTION 478. AMENDATORY 63 O.S. 2011, Section 1-229.3, is amended to read as follows:

Section 1-229.3 A. There is hereby created in the State Treasury a revolving fund for the State Department of Health to be designated the "Tobacco Use Reduction Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies appropriated thereto by the Legislature, any other funds that may be directed thereto by the Board of Directors of the Tobacco Settlement Endowment Trust Fund, and all other monies including gifts, grants and other funds that may be directed thereto. All monies accruing to the credit of said fund are hereby appropriated and may be budgeted and expended by the Department for the purpose of the State Plan for Tobacco Use Prevention and Cessation and for other purposes specifically authorized by this act. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law

with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

B. The fund shall be administered by the State Department of Health.

C. Monies from the fund shall not be used to engage in any political activities or lobbying, including, but not limited to, support of or opposition to candidates, ballot initiatives, referenda or other similar activities.

SECTION 479. AMENDATORY 63 O.S. 2011, Section 1-240, is amended to read as follows:

Section 1-240. There is hereby established within the Department of Human Services the Office of Child Care. The Office of Child Care shall:

1. Develop a state child care plan to qualify for federal child care and development block grant funds.

Such plan shall:

a. Provide to the maximum extent practicable that parents or guardians of each eligible child be given the option to enroll such child with a child care provider that has a grant or contract for the provision of child care services with the Department of Human Services, which is selected by the parent or guardian, or to receive a child care certificate, as defined in Chapter 6 of the Omnibus Budget Reconciliation Act of

1990, of value commensurate with the subsidy value of child care services provided through contract or grant;

b. Provide that nothing in the plan shall preclude the use of child care certificates for sectarian child care services if freely chosen by the parents;

2. Oversee distribution of state and federal funds related to child care;

3. Provide technical assistance to employers who are interested in exploring child care benefits and community child care needs;

4. Assist the Oklahoma Department of Commerce in promoting Oklahoma as a state that cares about families and children;

5. Address barriers that limit the availability of care for children with handicaps, infants, school-age children and children whose parents work nontraditional hours;

6. Provide oversight, training and technical assistance to resource and referral programs;

7. Coordinate the provision of training statewide for child care providers;

8. Increase community awareness of the need for quality child care which is both available and affordable;

9. Serve as a clearinghouse for child care data, resources and initiatives;

10. Cooperate with the ~~Compensation Division of the Office of Personnel Management~~ Office of Management and Enterprise Services regarding child care benefits for state employees; and

11. Advise parents that no outside child care can ever be as effective and beneficial as devoted loving care within the home, and encourage parents to care for their children themselves, in their own home, whenever possible.

SECTION 480. AMENDATORY 63 O.S. 2011, Section 1-557, is amended to read as follows:

Section 1-557. A. 1. There is hereby created in the State Treasury a revolving fund for the State Department of Health to be designated the "Breast and Cervical Cancer Act Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies received by the fund and gifts or donations to the fund.

2. All monies donated or accruing to the credit of the fund are hereby appropriated and may be budgeted and expended by the State Department of Health, after consideration of the recommendations from the Oklahoma Breast and Cervical Cancer Prevention and Treatment Advisory Committee, for the purposes specified in and associated with implementation of the Oklahoma Breast and Cervical Cancer Act.

3. Monies from the fund may be transferred to the Breast and Cervical Cancer Prevention and Treatment Account and shall be used to carry out the purposes specified in Section 1-556 of this title.

4. Expenditures from the fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

B. 1. All proposals to expend monies from the Breast Cancer Act Revolving Fund shall have been reviewed by the Oklahoma Breast and Cervical Cancer Prevention and Treatment Advisory Committee, and the Advisory Committee shall advise the Commissioner on the proposed use of monies from the fund.

2. The Advisory Committee shall subject all research projects awarded using monies from the fund to peer review.

C. Monies in the Breast and Cervical Cancer Act Revolving Fund may be expended by the State Department of Health, subject to review by the Oklahoma Breast and Cervical Cancer Prevention and Treatment Advisory Committee, for promotional activities to encourage donations to the Breast and Cervical Cancer Act Revolving Fund by individuals and private businesses or foundations.

SECTION 481. AMENDATORY 63 O.S. 2011, Section 1-559, is amended to read as follows:

Section 1-559. A. There is hereby created in the State Treasury a revolving fund for the Oklahoma Health Care Authority to

be designated the "Belle Maxine Hilliard Breast and Cervical Cancer Treatment Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies received by the Oklahoma Health Care Authority from appropriations, gifts or donations.

B. All monies accruing to the credit of such fund are hereby appropriated and may be budgeted and expended by the Oklahoma Health Care Authority for the purpose specified and associated with the Oklahoma Breast Cancer Act.

C. Expenditures from the fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 482. AMENDATORY 63 O.S. 2011, Section 1-570, is amended to read as follows:

Section 1-570. A. There is hereby created in the State Treasury a revolving fund for the State Department of Health to be designated the "Genetic Counseling Licensure Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies that may be directed thereto by the State Board of Health, and all other monies including gifts, grants and other funds that may be directed thereto. All monies accruing to the credit of the fund are hereby appropriated and may be budgeted and expended by the Board for the purpose of

licensure of genetic counselors and for other purposes specifically authorized by this act. Expenditures from the fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

B. The fund shall be administered by the State Department of Health.

C. Monies from the fund shall not be used to engage in any political activities or lobbying including, but not limited to, support of or opposition to candidates, ballot initiatives, referenda or other similar activities.

SECTION 483. AMENDATORY 63 O.S. 2011, Section 1-604, is amended to read as follows:

Section 1-604. The Oklahoma General Hospital located at Clinton, Oklahoma, shall be transferred at the close of regular business hours on June 30, 1973, to the City of Clinton, Oklahoma. Included within such transfer shall be the physical plant, all equipment and supplies, and the following described land:

Lots 13 to 24, inclusive, Block 2, Shoeboy Addition, City of Clinton, County of Custer, State of Oklahoma.

The Director of ~~Public Affairs~~ the Office of Management and Enterprise Services is hereby authorized and directed to execute and deliver, on behalf of this state, instruments conveying title to said real and personal property to the City of Clinton, Oklahoma.

There shall also be transferred to the City of Clinton all accounts receivable including revolving funds of the Oklahoma General Hospital. Any outstanding obligations of the Oklahoma General Hospital shall be assumed by the City of Clinton.

SECTION 484. AMENDATORY 63 O.S. 2011, Section 1-723, is amended to read as follows:

Section 1-723. A. There is hereby created in the State Treasury a revolving fund for the State Department of Health to be designated the "Primary Health Care Development Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of appropriations, grants, gifts and other money obtained pursuant to this act.

B. All monies accruing to the credit of the fund are hereby appropriated and may be budgeted and expended by the State Department of Health for the enhancement and establishment of federally qualified health centers or federally qualified look-alike community health centers, as defined by 42 U.S.C., Section 13986d(1)(2)(B).

C. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 485. AMENDATORY 63 O.S. 2011, Section 1-740.12, is amended to read as follows:

Section 1-740.12 There is hereby created in the State Treasury a revolving fund for the State Department of Health to be designated the "Alternatives-to-Abortion Services Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies deposited to the credit of the fund by law. All monies accruing to the credit of the fund are hereby appropriated and may be budgeted and expended by the State Department of Health as provided in subsection A of Section ~~21~~ 1-740.11 of this ~~act~~ title. The fund shall not be available to any organization or affiliate of an organization which provides or promotes abortions or directly refers for abortion; provided, however, any nondirective counseling relating to the pregnancy shall not disqualify an organization from receiving these funds. Expenditures from the fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 486. AMENDATORY 63 O.S. 2011, Section 1-857.6, is amended to read as follows:

Section 1-857.6 A. The Oklahoma Health Planning Commission is hereby abolished, and the powers, duties and responsibilities exercised by such Commission pursuant to law are hereby transferred to the State Department of Health and the State Commissioner of Health. All unexpended funds, property, records, personnel and any

outstanding financial obligations and encumbrances of such office are hereby transferred to the State Department of Health and the State Commissioner of Health.

B. The Director of ~~State Finance~~ the Office of Management and Enterprise Services is hereby directed to coordinate the transfer of funds, allotments, purchase orders, outstanding financial obligations or encumbrances provided for in this section.

C. Any application for a certificate of need which was duly filed with the Oklahoma Health Planning Commission prior to the effective date of the Long-term Care Certificate of Need Act or the Psychiatric and Chemical Dependency Facility Certificate of Need Act shall be reviewed and approved or disapproved pursuant to criteria and procedures in effect at the time such application was filed. Any application for Certificate of Need not scheduled for review at the regularly scheduled June, 1989, Commission meeting or by the Director before July 1, 1989, shall be considered to have been duly filed with the State Department of Health. In all appellate matters, including but not limited to reconsideration and remand, the Department shall be considered as the Commission.

D. The rules of the Oklahoma Health Planning Commission in effect on July 1, 1989, shall be enforceable by the State Department of Health and shall remain effective until the adoption of new rules by the State Board of Health.

E. Any references to the Oklahoma Health Planning Commission in the Oklahoma Statutes shall be construed to refer to the State Department of Health.

SECTION 487. AMENDATORY 63 O.S. 2011, Section 1-860.16, is amended to read as follows:

Section 1-860.16 There is hereby created in the State Treasury a revolving fund for the State Department of Health, to be designated the "Hospice Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies received by the Department, from any monies received as a result of fees received pursuant to the provisions of the Oklahoma Hospice Licensing Act and any monies appropriated to the fund by law. All monies accruing to the credit of said fund are hereby appropriated and may be budgeted and expended by the Department to effectuate the provisions of the Oklahoma Hospice Licensing Act. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 488. AMENDATORY 63 O.S. 2011, Section 1-1971, is amended to read as follows:

Section 1-1971. There is hereby created in the State Treasury a revolving fund for the State Department of Health, to be designated as the "Home Health Care Revolving Fund". Said fund shall be a

continuing fund not subject to fiscal year limitations. The fund shall consist of all monies collected pursuant to the provisions of Section 1-1965 and Section 1-1966 of ~~Title 63 of the Oklahoma Statutes~~ this title. All monies accruing to said fund are hereby appropriated and shall be budgeted and expended by the State Department of Health for licensure and regulation of home care agencies and branch offices. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 489. AMENDATORY 63 O.S. 2011, Section 1-2505.2, is amended to read as follows:

Section 1-2505.2 There is hereby created in the State Treasury a revolving fund for the State Department of Health to be designated the "Emergency Medical Personnel Death Benefit Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies received by the State Department of Health from the fees imposed pursuant to Section 1-2505.3 of this title. All monies accruing to the credit of said fund are hereby appropriated and may be budgeted and expended by the State Department of Health for the purpose of making death benefit payments to the named beneficiary or personal representative of a deceased emergency medical technician or registered emergency

medical responder pursuant to Section 1-2505.1 of this title. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 490. AMENDATORY 63 O.S. 2011, Section 1-2512.1, is amended to read as follows:

Section 1-2512.1 A. There is hereby created in the State Treasury a revolving fund for the State Department of Health to be designated the "Oklahoma Emergency Response Systems Stabilization and Improvement Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of monies received by the State Department of Health in accordance with state law. All monies accruing to the credit of the fund are hereby appropriated and may be budgeted and expended by the Department for the purpose of funding assessment activities, stabilization and/or reorganization of at-risk emergency medical services, development of regional emergency medical services, training for emergency medical directors, access to training front line emergency medical services personnel, capital and equipment needs. Expenditures from the fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

B. The State Board of Health shall promulgate rules establishing a formula and procedure for the distribution of funds from the Oklahoma Emergency Response Systems Stabilization and Improvement Revolving Fund.

SECTION 491. AMENDATORY 63 O.S. 2011, Section 1-2523, is amended to read as follows:

Section 1-2523. There is hereby created in the State Treasury a revolving fund for the State Department of Health, to be designated the "Oklahoma Institute for Disaster and Emergency Medicine Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies received by the State Department of Health from state appropriations for such fund. All monies accruing to the credit of said fund are hereby appropriated and may be budgeted and expended by the State Department of Health as follows:

The State Department of Health is authorized to develop and support the Oklahoma Institute for Disaster and Emergency Medicine (the "Institute") at the OU College of Medicine in Tulsa. The primary duties and responsibilities of the Institute shall include:

1. Creation and delivery of educational initiatives related to trauma systems development and trauma systems coordination, in order to strengthen the quality of trauma care services rendered statewide;

2. Development and support of an emergency medical response infrastructure to include statewide planning and training functions;

3. Establishment and support of an allopathic emergency medicine residency program in Oklahoma; and

4. In partnership with the State Department of Health, to further develop an injury prevention research program to identify significant risks and design and implement effective interventions to mitigate those risks.

Up to Five Hundred Thousand Dollars ($500,000.00) of this fund may be used for delivery of urgent care in under-served areas.

Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 492. AMENDATORY 63 O.S. 2011, Section 1-2530.9, is amended to read as follows:

Section 1-2530.9 A. There is hereby created in the State Treasury a revolving fund for the State Department of Health to be designated the "Trauma Care Assistance Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies received by the State Department of Health from monies apportioned thereto for purposes of this section. All monies accruing to the credit of the fund are hereby

appropriated and may be budgeted and expended by the Department as follows:

1. Ninety percent (90%) of such monies shall be used to reimburse recognized trauma facilities, licensed ambulance service providers and physicians for uncompensated trauma care expenditures as documented in the statewide emergency medical services and trauma analysis system developed pursuant to the provisions of Section 1-2511 of this title. In lieu of or in combination with reimbursement for uncompensated care, monies from the fund may also be used to support readiness costs incurred by recognized trauma facilities associated with ensuring a stable trauma care system with availability of twenty-four-hour physician services for the provision of trauma care. Any monies used for the treatment of Medicaid-eligible patients that are subsequently used to establish federal matching fund requirements shall also be reimbursed to eligible trauma facilities, licensed ambulance service providers and physicians; and

2. Ten percent (10%) of such monies shall be used by the Department in the furtherance of its powers and duties set forth in the Oklahoma Emergency Response Systems Development Act.

B. Expenditures from the fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

C. The State Board of Health shall establish by rule a formula and procedure for the distribution of funds for uncompensated trauma care and/or readiness costs that shall provide for the allocation of funds to hospitals, ambulance service providers and physicians.

D. Annually, monies accumulated in the fund may be transferred to the Oklahoma Health Care Authority, by order of the State Commissioner of Health, to maximize Medicaid reimbursement of trauma care. The Oklahoma Health Care Authority shall use these funds with federal matching funds to reimburse hospitals, ambulance service providers and physicians for trauma care provided to severely injured patients who are participants in Medicaid.

E. An annual report detailing the disbursements from the fund shall be provided on January 1 of each year to the Speaker of the House of Representatives, the President Pro Tempore of the Senate, and the Chair of each health-related committee of both the House of Representatives and the Senate.

SECTION 493. AMENDATORY 63 O.S. 2011, Section 1-2603, is amended to read as follows:

Section 1-2603. There is hereby created in the State Treasury a revolving fund for the State Department of Health, to be designated the "Kidney Health Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies received by the State Department of Health from state appropriations for such fund. All monies accruing to the credit of

said fund are hereby appropriated and may be budgeted and expended by the State Department of Health for the purpose of implementing the provisions of the Kidney Health Planning Act of Oklahoma. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 494. AMENDATORY 63 O.S. 2011, Section 1-2714, is amended to read as follows:

Section 1-2714. There is hereby created in the State Treasury a revolving fund for the State Department of Health to be designated the "Dental Loan Repayment Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies deposited to the credit of the fund by law. All monies accruing to the credit of said fund are hereby appropriated and may be budgeted and expended by the State Department of Health for the purpose of repaying dental student loans. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 495. AMENDATORY 63 O.S. 2011, Section 2-103, is amended to read as follows:

Section 2-103. A. The Director shall be appointed by the Oklahoma State Bureau of Narcotics and Dangerous Drugs Control Commission. The Director of Narcotics and Dangerous Drugs Control on January 1, 1984, shall be initially appointed as Director. The succeeding Director shall, at the time of the appointment, have a Bachelor's Degree from an accredited college or university and at least five (5) years of experience in drug law enforcement. The Director may appoint necessary assistants, agents, and other personnel to perform the work of the office and may prescribe their titles and duties and fix their compensation, other than the salaries established in subsection A of Section 2-103a of this title, pursuant to Merit System rules. The Director may appoint employees to the positions of Chief of Law Enforcement Information and Technology, Public Information/Education Officer, Training Officer, Program Administrators, Grants Administrator, Criminal Analysts, Legal Secretary, and Typist Clerk/Spanish Transcriptionists. The positions shall be unclassified and exempt from the rules and procedures of the ~~Office of Personnel Management~~ Office of Management and Enterprise Services, except leave regulations. The office of the Director shall be located at a suitable place in Oklahoma City, Oklahoma.

B. 1. Agents appointed by the Director shall have the powers of peace officers generally; provided, the Director may appoint special agents and reserve special agents, who shall be unclassified

employees of the state, to meet specific investigatory need. Special agents and reserve special agents shall not be required to meet the age and educational requirements as specified in this section.

2. Agents appointed on and after November 1, 1998, shall be at least twenty-one (21) years of age and shall have a Bachelor's Degree from an accredited college or university.

3. Each entering agent, with the exception of special agents, shall be required to serve one (1) year in a probationary status as a prerequisite to being placed on permanent status.

C. Agents appointed pursuant to the provisions of this section shall have the responsibility of investigating alleged violations and shall have the authority to arrest those suspected of having violated the provisions of the Uniform Controlled Dangerous Substances Act.

D. The Director may appoint reserve special agents who shall not be considered employees of the state and shall serve at the will of the Director. Reserve special agents shall complete a minimum of one hundred sixty (160) hours of training pursuant to Section 3311 of Title 70 of the Oklahoma Statutes and may not serve more than one hundred forty (140) hours per calendar month. Upon completion of training, reserve special agents appointed by the Director shall have general peace officer powers and the authority to arrest those suspected of having violated the provisions of the Uniform

Controlled Dangerous Substances Act. The agency may expend funds related to training and special reserve agents may receive travel expenses pursuant to the State Travel Reimbursement Act.

E. A commissioned employee of the Oklahoma State Bureau of Narcotics and Dangerous Drugs Control shall be entitled to receive upon retirement by reason of length of service, the continued custody and possession of the sidearm and badge carried by such employee immediately prior to retirement.

F. A commissioned employee of the Bureau may be entitled to receive, upon retirement by reason of disability, the continued custody and possession of the sidearm and badge carried by such employee immediately prior to retirement upon written approval of the Director.

G. Custody and possession of the sidearm and badge of a commissioned employee killed in the line of duty may be awarded by the Director to the spouse or next of kin of the deceased employee.

H. Custody and possession of the sidearm and badge of a commissioned employee who dies while employed at the Oklahoma State Bureau of Narcotics and Dangerous Drugs Control may be awarded by the Director to the spouse or next of kin of the deceased employee.

I. Any Director appointed on or after July 1, 2003, shall be eligible to participate in either the Oklahoma Public Employees Retirement System or in the Oklahoma Law Enforcement Retirement

System and shall make an irrevocable election in writing to participate in one of the two retirement systems.

SECTION 496. AMENDATORY 63 O.S. 2011, Section 2-106.1, is amended to read as follows:

Section 2-106.1 The Oklahoma State Bureau of Narcotics and Dangerous Drugs Control is hereby authorized to lease the seaplane owned by said Bureau. Said lease shall not be subject to the provisions of Section 85.5 of Title 74 of the Oklahoma Statutes and shall not have to be approved by the ~~Department of Central Services~~ Office of Management and Enterprise Services.

SECTION 497. AMENDATORY 63 O.S. 2011, Section 2-107, is amended to read as follows:

Section 2-107. There is hereby created in the State Treasury a revolving fund for the Oklahoma State Bureau of Narcotics and Dangerous Drugs Control to be designated the "Bureau of Narcotics Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of any monies received from the sale of surplus and confiscated property, fees and receipts collected pursuant to the Oklahoma Open Records Act, gifts, bequests, devises, contributions or grants, public or private, including federal funds unless otherwise provided by federal law or regulation, registration fees and receipts relating to prescription pads and receipts from any other source. All monies accruing to the credit of said fund are hereby appropriated and may be budgeted and

expended by the Oklahoma State Bureau of Narcotics and Dangerous Drugs Control for general operations of the agency. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 498. AMENDATORY 63 O.S. 2011, Section 2-107b, is amended to read as follows:

Section 2-107b. There is hereby created in the State Treasury a revolving fund for the Oklahoma State Bureau of Narcotics and Dangerous Drugs Control to be designated the "Drug Money Laundering and Wire Transmitter Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies received by the Oklahoma State Bureau of Narcotics and Dangerous Drugs Control from the fees imposed pursuant to Section ~~11~~ 2-503.1j of this ~~act~~ title. All monies accruing to the credit of the fund are hereby appropriated and may be budgeted and expended by the Oklahoma State Bureau of Narcotics and Dangerous Drugs Control for the purpose of drug enforcement. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 499. AMENDATORY 63 O.S. 2011, Section 2-417, is amended to read as follows:

Section 2-417. There is hereby created in the State Treasury a revolving fund for the State Board of Education to be designated the "Drug Abuse Education Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of fines collected pursuant to the Trafficking in Illegal Drugs Act. All monies accruing to the credit of said fund are hereby appropriated and may be budgeted and expended by the State Board of Education for drug abuse education programs. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 500. AMENDATORY 63 O.S. 2011, Section 2-503.2, is amended to read as follows:

Section 2-503.2 A. 1. Every person convicted of a violation of the Uniform Controlled Dangerous Substances Act or the Trafficking In Illegal Drugs Act shall be assessed for each offense a sum of not less than One Hundred Dollars ($100.00) nor more than Three Thousand Dollars ($3,000.00).

2. The assessment shall be mandatory and in addition to and not in lieu of any fines, restitution costs, other assessments, or forfeitures authorized or required by law for the offense. The

assessment required by this section shall not be subject to any order of suspension. The court shall order either a lump sum payment or establish a payment schedule.

3. Failure of the offender to comply with the payment schedule shall be considered contempt of court.

4. For purposes of collection, the assessment order shall not expire until paid in full, nor shall the assessment order be limited by the term of imprisonment prescribed by law for the offense, nor by any term of imprisonment imposed against the offender, whether suspended or actually served.

B. The assessment provided for in subsection A of this section shall be collected by the court clerk as provided for collection of fines and costs. When assessment payments are collected by the court clerk pursuant to court order, the funds shall be forwarded to the Department of Mental Health and Substance Abuse Services for deposit into its Drug Abuse Education and Treatment Revolving Fund created by this section.

C. 1. There is hereby created in the State Treasury a revolving fund for the Department of Mental Health and Substance Abuse Services to be designated the "Drug Abuse Education and Treatment Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of assessments collected pursuant to this section, court-ordered assessments collected pursuant to Section 11-902 of Title 47 of the Oklahoma

Statutes and Section 2-401 of this title, the Oklahoma Drug Court Act, Section 2-2-509 of Title 10A of the Oklahoma Statutes, grants, gifts and other money accruing to the benefit of the fund and the Oklahoma Drug Court Act.

2. All monies accruing to the credit of the fund are hereby appropriated and may be budgeted and expended by the Department of Mental Health and Substance Abuse Services for treatment and drug testing of indigent substance abusing offenders pursuant to the Oklahoma Drug Court Act, Section 2-2-205 of Title 10A of the Oklahoma Statutes, and Sections 2-2-506 through 2-2-509 of Title 10A of the Oklahoma Statutes, for substance abuse prevention, drug courts, and continuing education.

3. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

4. Monies expended from this fund shall not supplant other local, state, or federal funds.

SECTION 501. AMENDATORY 63 O.S. 2011, Section 2-512, is amended to read as follows:

Section 2-512. There is hereby created in the State Treasury a revolving fund to be known as the Drug Eradication and Enforcement Plan Revolving Fund. The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of any monies

appropriated or transferred to the fund and any monies contributed to the fund from any other source. All monies accruing to the credit of such fund are hereby appropriated and may be budgeted and expended for the purpose of providing grants to district attorneys' offices, sheriffs' offices and municipal police departments. The grants shall be used for eradication of illegal drugs and enforcement of drug laws. Allowable expenditure of the grants shall include, but shall not be limited to, the following purposes:

1. Purchase of equipment;
2. Purchase of drug-sniffing dogs;
3. Matching federal grants or funds;
4. Funding advanced training programs;
5. Funding drug education and awareness programs; and
6. Funding drug courts.

Expenditures from such fund shall be made upon warrants issued by the State Treasurer against claims signed by an authorized state employee and filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 502. AMENDATORY 63 O.S. 2011, Section 79, is amended to read as follows:

Section 79. There is hereby created in the State Treasury a revolving fund to be designated the "Oklahoma Sports Eye Safety Program Revolving Fund" administered by the State Department of

Health. The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all the monies received by the State Department of Health pursuant to the provisions of Section ~~2~~ 2368.25 of ~~this act~~ Title 68 of the Oklahoma Statutes, any other section of law and any other monies that may be deposited in the fund to implement the provisions of this act. All monies accruing to the credit of the fund are appropriated and may be budgeted and expended by the State Department of Health for the purposes of:

1. Exploring opportunities to utilize nonprofit organizations to provide sports eye safety information or sports eye safety equipment to children age eighteen (18) and under; and

2. Establishing a sports eye safety grant program for the purchase and distribution of sports eye safety programs and materials to classrooms in this state and sports eye safety protective wear to children age eighteen (18) and under.

Expenditures from the fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 503. AMENDATORY 63 O.S. 2011, Section 330.62, is amended to read as follows:

Section 330.62 There is hereby created in the State Treasury a revolving fund for the Oklahoma State Board of Examiners for Long-Term Care Administrators to be designated the "Oklahoma State Board

of Examiners for Long-Term Care Administrators Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of such sources of income as are provided by law. All monies accruing to the credit of said fund are hereby appropriated and may be budgeted and expended by the Oklahoma State Board of Examiners for Long-Term Care Administrators to carry out the duties established by law. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 504. AMENDATORY 63 O.S. 2011, Section 485.11, is amended to read as follows:

Section 485.11 There is hereby created in the State Treasury a revolving fund for the Oklahoma Cerebral Palsy Commission to be designated the "J.D. McCarty Center for Children with Developmental Disabilities Revolving Fund". The fund shall consist of all monies received by the Commission pursuant to statutory authority, but not including appropriated funds, gifts and bequests. The revolving fund shall be a continuing fund, not subject to fiscal year limitations and shall be under the control and management of the administrative authorities of the Commission. Expenditures from the fund shall be made pursuant to the laws of the state and the statutes relating to the Commission and may include up to Twenty-

five Thousand Dollars ($25,000.00) in expenditures for capital improvements within a single fiscal year or as otherwise provided by the Legislature. Warrants for expenditures from the fund shall be drawn by the State Treasurer, based on claims signed by an authorized employee or employees of the Commission and approved for payment by the Director of ~~State Finance~~ the Office of Management and Enterprise Services.

SECTION 505. AMENDATORY 63 O.S. 2011, Section 485.12, is amended to read as follows:

Section 485.12 Specialized vehicles utilized by the J.D. ~~McCarthy~~ McCarty Center for Children with Developmental Disabilities shall not be included in nor subject to provisions of law establishing the State Motor Pool Division within the ~~Office of Public Affairs~~ Office of Management and Enterprise Services.

SECTION 506. AMENDATORY 63 O.S. 2011, Section 683.4, is amended to read as follows:

Section 683.4 A. There is hereby created the Oklahoma Department of Emergency Management (OEM). The Governor shall appoint a Director of the Department, with the advice and consent of the Senate, who shall be the head of the Department. The Governor shall fix the salary of the Director, in cooperation with standards promulgated by the ~~Office of Personnel Management~~ Office of Management and Enterprise Services.

B. The Director may employ personnel and fix their compensation in cooperation with standards promulgated by the ~~Office of Personnel Management~~ Office of Management and Enterprise Services, and may make such expenditures within the appropriation therefor, or from such other available funds as may be necessary to carry out the purposes of the Oklahoma Emergency Management Act of 2003 and other programs specified by law.

C. The Director and other personnel of the Department shall be provided with appropriate office space, furniture, equipment, supplies, stationery, and printing in the same manner as provided for personnel of other state agencies.

D. The Director, subject to the direction and control of the Governor, shall be the executive head of the Department and shall serve as the chief advisor to the Governor on emergency management and shall:

1. Be responsible to the Governor for carrying out the programs as required by law;

2. Coordinate the activities of all organizations for emergency management within the state;

3. Maintain liaison with and cooperate with the emergency management agencies and organizations of other states and of the federal government;

4. Develop and maintain a comprehensive all-hazards mitigation plan for this state;

5. Implement the Oklahoma Hazard Mitigation Program;

6. Have such additional authority, duties, and responsibilities authorized by the Oklahoma Emergency Management Act of 2003 and as may be prescribed by the Governor;

7. Supervise the Office of Volunteerism in accordance with Section 683.26 of this title; and

8. Report quarterly to the Governor, the Speaker of the House of Representatives and the President Pro Tempore of the Senate the balance and outstanding obligations of the State Emergency Fund.

E. The Director shall supervise the formulation, execution, review and revisions of the state Emergency Operations Plan as provided for by Section 683.2 of this title. The plan shall be reviewed annually and revised as necessary.

SECTION 507. AMENDATORY 63 O.S. 2011, Section 683.27, is amended to read as follows:

Section 683.27 A. Effective July 1, 1996, the Oklahoma Office of Volunteerism and all of the powers, duties and responsibilities of the Secretary of State relating to the Oklahoma Office of Volunteerism are hereby transferred to the Oklahoma Department of Emergency Management, together with all unexpended funds, property, records, personnel and any outstanding financial obligations or encumbrances, exclusively or principally pertaining to such office.

B. The Director of ~~State Finance~~ the Office of Management and Enterprise Services is hereby directed to coordinate the transfer of

funds, allotments, purchase orders, outstanding financial obligations or encumbrances provided for in this section.

C. Upon the transfer of the Office of Volunteerism, the Director of the Oklahoma Department of Emergency Management shall provide for the adequate staffing of the Office to ensure the transfer may be effectuated with minimum interruption of its work heretofore carried on and within the mission of the agency. The transfer or division of resources provided herein, to be effected by an agreement between the Secretary of State and the Director of the Oklahoma Department of Emergency Management, shall not operate to prevent completion of any unconsummated legal contracts with corporations, individual parties, and other government units and other legal contracts previously entered into by the Office of Volunteerism.

D. Any classified employee occupying the position of Director, Office of Volunteerism, on June 30, 1996, shall be transferred from the Office of Secretary of State to the Oklahoma Department of Emergency Management effective July 1, 1996. Such employee shall remain subject to the provisions of the Merit System of Personnel Administration as provided for in the Oklahoma Personnel Act, and shall be transferred pursuant to OAC 530:10-11-74 without change in status, and without the need to pass further examination or meet additional qualifications. The employee shall retain any retirement and longevity benefits and seniority which have accrued prior to the

transfer. The transfer shall be coordinated with the Office of ~~Personnel Management~~ the Office of Management and Enterprise Services.

SECTION 508. AMENDATORY 63 O.S. 2011, Section 954, is amended to read as follows:

Section 954. A. The Board of Medicolegal Investigations is authorized to accept grants, gifts, fees or funds from persons, associations, corporations, or foundations for any purpose authorized by the Board.

B. There is hereby created in the State Treasury a revolving fund for the Office of the Chief Medical Examiner to be designated the "Chief Medical Examiner Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all moneys received from:

1. Laboratory analysis fees pursuant to the provisions of Section 1313.2 of Title 20 of the Oklahoma Statutes;

2. Grants, gifts, fees or funds from persons, associations, corporations or foundations pursuant to this section;

3. Document fees pursuant to the Oklahoma Open Records Act, Section 24A.1 et seq. of Title 51 of the Oklahoma Statutes; and

4. Cremation, burial at sea or other recognized means of dissolution permit fees pursuant to Section 1-329.1 of this title.

All monies accruing to the credit of said fund are hereby appropriated and may be budgeted and expended by the Office of the

Chief Medical Examiner for the duties imposed upon the Board of Medicolegal Investigations by law. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 509. AMENDATORY 63 O.S. 2011, Section 2056, is amended to read as follows:

Section 2056. Any community social service center may be built on leased land owned by any other governmental agency subject to the approval of the ~~Office of Public Affairs~~ Office of Management and Enterprise Services.

SECTION 510. AMENDATORY 63 O.S. 2011, Section 2058, is amended to read as follows:

Section 2058. All property, records, equipment, supplies, funds, including trust funds and revolving funds, and other assets, owned or possessed by the State Department of Health for the East Central Oklahoma Health and Social Service Center at Ada, Oklahoma, are hereby transferred on April 7, 1972, to the Office of Public Affairs. All contracts, leases, agreements, and obligations to which the State Department of Health is a party for or on behalf of said Health Center shall be assumed by the Director of ~~Public Affairs~~ the Office of Management and Enterprise Services for the

benefit of the East Central Oklahoma Health and Social Service Center at Ada, Oklahoma.

SECTION 511. AMENDATORY 63 O.S. 2011, Section 2220.3, is amended to read as follows:

Section 2220.3 A. There is hereby created in the State Treasury a revolving fund for the State Department of Health, to be designated the "Oklahoma Organ Donor Education and Awareness Program Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies received by the State Department of Health from:

1. Any state monies appropriated for the purpose of implementing the provisions of the Oklahoma Organ Donor Education and Awareness Program Act; and

2. Any monies collected pursuant to this section or any other monies available to the State Department of Health to implement the provisions of the Oklahoma Organ Donor Education and Awareness Program Act.

B. All monies accruing to the credit of the fund are hereby appropriated and shall be budgeted and expended to promote and encourage organ donor education and awareness.

C. Monies credited to the fund, excluding administrative fees paid to the Oklahoma Tax Commission, may be used for, but are not limited to:

1. Administration of the Act, including, but not limited to, personnel and Advisory Council expenses;

2. Development and promotion of organ donor public education and awareness programs in cooperation with the Oklahoma Organ Sharing Network including, but not limited to, the American Red Cross and the Oklahoma Lions Eye Bank;

3. To assist in the publication of information pamphlets or booklets by the State Department of Health and the State Superintendent of Public Instruction regarding organ donation and donations to the Oklahoma Organ Donor Education and Awareness Program Fund. The State Department of Health shall distribute such informational pamphlets or booklets to the Department of Public Safety for distribution to applicants for original, renewal, or replacement driver licenses and identification cards when making a voluntary contribution pursuant to Section 2220.5 of this title and to the Oklahoma Tax Commission for distribution to individuals when making a voluntary contribution pursuant to the state income tax check off provided for in Section 2220.4 of this title;

4. Implementation of organ donor education and awareness programs in the elementary and secondary schools of this state by the State Department of Education in cooperation with the Oklahoma Organ Donor Education and Awareness Program Advisory Council;

5. Grants by the State Department of Health to certified organ procurement organizations for the development and implementation of organ donor education and awareness programs in this state;

6. Encouraging the incorporation of organ donor information into the medical and nursing school curriculums of the state's medical and nursing schools. If funds are provided to a university for this educational purpose, the university shall annually evaluate the extent to which the curriculum has affected the attitudes of its students and graduates with regard to organ donation and shall forward the evaluation results to the Advisory Council; and

7. A reserve fund in an interest-bearing account with five percent (5%) of the monies received by the fund annually to be placed in this account. No funds may be expended from the reserve fund account until the required balance has reached One Hundred Thousand Dollars ($100,000.00) and then these funds may only be used in years when donations do not meet the average normal operating fee incurred by the fund, and funds are expended to meet expenses. Once the balance in the reserve fund account reaches One Hundred Thousand Dollars ($100,000.00), excess funds earned by interest, and yearly allocations may be used at the discretion of the Advisory Council to cover operating costs and to provide additional funds.

D. The fund may accept bequests and grants from individuals, corporations, organizations, associations, and any other source.

The fund supplements and augments services provided by state agencies and does not take the place of such services.

E. Expenditures from the fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 512. AMENDATORY 63 O.S. 2011, Section 2418, is amended to read as follows:

Section 2418. A. There is hereby imposed a surcharge of five cents ($0.05) per local exchange telephone access line per month to pay for the equipment and maintenance program provided for in Section 2417 of this title and to provide for other needed services for the deaf, severely hard-of-hearing, severely speech-impaired and deaf-blind programs administered through the State Department of Rehabilitation Services, such surcharge to be paid by each local exchange subscriber to local telephone service in this state, unless such subscriber is otherwise exempt from taxation.

B. The surcharge shall be collected on the regular monthly bill by each local exchange telephone company operating in this state and shall be remitted quarterly to the Oklahoma Tax Commission no later than fifteen (15) days following the end of each quarter.

C. There is hereby created in the State Treasury the Telecommunications for the Deaf and Hard-of-Hearing Revolving Fund. The fund shall consist of monies imposed in subsection A of this

section. All monies accruing to the fund are hereby appropriated and may be budgeted and expended by the State Department of Rehabilitation Services. The fund shall be a continuing fund not subject to fiscal year limitations and expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims submitted to the Director of ~~State Finance~~ the Office of Management and Enterprise Services for the purpose of implementation of this act.

SECTION 513. AMENDATORY 63 O.S. 2011, Section 3208, is amended to read as follows:

Section 3208. A. On and after June 1, 1993, and until July 1, 1993, in order to effectuate the transfer of the University Hospitals from the Commission for Human Services and the Department of Human Services to the University Hospitals Authority, the Authority shall have the powers and duties to:

1. Adopt bylaws and promulgate rules for the regulation of its affairs and the conduct of its business;

2. Adopt an official seal;

3. Maintain an office at the University Hospitals;

4. Make and enter into all contracts necessary or incidental to the performance of its duties and the execution of its powers pursuant to the University Hospitals Authority Act;

5. Appoint such officers, agents and employees, including but not limited to attorneys, as it deems necessary to implement the

provisions of this subsection to prescribe their duties and to fix their compensation; and

6. Establish petty cash funds and provide for appropriate accounting procedures and controls.

B. On and after July 1, 1993, the Authority shall have the power and duty to:

1. Adopt bylaws and promulgate rules for the regulation of its affairs and the conduct of its business;

2. Adopt an official seal;

3. Maintain an office at the University Hospitals;

4. Sue and be sued, subject to the provisions of The Governmental Tort Claims Act;

5. Establish rates of payment for hospital and clinical services, which shall provide for exceptions and adjustments in cases where the recipients of services are unable to pay and for whom no third party source of payment is available, and to establish different rates of payment for indigent and nonindigent care;

6. Enter into cooperative agreements with the Board of Regents of the University of Oklahoma for educational programs, professional staffing, research and other medical activities;

7. Make and enter into all contracts necessary or incidental to the performance of its duties and the execution of its powers pursuant to the University Hospitals Authority Act;

8. Purchase or lease equipment, furniture, materials and supplies, and incur such other expenses as may be necessary to maintain and operate the hospitals or clinics, or to discharge its duties and responsibilities or to make any of its powers effective;

9. Acquire by purchase, lease, gift, or by any other manner, and to maintain, use and operate or to contract for the maintenance, use and operation of or lease of any and all property of any kind, real, personal, or mixed or any interest therein unless otherwise provided by the University Hospitals Authority Act;

10. Appoint such officers, agents and employees, including but not limited to attorneys, as it deems necessary to operate and maintain the University Hospitals and to prescribe their duties and to fix their compensation. The Authority shall employ and fix the duties and compensation of an administrator of the hospitals.

11. Accept grants from the United States of America, or from any corporation or agency created or designed by the United States of America, and, in connection with any such grant, to enter into such agreements as the United States of America or such corporation or agency may require;

12. Make and issue bonds and to pledge revenues of the Authority subject to the Oklahoma Bond Oversight and Reform Act. Nothing in the University Hospitals Authority Act shall authorize the issuance of any bonds of the Authority payable other than from revenues of the University Hospitals. Funds appropriated to the

University Hospitals shall not be used for issuance of bonds. Authority revenue bonds issued under the provisions of this act shall not at any time be deemed to constitute a debt of the state or of any political subdivision thereof or a pledge of the faith and credit of the state or of any political subdivision, but such bonds shall be payable solely from the funds herein provided. Such revenue bonds shall contain on the face thereof a statement to the effect that neither the state nor the Authority shall be obligated to pay the same or the interest thereon except from the revenues of the project or projects for which they are issued and that neither the faith and credit nor the taxing power of the state or any political subdivision thereof is pledged, or may hereafter be pledged, to the payment of the principal of or the interest on such bonds. The maximum amount of outstanding bonds at any time shall not exceed Fifty Million Dollars ($50,000,000.00) unless a greater amount is expressly approved by the Legislature by a concurrent resolution adopted prior to commencing any action in anticipation of issuance of revenue bonds of the University Hospitals Authority for the greater amount;

13. Provide for complete financial audits on all accounts of the University Hospitals Authority and to authorize periodic audits by an independent external auditing agency. Such audits to be performed annually in a format approved by the State Auditor and Inspector and all such audits shall be submitted to the State

Auditor and Inspector for review. Such audits shall be made in accordance with generally accepted auditing standards and government auditing standards. Financial statements shall be prepared in accordance with generally accepted accounting principals. In addition to said audits, the State Auditor and Inspector, whenever he deems it appropriate, and at least once each five (5) years, or upon receipt of a request to do so from the Governor, the Attorney General, the President Pro Tempore of the Senate, the Speaker of the House of Representatives or the Authority shall conduct a special audit of the Authority and the University Hospitals;

14. Engage in long-term planning for the operation and management of the University Hospitals;

15. Establish petty cash funds and provide for appropriate accounting procedures and controls;

16. Contract with national manufacturers and distributors of drugs and medical supplies when appropriate to carry out the purposes of this act;

17. Do all other things necessary and proper to implement the provisions of the University Hospitals Authority Act;

18. Waive, by such means as the Authority deems appropriate, the exemption from federal income taxation of interest on the Authority's bonds provided by the Internal Revenue Code of 1986, as amended, or any other federal statute providing a similar exemption; and

19. Arrange for guaranties or insurance of its bonds by the federal government or by any private insurer, and to pay any premiums therefor.

C. The University Hospitals Authority and the University Hospitals shall be subject to the ~~Oklahoma Budget Law of 1947~~ Oklahoma State Finance Act, Section ~~41.1~~ 34 et seq. of Title 62 of the Oklahoma Statutes.

D. The Authority shall prepare monthly a "budget vs. actual" report which shows by budget activity the monthly and year-to-date revenues and expenditures compared to budgeted revenues and expenditures. Such report shall be submitted to the ~~Office of State Finance~~ Office of Management and Enterprise Services and to the Directors of the House of Representatives Fiscal Division and the Senate Fiscal Division.

E. The Authority shall be subject to the professional risk management program provided for in Section ~~85.34~~ 85.58A of Title 74 of the Oklahoma Statutes.

F. The Department of Human Services Institutional Maintenance and Construction Unit and the Architecture and Engineering Planning Unit should be given first priority to be vendor for the University Hospitals Authority for construction and remodeling projects which fall within their scope of services. The Authority may enter into contracts for construction and remodeling projects with another contractor only after compliance with all other applicable statutes

and after making a specific finding that another contractor is more competitive.

G. The Authority shall continue to provide space, utilities and janitorial services to the Department of Human Services Institutional Maintenance and Construction Architecture and Engineering Planning Unit.

SECTION 514. AMENDATORY 63 O.S. 2011, Section 3211, is amended to read as follows:

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

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

C. By January 1, 1995, all employees of the Authority shall be required to elect whether to remain in their present classification pursuant to the Oklahoma Personnel Act or transfer to the University Hospitals Authority Model Personnel System established pursuant to subsection E of this section. Any employee who elected not to transfer to the University Hospitals Authority Model Personnel

System pursuant to this subsection may elect to transfer to the personnel system at any time as prescribed by the Authority.

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

E. Except as otherwise provided in Section ~~4~~ 3213.2 of this ~~act~~ title, the Authority shall develop, maintain or revise unclassified personnel systems, classes or procedures which are necessary for accommodating or responding to its human resource needs. Such authority includes recruitment, position classifications, qualifications, selection criteria, search and selection procedures, use of consultants, salaries, benefits, retirement plans, leave benefits and personnel administration. Such systems, classes or procedures shall require consultation with the ~~Administrator~~ Director of the ~~Office of Personnel Management~~ Office of Management and Enterprise Services.

F. Employees of the University Hospitals Authority who are members of the University Hospitals Authority Model Personnel System who become subject to the classified or unclassified service of state government shall be eligible to transfer any unused leave balances. Unused paid-time-off leave shall be converted to annual leave. Unused extended illness leave shall be converted to sick

leave. Such transfer of leave shall be subject to accumulation limits pursuant to Section 840-2.20 of Title 74 of the Oklahoma Statutes.

SECTION 515. AMENDATORY 63 O.S. 2011, Section 3212, is amended to read as follows:

Section 3212. A. There is hereby created the University Hospitals Authority Personnel Task Force. The Task Force shall consist of the following members:

1. The Director of Personnel for the University Hospitals who shall serve as chair;

2. The Affirmative Action Officer for the University Hospitals;

3. The Director of the ~~Office of Personnel Management~~ Office of Management and Enterprise Services or a designee;

4. Two employees of the University Hospitals appointed by the Chief Executive Officer of the University Hospitals, one who shall be a health care professional and one who shall not be a health care professional; and

5. The Executive Director of the Oklahoma Public Employees Association or a designee.

B. The Task Force shall annually select a vice-chair from its membership.

C. The Task Force shall annually give advice and make recommendations to the Authority regarding all aspects of personnel matters including, but not limited to:

1. Development of clear mission and goal statements;

2. Involvement of managers and employees in the identification of ways to improve organizational effectiveness;

3. Participation of employees in the development of personnel policies and procedures;

4. Assessment of agency effectiveness and progress toward goals with emphasis on productivity, quality of services, innovation and economical use of resources;

5. Affirmative action programs to ensure workforce diversity and equal employment opportunity;

6. Creation, modification, and elimination of positions;

7. Employee disciplinary procedures with emphasis on timely resolution of personnel disputes at the lowest possible level; and

8. Management and employee development programs.

D. The Authority may delegate additional responsibilities to the Task Force.

E. The Task Force shall assist the Authority in the preparation and implementation of an annual human resource management plan and evaluation report which shall be submitted to the Governor, the Speaker of the House of Representatives and the President Pro Tempore of the Senate by November 1 of each year.

SECTION 516. AMENDATORY 63 O.S. 2011, Section 3221.1, is amended to read as follows:

Section 3221.1 A. There is hereby created in the State Treasury a revolving fund for the University Hospitals, to be designated the "University Hospitals Marketing Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies received by the University Hospitals pursuant to the provisions of this section. All monies accruing to the credit of said fund are hereby appropriated and may be budgeted and expended by the University Hospitals for the purpose of marketing research and planning, public education, special events customary to the health care industry, advertising and promotion of special and general services provided or sponsored by the University Hospitals and such other purposes specifically authorized by the Legislature. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

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

SECTION 517. AMENDATORY 63 O.S. 2011, Section 3223, is amended to read as follows:

Section 3223. The University Hospitals Authority is authorized to place resident physicians of the College of Medicine of the University of Oklahoma on the University Hospitals Authority payroll, and is further authorized to acquire through the Purchasing Division of the ~~Department of Central Services~~ Office of Management and Enterprise Services health, life, and dental insurance for such residents. Such residents shall not be considered employees of the Authority and shall not be eligible to participate in the Oklahoma Public Employees Retirement System. This section shall not preclude the right of the University Hospitals Authority to terminate, for cause, the practicing privileges of any resident physician within the University Hospitals Authority.

SECTION 518. AMENDATORY 63 O.S. 2011, Section 3227.1, is amended to read as follows:

Section 3227.1 Any monies transferred by the Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services pursuant to Section 18 ~~of this act~~, Chapter 287, O.S.L. 1997, from the University Hospitals Authority to the University Hospitals Trust Revolving Fund created by Section 3227 of this title shall be repaid by the Trust to the University Hospitals Authority Disbursing Fund created by Section 3221 of this title on or before December 31, 2002.

SECTION 519. AMENDATORY 63 O.S. 2011, Section 3240.6, is amended to read as follows:

Section 3240.6 A. The Community Hospitals Authority shall have the power and duty to:

1. Adopt bylaws and promulgate rules for the regulation of its affairs and the conduct of its business;

2. Adopt an official seal;

3. Maintain an office in one of the participating hospitals for the Community Hospitals Authority at no cost to the Authority;

4. Sue and be sued;

5. Make and enter into all contracts necessary or incidental to the performance of its duties and the execution of its powers pursuant to the Community Hospitals Authority Act;

6. Purchase or lease equipment, furniture, materials and supplies, and incur such other expenses as may be necessary to discharge its duties and responsibilities or to make any of its powers effective;

7. Accept any and all grants from persons and from the United States of America, or from any corporation or agency created or designed by the United States of America, and, in connection with any such grant, to enter into such agreements as the United States of America or such corporation or agency may require;

8. Accept grants and gifts from private individuals and organizations;

9. Provide for complete financial audits on all accounts of the Community Hospitals Authority and to authorize periodic audits by an

independent external auditing agency. Such audits shall be performed annually in a format approved by the State Auditor and Inspector, and all such audits shall be submitted to the State Auditor and Inspector for review. Such audits shall be made in accordance with generally accepted auditing standards and government auditing standards. Financial statements shall be prepared in accordance with generally accepted accounting principles. In addition to the audits, the State Auditor and Inspector, whenever the State Auditor deems it appropriate, and at least once each five (5) years, or upon receipt of a request to do so from the Governor, the Attorney General, the President Pro Tempore of the Senate, the Speaker of the House of Representatives or the Authority shall conduct a special audit of the Authority;

10. Engage in long-term planning for the operation and management of the Community Hospitals Authority;

11. Establish petty cash funds and provide for appropriate accounting procedures and controls; and

12. Do all other things necessary and proper to implement the provisions of the Community Hospitals Authority Act.

B. The Community Hospitals Authority shall be subject to the Oklahoma Budget Law of 1947.

C. The Authority shall prepare monthly a "budget vs. actual" report which shows by budget activity the monthly and year-to-date revenues and expenditures compared to budgeted revenues and

expenditures. Such report shall be submitted to the ~~Office of State Finance~~ Office of Management and Enterprise Services and to the directors of the Fiscal Divisions of the State Senate and the Oklahoma House of Representatives.

D. The Authority shall be subject to the professional risk management program provided for in Section 85.58A of Title 74 of the Oklahoma Statutes.

E. The Authority shall be and is prohibited from issuing bonds or other evidences of indebtedness.

F. The Authority shall be and is prohibited from acquiring any real property.

SECTION 520. AMENDATORY 63 O.S. 2011, Section 3276, is amended to read as follows:

Section 3276. A. On and after July 1, 2006, the Authority shall have the power and duty to:

1. Adopt bylaws and promulgate rules for the regulation of its affairs and the conduct of its business;

2. Adopt an official seal;

3. Maintain an office at a location to be determined by the Authority;

4. Sue and be sued, subject to the provisions of The Governmental Tort Claims Act;

5. Enter into cooperative agreements with the Board of Regents for the Oklahoma Agricultural and Mechanical Colleges for

educational programs, professional staffing, research and other medical activities;

6. Make and enter into all contracts necessary or incidental to the performance of its duties and the execution of its powers pursuant to the Oklahoma State University Medical Authority Act;

7. Purchase or lease equipment, furniture, materials and supplies, and incur such other expenses as may be necessary to maintain and operate hospitals or clinics, or to discharge its duties and responsibilities or to make any of its powers effective;

8. Acquire by purchase, lease, gift, or by any other manner, and to maintain, use and operate or to contract for the maintenance, use and operation of or lease of any and all property of any kind, real, personal, or mixed or any interest therein unless otherwise provided by the Oklahoma State University Medical Authority Act;

9. Appoint such officers, agents and employees, including but not limited to attorneys, as it deems necessary and to prescribe their duties and to fix their compensation;

10. Accept grants from the United States of America, or from any corporation or agency created or designed by the United States of America, and, in connection with any grant, to enter into such agreements as the United States of America or such corporation or agency may require;

11. Make and issue bonds and to pledge revenues of the Authority subject to the Oklahoma Bond Oversight and Reform Act.

Nothing in the Oklahoma State University Medical Authority Act shall authorize the issuance of any bonds of the Authority payable other than from revenues of the Authority. Funds appropriated to the Authority shall not be used for issuance of bonds. Authority revenue bonds issued under the provisions of this act shall not at any time be deemed to constitute a debt of the state or of any political subdivision thereof or a pledge of the faith and credit of the state or of any political subdivision, but such bonds shall be payable solely from the funds herein provided. Such revenue bonds shall contain on the face thereof a statement to the effect that neither the state nor the Authority shall be obligated to pay the same or the interest thereon except from the revenues of the project or projects for which they are issued and that neither the faith and credit nor the taxing power of the state or any political subdivision thereof is pledged, or may hereafter be pledged, to the payment of the principal of or the interest on such bonds. The maximum amount of outstanding bonds at any time shall not exceed Fifty Million Dollars ($50,000,000.00) unless a greater amount is expressly approved by the Legislature by a concurrent resolution adopted prior to commencing any action in anticipation of issuance of revenue bonds of the Oklahoma State University Medical Authority for the greater amount;

12. Provide for complete financial audits on all accounts of the Oklahoma State University Medical Authority and to authorize

periodic audits by an independent external auditing agency. Such audits shall be performed annually in a format approved by the State Auditor and Inspector, and all such audits shall be submitted to the State Auditor and Inspector for review. Such audits shall be made in accordance with generally accepted auditing standards and government auditing standards. Financial statements shall be prepared in accordance with generally accepted accounting principles. In addition to said audits, whenever the State Auditor and Inspector deems it appropriate, and at least once each five (5) years, or upon receipt of a request to do so from the Governor, the Attorney General, the President Pro Tempore of the Senate, the Speaker of the House of Representatives or the Authority, the State Auditor and Inspector shall conduct a special audit of the Authority;

13. Engage in long-term planning for the operation and management of the Authority;

14. Establish petty cash funds and provide for appropriate accounting procedures and controls;

15. Contract with national manufacturers and distributors of drugs and medical supplies when appropriate to carry out the purposes of this act;

16. Do all other things necessary and proper to implement the provisions of the Oklahoma State University Medical Authority Act;

17. Waive, by such means as the Authority deems appropriate, the exemption from federal income taxation of interest on the

Authority's bonds provided by the Internal Revenue Code of 1986, as amended, or any other federal statute providing a similar exemption;

18. Arrange for guaranties or insurance of its bonds by the federal government or by any private insurer, and to pay any premiums therefor; and

19. Make a declaration of necessity as provided in Section ~~3~~ 3273 of this ~~act~~ title. The Authority may, in its exclusive judgment, make a declaration of necessity when such a declaration is deemed necessary to effectuate the purposes of the Oklahoma State University Medical Authority Act.

B. The Oklahoma State University Medical Authority shall be subject to the Oklahoma Budget Law of 1947.

C. The Authority shall prepare monthly a "budget vs. actual" report which shows by budget activity the monthly and year-to-date revenues and expenditures compared to budgeted revenues and expenditures. Such report shall be submitted to the ~~Office of State Finance~~ Office of Management and Enterprise Services and to the Directors of the House of Representatives Fiscal Division and the Senate Fiscal Division.

D. The Authority shall be subject to the professional risk management program provided for in Section 85.58A of Title 74 of the Oklahoma Statutes.

SECTION 521. AMENDATORY 63 O.S. 2011, Section 3287, is amended to read as follows:

Section 3287. A. There is hereby created in the State Treasury a revolving fund for the Oklahoma State University Medical Authority, to be designated the "Oklahoma State University Medical Authority Marketing Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies received by the Oklahoma State University Medical Authority pursuant to the provisions of this section. All monies accruing to the credit of said fund are hereby appropriated and may be budgeted and expended by the Oklahoma State University Medical Authority for the purpose of marketing research and planning, public education, special events customary to the health care industry, advertising and promotion of special and general services provided or sponsored by the Oklahoma State University Medical Authority and such other purposes specifically authorized by the Legislature. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

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

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

SECTION 522. AMENDATORY 63 O.S. 2011, Section 4236, is amended to read as follows:

Section 4236. There is hereby created in the State Treasury a revolving fund for the Department of Public Safety to be designated the "Boating Safety Education Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of fine monies collected pursuant to Section ~~5~~ 4235 of this ~~act~~ title and any monies contributed to the fund from any other source. All monies accruing to the credit of such fund are hereby appropriated and shall be budgeted and expended by the Department for the exclusive purposes of establishing and maintaining a boating safety education program throughout the State of Oklahoma. Expenditures from such fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 523. AMENDATORY 63 O.S. 2011, Section 5016, is amended to read as follows:

Section 5016. There is hereby created in the State Treasury a revolving fund for the Oklahoma Health Care Authority to be designated the "Oklahoma Health Care Authority Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies received by the Authority, from any source. All monies accruing to the credit of said fund are hereby appropriated and may be budgeted and expended by the Authority for any purpose authorized by law. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 524. AMENDATORY 63 O.S. 2011, Section 5017, is amended to read as follows:

Section 5017. There is hereby created in the State Treasury a fund for the Oklahoma Health Care Authority to be designated the "Oklahoma Health Care Authority Federal Disallowance Fund". The fund shall be a continuing fund, not subject to fiscal year limitations. It shall consist of monies received by the Oklahoma Health Care Authority which, in the opinion of the Oklahoma Health Care Authority Board, may be subject to federal disallowances and interest which may accrue on said receipts. All monies accruing to the credit of said fund are hereby appropriated and may be budgeted and expended by the Oklahoma Health Care Authority at the discretion

of the Oklahoma Health Care Authority Board for eventual settlement of the appropriate pending disallowances. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

The Administrator of the Oklahoma Health Care Authority may request the Director of ~~State Finance~~ the Office of Management and Enterprise Services to transfer monies between the Oklahoma Health Care Authority Federal Disallowance Fund and any other fund of the authority, as needed for the expenditure of funds.

SECTION 525. AMENDATORY 63 O.S. 2011, Section 5020, is amended to read as follows:

Section 5020. There is hereby created in the State Treasury a fund for the Oklahoma Health Care Authority to be designated the "Oklahoma Health Care Authority Medicaid Program Fund". The fund shall be a continuing fund, not subject to fiscal year limitations. All monies accruing to the credit of said fund are hereby appropriated and may be budgeted and expended by the Oklahoma Health Care Authority at the discretion of the Oklahoma Health Care Authority Board. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

The Administrator of the Oklahoma Health Care Authority may request the Director of ~~State Finance~~ the Office of Management and Enterprise Services to transfer monies between the Oklahoma Health Care Authority Medicaid Program Fund and any other fund of the Authority, as needed for the expenditure of funds.

SECTION 526. AMENDATORY 64 O.S. 2011, Section 1036, is amended to read as follows:

Section 1036. The accounts and records of the Land Office shall annually have an audit conducted in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the "Government Auditing Standards", issued by the Comptroller General of the United States, by an independent Oklahoma certified public accountant. The Secretary of the Land Office is authorized to contract for the audits required pursuant to this section. Copies of the audits shall be filed with the Governor, the Commissioners of the Land Office, the State Senate, the House of Representatives, the State Auditor and Inspector, and the Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services in accordance with the requirements set forth for financial statement audits in Section 212A of Title 74 of the Oklahoma Statutes.

SECTION 527. AMENDATORY 64 O.S. 2011, Section 1078, is amended to read as follows:

Section 1078. The State Treasurer shall apportion the income derived from the "Section Thirteen Fund State Educational Institutions" among the educational institutions entitled thereto, in accordance with the division and distribution made in Section 1, of Article 11, Chapter 34, Session Laws of 1907-1908, entitled "An Act to provide for the division and distribution of the income, rentals, interest, and proceeds from certain lands among certain educational institutions, and making appropriations of such fund in pursuance thereof, designating a name by which such fund shall hereafter be known, and declaring an emergency"; and shall likewise apportion the income derived from the "New College Fund" to the educational institutions entitled thereto, in accordance with Section 1, Article 5, Chapter 28, Session Laws of 1909, entitled "An Act to provide for making available to various educational institutions the income, interest, rentals, and proceeds from certain lands, and making appropriations of such funds; designating a name by which such fund shall hereafter be known and declaring an emergency". The Director of ~~State Finance~~ the Office of Management and Enterprise Services shall notify the chairman of the board having control of each of said educational institutions, and the president of each of said institutions, of the amount apportioned to it. The amount so apportioned to each educational institution shall, immediately after each successive apportionment, become

available and are hereby appropriated for the use of the respective institutions, and shall be paid out in accordance with the law.

SECTION 528. AMENDATORY 65 O.S. 2011, Section 2-107, is amended to read as follows:

Section 2-107. There is hereby created in the State Treasury a revolving fund for the Oklahoma Department of Libraries, to be designated the "Oklahoma Local Library Support Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies received by the Oklahoma Department of Libraries from state appropriations designated specifically for deposit in this fund for purposes as specified in this act and from any other sources provided for by law. All monies accruing to the credit of said fund are hereby appropriated and may be budgeted and expended by the Oklahoma Department of Libraries for the purpose of providing convenient library service or access to library service for all citizens of Oklahoma. In administering the fund the Department of Libraries shall encourage existing public libraries to cooperatively share library resources by:

1. Extending or establishing public library services in unserved county areas or contracting for services with existing Oklahoma Department of Libraries certified municipal public libraries, other certified public libraries, library districts, or library systems; and

2. Strengthening existing Oklahoma Department of Libraries certified municipal public libraries, other certified public libraries, library districts, and library systems.

The Oklahoma Department of Libraries Board shall establish a formula for the equitable apportionment of monies to counties applying and qualifying for such funds pursuant to the provisions of this act.

Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 529. AMENDATORY 65 O.S. 2011, Section 4-107.1, is amended to read as follows:

Section 4-107.1 There is hereby created in the State Treasury a revolving fund for the Oklahoma Department of Libraries to be designated the "Oklahoma Local Library Capital Revolving Fund". The fund shall be a continuing fund not subject to fiscal year limitations and shall consist of monies received by the Oklahoma Department of Libraries from state appropriations, federal funds or from any other appropriate sources. All monies accruing to the credit of said fund are hereby appropriated and may be budgeted and expended by the Oklahoma Department of Libraries for the purpose of providing capital grants to public libraries within the state. Capital grants made pursuant to this section shall not be made to

systems within counties with a population of five hundred thousand (500,000) or more. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as provided by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

The Oklahoma Department of Libraries shall establish guidelines for the equitable apportionment of monies to public libraries applying for such grants.

SECTION 530. AMENDATORY 68 O.S. 2011, Section 113, is amended to read as follows:

Section 113. A. There is hereby created in the State Treasury a revolving fund for the Oklahoma Tax Commission to be known as the "Tax Commission Reimbursement Fund". Said revolving fund shall consist of any funds received by the Tax Commission for data processing services or equipment rental and any funds received by the Tax Commission from any incorporated city, town, or county pursuant to a contractual agreement for the augmentation of the enforcement and collection of municipal or county taxes entered into pursuant to the provisions of Sections 1371 or 2702 of this title. The Tax Commission is authorized to hire full-time-equivalent employees as necessary to perform such duties as to fulfill contractual agreements authorized pursuant to Sections 1371 and 2702 of this title, however, such employees hired to perform such contractual duties shall be supported solely by funds in the Tax

Commission Reimbursement Fund which are collected by the Tax Commission from incorporated cities, towns, and counties pursuant to such contractual agreements and such employees shall be terminated upon the discontinuation of such funds or inadequate funds to support such positions. Such full-time-equivalent employees shall be in the unclassified service and shall not be subject to any provisions of the Oklahoma Personnel Act or to ~~any of the rules or regulations promulgated by~~ the ~~Office of Personnel Management~~ Merit Rules for Employment except leave regulations. All fees collected and apportioned to this fund under the Oklahoma Vehicle License and Registration Act, Section 1101 et seq. of Title 47 of the Oklahoma Statutes, may be used by the Motor Vehicle Division of the Oklahoma Tax Commission to pay all costs incurred in the issuance of certificates of title and inspection of vehicles, including, but not limited to, additional computer costs for the Tax Commission and motor license agents and the check verification system authorized pursuant to the provisions of paragraph 1 of subsection A of Section 1144 of Title 47 of the Oklahoma Statutes or be used for capital expenditures as authorized by the Oklahoma State Legislature. For the fiscal year beginning July 1, 2004, disbursements from the fund shall be exempt from all agency budget limits.

B. Notwithstanding any other provision in the Oklahoma Statutes except subsection F of Section 316 and subsection D of Section 418 of this title, beginning July 1, 2009, all revenue from fees and

penalties collected pursuant to Sections 304, 316, 415 and 418 of this title shall be apportioned to the Tax Commission Reimbursement Fund for administrative expenses incurred in connection with enforcement of the provisions of Section 301 et seq., Section 346 et seq., Section 401 et seq. and Section 424 et seq. of this title.

SECTION 531. AMENDATORY 68 O.S. 2011, Section 117, is amended to read as follows:

Section 117. The Oklahoma Tax Commission, upon request, shall provide the ~~Office of State Finance~~ Office of Management and Enterprise Services, the Oklahoma State Senate and the Oklahoma State House of Representatives electronic access to any aggregate data and reports used by the Oklahoma Tax Commission in developing revenue estimates and economic forecasts. The aggregate data and reports which will be made accessible pursuant to the provisions of this section shall not include any records or other information required by law to be kept confidential.

SECTION 532. AMENDATORY 68 O.S. 2011, Section 118, is amended to read as follows:

Section 118. A. Upon receipt of a written request from a member or employee of the Legislature, the Oklahoma Tax Commission shall provide:

1. A written estimate of the revenue gain or loss to the state as a result of an actual or proposed change to a state tax law; and

2. A written statement of the Tax Commission's recommendation to the State Board of Equalization as to the change in the amount certified as available for appropriation by the Legislature as a result of an actual or proposed change to a state tax law.

The Tax Commission shall provide such estimate and statement within two (2) weeks of the date the request was received unless the member or employee of the Legislature specifies an earlier date. If the Tax Commission determines that it is unable to provide such estimate and statement within the time period required by this section, it shall provide a written explanation and date by which the estimate and statement will be provided to the member or employee.

B. On or after December 31, 2009, and subject to the availability of funds, the Tax Commission shall develop the estimates and statements required by subsection A of this section utilizing a dynamic revenue estimating model. Such model shall take into consideration changes in economic activity as a result of the proposed legislation and consequent revenue gains or losses due to factors such as taxpayer behavior, employment and business investment. The Tax Commission may, subject to the laws of this state relating to confidentiality of information, contract with institutions of higher education in this state or other entities to perform its duties as set forth in this subsection. The Tax

Commission is authorized to promulgate rules to carry out the implementation of this section.

C. For the purpose of providing an annual forecast of gross production tax revenues from the production of natural and casinghead gas to the ~~Office of State Finance~~ Office of Management and Enterprise Services, the Tax Commission shall subscribe to appropriate reference materials which provide economic outlook of future gas prices that have most closely followed the historical trend of Oklahoma gas prices. To determine the average differential between the published forecasted prices and Oklahoma gas prices, the Tax Commission shall compare prices in at least twenty-four (24) of the immediate thirty-six (36) previous months of production. The Tax Commission shall utilize the procedures provided herein to forecast the collection of gross production tax revenues from the production of natural and casinghead gas for the fiscal year beginning July 1, 2005, and each fiscal year thereafter.

SECTION 533. AMENDATORY 68 O.S. 2011, Section 205.6, is amended to read as follows:

Section 205.6 A. The Oklahoma Tax Commission shall prepare and maintain a list of all taxpayers who have claimed any tax credit authorized by any provisions of state law and related to a tax administered by the Tax Commission. The ~~Office of State Finance~~ Office of Management and Enterprise Services shall cause the list to be posted on the Internet through the Taxpayer Transparency Act

website in a format which is searchable and can be exported in raw data form.

The ~~Office of State Finance~~ Office of Management and Enterprise Services shall include the name of each taxpayer who claimed a credit, the amount of such credit and the specific statutory provision under which the credit was claimed. The Internet list shall be updated not less than monthly. The list shall include the identity of all taxpayers or organizations having any part in the chain of custody or claim to the credit or credits at any time during the credit's existence from the initial time the credit is earned, through the time that the credit is claimed on a tax return.

B. For the purposes of this section "tax credit" means a credit against tax liability that is a credit administered by the Tax Commission, excluding credits authorized under paragraphs 1 and 2 of subsection B of Section 2357, Section 2357.4 and Sections 2357.29 and 2357.43 of this title.

C. In addition to the disclosure required by subsection A of this section, for any tax credit that may be claimed by any person or any lawfully recognized business entity pursuant to the provisions of Sections 2357.62, 2357.63, 2357.73, and 2357.74 of this title, the Oklahoma Tax Commission shall maintain a list of any person and any such entity that may be able to claim any such credit as a result of the allocation of tax credits based upon the pass-through federal income tax treatment applicable to the entity that

makes a qualified investment, as such term is defined by paragraph 6 of Section 2357.61 of this title and paragraph 7 of Section 2357.72 of this title, in either a qualified small business capital company or a qualified rural small business capital company. For purposes of this subsection, the Tax Commission shall determine the identity of such persons and legal entities as of the December 31 date of the calendar year during which the qualified investment is made.

SECTION 534. AMENDATORY 68 O.S. 2011, Section 238.2, is amended to read as follows:

Section 238.2 A. It is the intent of the Legislature that the provisions of this section operate to provide for the collection of income taxes due to the State of Oklahoma by state employees in a manner that will maximize flexibility for state employees to pay any such taxes due while minimizing disruption to operations of state agencies. It is the further intent of the Legislature that the Oklahoma Tax Commission provide notice to state employees pursuant to the provisions of subsection C of this section and that the Tax Commission provide such notice to state employees at least six (6) months prior to notification of noncompliance to a state agency.

B. The ~~Office of State Finance~~ Office of Management and Enterprise Services shall, not later than August 1, 2003, and August 1 of each year thereafter, provide to the Tax Commission a list of all state employees as of the preceding July 1 and such identifying information as may be required by the Tax Commission. Such list and

information shall be used by the Tax Commission exclusively for the purpose of collection of income taxes due to the State of Oklahoma. The provisions of any laws making information confidential shall not apply with respect to information supplied to the Tax Commission pursuant to the provisions of this section; provided, such information shall be subject to the provisions of Section 205 of this title.

C. The Tax Commission shall, not later than November 1, 2003, and November 1 of each year thereafter, notify any state employee who is not in compliance with the income tax laws of this state. Such notification shall include:

1. A statement that the employee will be subject to disciplinary action by the appointing authority unless the taxpayer is deemed by the Tax Commission to be in compliance with the income tax laws of this state;

2. The reasons that the taxpayer is considered to be out of compliance with the income tax laws of this state, including a statement of the amount of any tax, penalties and interest due or a list of the tax years for which income tax returns have not been filed as required by law;

3. An explanation of the rights of the taxpayer and the procedures which must be followed by the taxpayer in order to come into compliance with the income tax laws of this state; and

4. Such other information as may be deemed necessary by the Tax Commission.

D. A state employee who has entered into and is abiding by a payment agreement, or who has requested relief as an innocent spouse which is pending or has been granted, shall be deemed to be in compliance with the state income tax laws for purposes of this section.

E. If the Tax Commission notifies a state employee who is not in compliance with the income tax laws of this state as required in this section and such state employee does not respond to such notification or fails to come into compliance with the income tax laws of this state after an assessment has been made final or after the Tax Commission determines that every reasonable effort has been made to assist the state employee to come into compliance with the income tax laws of this state, the Tax Commission, notwithstanding the provisions of Section 205 of this title, shall so notify the appointing authority, which shall commence disciplinary action with respect to the state employee and shall notify the state employee of the reason for such action; provided, if a state agency receives a notification with respect to a state employee who has failed to come into compliance with the income tax laws, and the notification is the employee's third notification as a state employee, regardless of which agency the employee was employed by at the time of the first and second notices, such employee shall be terminated by the state

agency according to the procedures provided by law. If a state employee who has been previously reported by the Tax Commission to a state agency as being out of compliance comes into compliance, the Tax Commission shall immediately notify the appointing authority. Neither a state agency nor an appointing authority shall be held liable for any action with respect to a state employee pursuant to the provisions of this section.

F. The Tax Commission shall promulgate rules for the implementation of the provisions of this section.

G. As used in this section:

1. "State agency" means any office, department, board, commission or institution of the executive, legislative or judicial branch of state government;

2. "Employee" or "state employee" means an appointed officer or employee of a state agency; provided, the term employee or state employee shall not include an elected official or an employee of a local governmental entity; and

3. "Appointing authority" means the chief administrative officer of a state agency.

SECTION 535. AMENDATORY 68 O.S. 2011, Section 263, is amended to read as follows:

Section 263. A. If any tax warrant or certificate remains outstanding and unpaid, the Tax Commission may issue an order attaching the sums due or to become due, up to the amount of the

liability upon such tax warrant or certificate, upon any contract between the taxpayer named in such tax warrant or certificate and the State of Oklahoma or any department, board, institution, commission or agency thereof, for the furnishing of any services, goods, merchandise, supplies, materials or equipment for which payment is made upon claims approved by the ~~Office of State Finance~~ Office of Management and Enterprise Services.

B. A certified copy of the attachment order shall be delivered to the Director of ~~State Finance~~ the Office of Management and Enterprise Services and notice of such attachment shall be mailed to the taxpayer at the taxpayer's last-known address.

C. From and after receipt of the attachment order, the Director of ~~State Finance~~ the Office of Management and Enterprise Services shall not pay nor shall the State Treasurer issue any check or warrant for payment to the taxpayer for the sums or funds so attached without a written release from the Tax Commission.

D. The attachment orders issued by the Tax Commission shall continue in force until released by the Tax Commission. The Tax Commission may issue subsequent or successive attachment orders, which shall be cumulative.

E. If the taxpayer fails within thirty (30) days after his claim upon such contract, or contracts if there are more than one, has been initially received by the Director of ~~State Finance~~ the Office of Management and Enterprise Services, or within thirty (30)

days after the mailing of notice of such attachment, whichever is later, to obtain and file with the Director of ~~State Finance~~ the Office of Management and Enterprise Services a release executed by the Tax Commission, the Director of ~~State Finance~~ the Office of Management and Enterprise Services shall authorize the payment to the Tax Commission of the sums or funds attached, or so much thereof as have been certified for payment pursuant to procedures prescribed by the Director of ~~State Finance~~ the Office of Management and Enterprise Services. Such payments to the Tax Commission shall be credited against the liability on the tax warrant or certificate, and shall constitute to the extent thereof, payment by the state, department, board, institution, commission or agency to the taxpayer upon such contract.

F. The Tax Commission may release funds from the claims or contracts attached to effectuate payment of the liability on such tax warrant or certificate or to protect the interest of the state, and shall release the funds attached within thirty (30) days of full payment of such liability.

G. The provisions of this section shall not apply to payroll claims of or on behalf of employees of this state.

H. No person, firm or corporation that is delinquent in the reporting or paying of any tax due under the laws of this state shall be registered as a vendor under the provisions of Section 85.33 of Title 74 of the Oklahoma Statutes, nor included on the

approved bidder lists maintained by the Purchasing Division of the Office of ~~Public Affairs~~ Management and Enterprise Services.

SECTION 536. AMENDATORY 68 O.S. 2011, Section 265, is amended to read as follows:

Section 265. A. There is hereby created in the State Treasury a fund for the Oklahoma Tax Commission to be known as the "Oklahoma Tax Commission and ~~Office of State Finance~~ Office of Management and Enterprise Services Joint Computer Enhancement Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies deposited to the fund pursuant to law. All monies accruing to the credit of said fund are hereby appropriated and may be budgeted and expended for the purposes authorized by subsection B of this section. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

B. Monies in the Oklahoma Tax Commission and ~~Office of State Finance~~ Office of Management and Enterprise Services Joint Computer Enhancement Fund shall be expended for the following purposes:

1. To make payments on an agreement authorized by Section 5, Chapter 278, O.S.L. 2008;

2. To make payments authorized by Section 34.33 of Title 62 of the Oklahoma Statutes; and

3. To the extent not needed for the above-listed purposes to be expended on other computer projects as specifically authorized by the Legislature.

C. Notwithstanding any other provision of law, there shall be apportioned to the Oklahoma Tax Commission and ~~Office of State Finance~~ Office of Management and Enterprise Services Joint Computer Enhancement Fund from the monies that would otherwise be apportioned by Section 2352 of this title, the revenue received as a result of any contracts entered into by the Oklahoma Tax Commission pursuant to Section 264 of this title.

D. The Tax Commission is hereby authorized to deposit to the credit of the Oklahoma Tax Commission and ~~Office of State Finance~~ Office of Management and Enterprise Services Joint Computer Enhancement Fund any monies in excess of the amounts necessary to pay all claims presented to its cash security reserve fund. When monies are deposited to the credit of the Computer Enhancement Fund, the right of any person to present a claim for refund of a cash security shall be preserved and the value thereof shall be paid from the cash security reserve fund.

E. For the fiscal year beginning July 1, 2010, and notwithstanding the provisions of Section 2352 of this title, the first Five Million Dollars ($5,000,000.00) of revenue derived pursuant to the provisions of subsections A, B and E of Section 2355 of this title shall be apportioned to the Oklahoma Tax Commission

and ~~Office of State Finance~~ Office of Management and Enterprise Services Joint Computer Enhancement Fund. For the fiscal year beginning July 1, 2010, the Tax Commission shall apportion the first Five Million Dollars ($5,000,000.00) that would be apportioned pursuant to subsection C of this section according to the provisions of Section 2352 of this title.

SECTION 537. AMENDATORY 68 O.S. 2011, Section 270, is amended to read as follows:

Section 270. A. Notwithstanding any other provisions of this section, the Oklahoma Tax Commission shall, upon request of any taxpayer or the taxpayer's authorized agent, representative or attorney, provide certification in writing of qualification for the credits in the following sections of law:

1. Section 2357.7 of ~~Title 68 of the Oklahoma Statutes~~ this title;

2. Section 2357.11 of ~~Title 68 of the Oklahoma Statutes~~ this title;

3. Section 2357.32A of ~~Title 68 of the Oklahoma Statutes~~ this title;

4. Section 2357.41 of ~~Title 68 of the Oklahoma Statutes~~ this title; and

5. Section 2357.42 of ~~Title 68 of the Oklahoma Statutes~~ this title.

B. On or before November 1 of each year subsequent to the effective date of this section, the Oklahoma Tax Commission shall file a report with the Speaker of the Oklahoma House of Representatives, the President Pro Tempore of the State Senate and the Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services, stating the amount of credits claimed and allowed.

SECTION 538. AMENDATORY 68 O.S. 2011, Section 305.2, is amended to read as follows:

Section 305.2 There is hereby created in the State Treasury a revolving fund for the Office of the Attorney General. The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies received by the Office of the Attorney General pursuant to the provisions of Sections 305, 316, 417 and 418 of ~~Title 68 of the Oklahoma Statutes~~ this title. All monies accruing to the credit of the fund are hereby appropriated and may be budgeted and expended by the Office of the Attorney General. Expenditures from the fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 539. AMENDATORY 68 O.S. 2011, Section 451, is amended to read as follows:

Section 451. There is hereby created in the State Treasury a special fund to be designated the "Oklahoma Capital Improvement Fund". Said fund shall consist of amounts deposited therein pursuant to subsection (d) of Section ~~5(d)~~ 302-2 of this ~~act~~ title, and monies, if any, which have accrued to the State General Revenue Fund at the close of the fiscal year ending June 30, 1979, which were in excess of Five Million Dollars ($5,000,000.00) that year, in excess of the amounts required to satisfy all appropriations made from the State General Revenue Fund for the then current fiscal year together with all other statutory obligations. Provided, the amount apportioned to the Oklahoma Capital Improvement Fund by the Director of ~~State Finance~~ the Office of Management and Enterprise Services from the fiscal year ending June 30, 1979, shall not exceed the sum of Thirty Million Dollars ($30,000,000.00).

SECTION 540. AMENDATORY 68 O.S. 2011, Section 1353, is amended to read as follows:

Section 1353. A. It is hereby declared to be the purpose of the Oklahoma Sales Tax Code to provide funds for the financing of the program provided for by the Oklahoma Social Security Act and to provide revenues for the support of the functions of the state government of Oklahoma, and for this purpose it is hereby expressly provided that, revenues derived pursuant to the provisions of the Oklahoma Sales Tax Code, subject to the apportionment requirements for the Oklahoma Tax Commission and ~~Office of State Finance~~ Office

of Management and Enterprise Services Joint Computer Enhancement Fund provided by Section 265 of this title, shall be apportioned as follows:

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

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

b. in the event that additional monies are necessary pursuant to paragraph 6 of this ~~section~~ subsection, such additional monies shall be deducted in the proportion determined by the State Board of Equalization pursuant to paragraph 3 of Section 2355.1B of this title from the monies apportioned to the General Revenue Fund;

2. For FY 2003, FY 2004 and FY 2005, ten and forty-two one-hundredths percent (10.42%), shall be paid to the State Treasurer to be placed to the credit of the Education Reform Revolving Fund of

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

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

Fiscal Year	Amount
FY 2003 and FY 2004	3.54%
FY 2005	3.75%
FY 2006	4.0%
FY 2007	4.5%
FY 2008 and each fiscal year thereafter	5.0%

4. For the fiscal year beginning July 1, 2010, and for each fiscal year thereafter, eighty-seven one-hundredths percent (0.87%) shall be paid to the State Treasurer to be further apportioned as follows:

a. thirty-six percent (36%) shall be placed to the credit of the Oklahoma Tourism Promotion Revolving Fund, and

b. sixty-four percent (64%) shall be placed to the credit of the Oklahoma Tourism Capital Improvement Revolving Fund; and

5. For the fiscal year beginning July 1, 2010, and for each fiscal year thereafter, six one-hundredths percent (0.06%) shall be placed to the credit of the Oklahoma Historical Society Capital Improvement and Operations Revolving Fund.

6. During the first fiscal year after the State Board of Equalization has made a determination as provided in Section 2355.1B of this title, regarding a baseline amount of revenue apportioned pursuant to paragraph 3 of this ~~section~~ subsection, and for each fiscal year thereafter, in no event shall monies apportioned pursuant to paragraph 3 of this ~~section~~ subsection, paragraph 3 of Section 1403 of this title and subparagraph c of paragraph 1 of Section 2352 of this title be less than such baseline amount.

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

SECTION 541. AMENDATORY 68 O.S. 2011, Section 1356, is amended to read as follows:

Section 1356. Exemptions - Governmental and nonprofit entities.

There are hereby specifically exempted from the tax levied by Section 1350 et seq. of this title:

1. Sale of tangible personal property or services to the United States government or to the State of Oklahoma, any political subdivision of this state or any agency of a political subdivision of this state; provided, all sales to contractors in connection with the performance of any contract with the United States government, State of Oklahoma or any of its political subdivisions shall not be exempted from the tax levied by Section 1350 et seq. of this title, except as hereinafter provided;

2. Sales of property to agents appointed by or under contract with agencies or instrumentalities of the United States government if ownership and possession of such property transfers immediately to the United States government;

3. Sales of property to agents appointed by or under contract with a political subdivision of this state if the sale of such property is associated with the development of a qualified federal facility, as provided in the Oklahoma Federal Facilities Development Act, and if ownership and possession of such property transfers immediately to the political subdivision or the state;

4. Sales made directly by county, district or state fair authorities of this state, upon the premises of the fair authority, for the sole benefit of the fair authority or sales of admission

tickets to such fairs or fair events at any location in the state authorized by county, district or state fair authorities; provided, the exemption provided by this paragraph for admission tickets to fair events shall apply only to any portion of the admission price that is retained by or distributed to the fair authority. As used in this paragraph, "fair event" shall be limited to an event held on the premises of the fair authority in conjunction with and during the time period of a county, district or state fair;

5. Sale of food in cafeterias or lunch rooms of elementary schools, high schools, colleges or universities which are operated primarily for teachers and pupils and are not operated primarily for the public or for profit;

6. Dues paid to fraternal, religious, civic, charitable or educational societies or organizations by regular members thereof, provided, such societies or organizations operate under what is commonly termed the lodge plan or system, and provided such societies or organizations do not operate for a profit which inures to the benefit of any individual member or members thereof to the exclusion of other members and dues paid monthly or annually to privately owned scientific and educational libraries by members sharing the use of services rendered by such libraries with students interested in the study of geology, petroleum engineering or related subjects;

7. Sale of tangible personal property or services to or by churches, except sales made in the course of business for profit or savings, competing with other persons engaged in the same or a similar business or sale of tangible personal property or services by an organization exempt from federal income tax pursuant to Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, made on behalf of or at the request of a church or churches if the sale of such property is conducted not more than once each calendar year for a period not to exceed three (3) days by the organization and proceeds from the sale of such property are used by the church or churches or by the organization for charitable purposes;

8. The amount of proceeds received from the sale of admission tickets which is separately stated on the ticket of admission for the repayment of money borrowed by any accredited state-supported college or university or any public trust of which a county in this state is the beneficiary, for the purpose of constructing or enlarging any facility to be used for the staging of an athletic event, a theatrical production, or any other form of entertainment, edification or cultural cultivation to which entry is gained with a paid admission ticket. Such facilities include, but are not limited to, athletic fields, athletic stadiums, field houses, amphitheaters and theaters. To be eligible for this sales tax exemption, the amount separately stated on the admission ticket shall be a surcharge which is imposed, collected and used for the sole purpose

of servicing or aiding in the servicing of debt incurred by the college or university to effect the capital improvements hereinbefore described;

9. Sales of tangible personal property or services to the council organizations or similar state supervisory organizations of the Boy Scouts of America, Girl Scouts of U.S.A. and Camp Fire USA;

10. Sale of tangible personal property or services to any county, municipality, rural water district, public school district, the institutions of The Oklahoma State System of Higher Education, the Grand River Dam Authority, the Northeast Oklahoma Public Facilities Authority, the Oklahoma Municipal Power Authority, City of Tulsa-Rogers County Port Authority, Muskogee City-County Port Authority, the Oklahoma Department of Veterans Affairs, the Broken Bow Economic Development Authority, Ardmore Development Authority, Durant Industrial Authority, Oklahoma Ordnance Works Authority, Central Oklahoma Master Conservancy District, Arbuckle Master Conservancy District, Fort Cobb Master Conservancy District, Foss Reservoir Master Conservancy District, Mountain Park Master Conservancy District, Waurika Lake Master Conservancy District, ~~Department of Central Services~~ Office of Management and Enterprise Services only when carrying out a public construction contract on behalf of the Oklahoma Department of Veterans Affairs or to any person with whom any of the above-named subdivisions or agencies of this state has duly entered into a public contract pursuant to law,

necessary for carrying out such public contract or to any subcontractor to such a public contract. Any person making purchases on behalf of such subdivision or agency of this state shall certify, in writing, on the copy of the invoice or sales ticket to be retained by the vendor that the purchases are made for and on behalf of such subdivision or agency of this state and set out the name of such public subdivision or agency. Any person who wrongfully or erroneously certifies that purchases are for any of the above-named subdivisions or agencies of this state or who otherwise violates this section shall be guilty of a misdemeanor and upon conviction thereof shall be fined an amount equal to double the amount of sales tax involved or incarcerated for not more than sixty (60) days or both;

11. Sales of tangible personal property or services to private institutions of higher education and private elementary and secondary institutions of education accredited by the State Department of Education or registered by the State Board of Education for purposes of participating in federal programs or accredited as defined by the Oklahoma State Regents for Higher Education which are exempt from taxation pursuant to the provisions of the Internal Revenue Code, 26 U.S.C., Section 501(c)(3), including materials, supplies, and equipment used in the construction and improvement of buildings and other structures owned by the institutions and operated for educational purposes.

Any person, firm, agency or entity making purchases on behalf of any institution, agency or subdivision in this state, shall certify in writing, on the copy of the invoice or sales ticket the nature of the purchases, and violation of this paragraph shall be a misdemeanor as set forth in paragraph 10 of this section;

12. Tuition and educational fees paid to private institutions of higher education and private elementary and secondary institutions of education accredited by the State Department of Education or registered by the State Board of Education for purposes of participating in federal programs or accredited as defined by the Oklahoma State Regents for Higher Education which are exempt from taxation pursuant to the provisions of the Internal Revenue Code, 26 U.S.C., Section 501(c)(3);

13. a. Sales of tangible personal property made by:

(1) a public school,

(2) a private school offering instruction for grade levels kindergarten through twelfth grade,

(3) a public school district,

(4) a public or private school board,

(5) a public or private school student group or organization,

(6) a parent-teacher association or organization other than as specified in subparagraph b of this paragraph, or

(7) public or private school personnel for purposes of raising funds for the benefit of a public or private school, public school district, public or private school board or public or private school student group or organization, or

b. Sales of tangible personal property made by or to nonprofit parent-teacher associations or organizations exempt from taxation pursuant to the provisions of the Internal Revenue Code, 26 U.S.C., Section 501(c)(3) and before July 1, 2014, nonprofit local public or private school foundations which solicit money or property in the name of any public or private school or public school district.

The exemption provided by this paragraph for sales made by a public or private school shall be limited to those public or private schools accredited by the State Department of Education or registered by the State Board of Education for purposes of participating in federal programs. Sale of tangible personal property in this paragraph shall include sale of admission tickets and concessions at athletic events;

14. Sales of tangible personal property by:

a. local 4-H clubs,

b. county, regional or state 4-H councils,

c. county, regional or state 4-H committees,

d. 4-H leader associations,

e. county, regional or state 4-H foundations, and

f. authorized 4-H camps and training centers.

The exemption provided by this paragraph shall be limited to sales for the purpose of raising funds for the benefit of such organizations. Sale of tangible personal property exempted by this paragraph shall include sale of admission tickets;

15. The first Seventy-five Thousand Dollars ($75,000.00) each year from sale of tickets and concessions at athletic events by each organization exempt from taxation pursuant to the provisions of the Internal Revenue Code, 26 U.S.C., Section 501(c)(4);

16. Items or services which are subsequently given away by the Oklahoma Tourism and Recreation Department as promotional items pursuant to Section 1834 of Title 74 of the Oklahoma Statutes and the sale of advertising in travel brochures and other promotional materials produced at the direction of the Department;

17. Sales of tangible personal property or services to fire departments organized pursuant to Section 592 of Title 18 of the Oklahoma Statutes which items are to be used for the purposes of the fire department. Any person making purchases on behalf of any such fire department shall certify, in writing, on the copy of the invoice or sales ticket to be retained by the vendor that the purchases are made for and on behalf of such fire department and set out the name of such fire department. Any person who wrongfully or

erroneously certifies that the purchases are for any such fire department or who otherwise violates the provisions of this section shall be deemed guilty of a misdemeanor and upon conviction thereof, shall be fined an amount equal to double the amount of sales tax involved or incarcerated for not more than sixty (60) days, or both;

18. Complimentary or free tickets for admission to places of amusement, sports, entertainment, exhibition, display or other recreational events or activities which are issued through a box office or other entity which is operated by a state institution of higher education with institutional employees or by a municipality with municipal employees;

19. The first Fifteen Thousand Dollars ($15,000.00) each year from sales of tangible personal property by fire departments organized pursuant to Titles 11, 18, or 19 of the Oklahoma Statutes for the purposes of raising funds for the benefit of the fire department. Fire departments selling tangible personal property for the purposes of raising funds shall be limited to no more than six (6) days each year to raise such funds in order to receive the exemption granted by this paragraph;

20. Sales of tangible personal property or services to any Boys & Girls Clubs of America affiliate in this state which is not affiliated with the Salvation Army and which is exempt from taxation pursuant to the provisions of the Internal Revenue Code, 26 U.S.C., Section 501(c)(3);

21. Sales of tangible personal property or services to any organization, which takes court-adjudicated juveniles for purposes of rehabilitation, and which is exempt from taxation pursuant to the provisions of the Internal Revenue Code, 26 U.S.C., Section 501(c)(3), provided that at least fifty percent (50%) of the juveniles served by such organization are court adjudicated and the organization receives state funds in an amount less than ten percent (10%) of the annual budget of the organization;

22. Sales of tangible personal property or services to:

a. any federally qualified community health center as defined in Section 254c of Title 42 of the United States Code,

b. any migrant health center as defined in Section 254b of Title 42 of the United States Code,

c. any clinic receiving disbursements of state monies from the Indigent Health Care Revolving Fund pursuant to the provisions of Section 66 of Title 56 of the Oklahoma Statutes,

d. any community based health center which meets all of the following criteria:

(1) provides primary care services at no cost to the recipient, and

(2) is exempt from taxation pursuant to the provisions of Section 501(c)(3) of the Internal Revenue Code, 26 U.S.C., Section 501(c)(3), and

e. any community mental health center as defined in Section 3-302 of Title 43A of the Oklahoma Statutes;

23. Dues or fees, including free or complimentary dues or fees which have a value equivalent to the charge that could have otherwise been made, to YMCAs, YWCAs or municipally-owned recreation centers for the use of facilities and programs;

24. The first Fifteen Thousand Dollars ($15,000.00) each year from sales of tangible personal property or services to or by a cultural organization established to sponsor and promote educational, charitable and cultural events for disadvantaged children, and which organization is exempt from taxation pursuant to the provisions of the Internal Revenue Code, 26 U.S.C., Section 501(c)(3);

25. Sales of tangible personal property or services to museums or other entities which have been accredited by the American Association of Museums. Any person making purchases on behalf of any such museum or other entity shall certify, in writing, on the copy of the invoice or sales ticket to be retained by the vendor that the purchases are made for and on behalf of such museum or other entity and set out the name of such museum or other entity. Any person who wrongfully or erroneously certifies that the

purchases are for any such museum or other entity or who otherwise violates the provisions of this paragraph shall be deemed guilty of a misdemeanor and, upon conviction thereof, shall be fined an amount equal to double the amount of sales tax involved or incarcerated for not more than sixty (60) days, or by both such fine and incarceration;

26. Sales of tickets for admission by any museum accredited by the American Association of Museums. In order to be eligible for the exemption provided by this paragraph, an amount equivalent to the amount of the tax which would otherwise be required to be collected pursuant to the provisions of Section 1350 et seq. of this title shall be separately stated on the admission ticket and shall be collected and used for the sole purpose of servicing or aiding in the servicing of debt incurred by the museum to effect the construction, enlarging or renovation of any facility to be used for entertainment, edification or cultural cultivation to which entry is gained with a paid admission ticket;

27. Sales of tangible personal property or services occurring on or after June 1, 1995, to children's homes which are supported or sponsored by one or more churches, members of which serve as trustees of the home;

28. Sales of tangible personal property or services to the organization known as the Disabled American Veterans, Department of Oklahoma, Inc., and subordinate chapters thereof;

29. Sales of tangible personal property or services to youth camps which are supported or sponsored by one or more churches, members of which serve as trustees of the organization;

30. Transfer of tangible personal property made pursuant to Section 3226 of Title 63 of the Oklahoma Statutes by the University Hospitals Trust;

31. Sales of tangible personal property or services to a municipality, county or school district pursuant to a lease or lease-purchase agreement executed between the vendor and a municipality, county or school district. A copy of the lease or lease-purchase agreement shall be retained by the vendor;

32. Sales of tangible personal property or services to any spaceport user, as defined in the Oklahoma Space Industry Development Act;

33. The sale, use, storage, consumption, or distribution in this state, whether by the importer, exporter, or another person, of any satellite or any associated launch vehicle, including components of, and parts and motors for, any such satellite or launch vehicle, imported or caused to be imported into this state for the purpose of export by means of launching into space. This exemption provided by this paragraph shall not be affected by:

a. the destruction in whole or in part of the satellite or launch vehicle,

b. the failure of a launch to occur or be successful, or

c. the absence of any transfer or title to, or possession of, the satellite or launch vehicle after launch;

34. The sale, lease, use, storage, consumption, or distribution in this state of any space facility, space propulsion system or space vehicle, satellite, or station of any kind possessing space flight capacity, including components thereof;

35. The sale, lease, use, storage, consumption, or distribution in this state of tangible personal property, placed on or used aboard any space facility, space propulsion system or space vehicle, satellite, or station possessing space flight capacity, which is launched into space, irrespective of whether such tangible property is returned to this state for subsequent use, storage, or consumption in any manner;

36. The sale, lease, use, storage, consumption, or distribution in this state of tangible personal property meeting the definition of "section 38 property" as defined in Sections 48(a)(1)(A) and (B)(i) of the Internal Revenue Code of 1986, that is an integral part of and used primarily in support of space flight; however, section 38 property used in support of space flight shall not include general office equipment, any boat, mobile home, motor vehicle, or other vehicle of a class or type required to be registered, licensed, titled, or documented in this state or by the United States government, or any other property not specifically suited to supporting space activity. The term "in support of space

flight", for purposes of this paragraph, means the altering, monitoring, controlling, regulating, adjusting, servicing, or repairing of any space facility, space propulsion systems or space vehicle, satellite, or station possessing space flight capacity, including the components thereof;

37. The purchase or lease of machinery and equipment for use at a fixed location in this state, which is used exclusively in the manufacturing, processing, compounding, or producing of any space facility, space propulsion system or space vehicle, satellite, or station of any kind possessing space flight capacity. Provided, the exemption provided for in this paragraph shall not be allowed unless the purchaser or lessee signs an affidavit stating that the item or items to be exempted are for the exclusive use designated herein. Any person furnishing a false affidavit to the vendor for the purpose of evading payment of any tax imposed by Section 1354 of this title shall be subject to the penalties provided by law. As used in this paragraph, "machinery and equipment" means "section 38 property" as defined in Sections 48(a)(1)(A) and (B)(i) of the Internal Revenue Code of 1986, which is used as an integral part of the manufacturing, processing, compounding, or producing of items of tangible personal property. Such term includes parts and accessories only to the extent that the exemption thereof is consistent with the provisions of this paragraph;

38. The amount of a surcharge or any other amount which is separately stated on an admission ticket which is imposed, collected and used for the sole purpose of constructing, remodeling or enlarging facilities of a public trust having a municipality or county as its sole beneficiary;

39. Sales of tangible personal property or services which are directly used in or for the benefit of a state park in this state, which are made to an organization which is exempt from taxation pursuant to the provisions of the Internal Revenue Code, 26 U.S.C., Section 501(c)(3) and which is organized primarily for the purpose of supporting one or more state parks located in this state;

40. The sale, lease or use of parking privileges by an institution of The Oklahoma State System of Higher Education;

41. Sales of tangible personal property or services for use on campus or school construction projects for the benefit of institutions of The Oklahoma State System of Higher Education, private institutions of higher education accredited by the Oklahoma State Regents for Higher Education or any public school or school district when such projects are financed by or through the use of nonprofit entities which are exempt from taxation pursuant to the provisions of the Internal Revenue Code, 26 U.S.C., Section 501(c)(3);

42. Sales of tangible personal property or services by an organization which is exempt from taxation pursuant to the

provisions of the Internal Revenue Code, 26 U.S.C., Section 501(c)(3), in the course of conducting a national championship sports event, but only if all or a portion of the payment in exchange therefor would qualify as the receipt of a qualified sponsorship payment described in Internal Revenue Code, 26 U.S.C., Section 513(i). Sales exempted pursuant to this paragraph shall be exempt from all Oklahoma sales, use, excise and gross receipts taxes;

43. Sales of tangible personal property or services to or by an organization which:

a. is exempt from taxation pursuant to the provisions of the Internal Revenue Code, 26 U.S.C., Section 501(c)(3),

b. is affiliated with a comprehensive university within The Oklahoma State System of Higher Education, and

c. has been organized primarily for the purpose of providing education and teacher training and conducting events relating to robotics;

44. The first Fifteen Thousand Dollars ($15,000.00) each year from sales of tangible personal property to or by youth athletic teams which are part of an athletic organization exempt from taxation pursuant to the provisions of the Internal Revenue Code, 26 U.S.C., Section 501(c)(4), for the purposes of raising funds for the benefit of the team;

45. Sales of tickets for admission to a collegiate athletic event that is held in a facility owned or operated by a municipality or a public trust of which the municipality is the sole beneficiary and that actually determines or is part of a tournament or tournament process for determining a conference tournament championship, a conference championship, or a national championship;

46. Sales of tangible personal property or services to or by an organization which is exempt from taxation pursuant to the provisions of the Internal Revenue Code, 26 U.S.C., Section 501(c)(3) and is operating the Oklahoma City National Memorial and Museum, an affiliate of the National Park System;

47. Sales of tangible personal property or services to organizations which are exempt from federal taxation pursuant to the provisions of Section 501(c)(3) of the Internal Revenue Code, 26 U.S.C., Section 501(c)(3), the memberships of which are limited to honorably discharged veterans, and which furnish financial support to area veterans' organizations to be used for the purpose of constructing a memorial or museum;

48. Sales of tangible personal property or services on or after January 1, 2003, to an organization which is exempt from taxation pursuant to the provisions of the Internal Revenue Code, 26 U.S.C., Section 501(c)(3) that is expending monies received from a private foundation grant in conjunction with expenditures of local sales tax revenue to construct a local public library;

49. Sales of tangible personal property or services to a state that borders this state or any political subdivision of that state, but only to the extent that the other state or political subdivision exempts or does not impose a tax on similar sales of items to this state or a political subdivision of this state;

50. Effective July 1, 2005, sales of tangible personal property or services to the Career Technology Student Organizations under the direction and supervision of the Oklahoma Department of Career and Technology Education;

51. Sales of tangible personal property to a public trust having either a single city, town or county or multiple cities, towns or counties or combination thereof as beneficiary or beneficiaries or a nonprofit organization which is exempt from taxation pursuant to the provisions of the Internal Revenue Code, 26 U.S.C., Section 501(c)(3) for the purpose of constructing improvements to or expanding a hospital or nursing home owned and operated by any such public trust or nonprofit entity prior to the effective date of this act in counties with a population of less than one hundred thousand (100,000) persons, according to the most recent Federal Decennial Census. As used in this paragraph, "constructing improvements to or expanding" shall not mean any expense for routine maintenance or general repairs and shall require a project cost of at least One Hundred Thousand Dollars ($100,000.00). For purposes of this paragraph, sales made to a

contractor or subcontractor that enters into a contractual relationship with a public trust or nonprofit entity as described by this paragraph shall be considered sales made to the public trust or nonprofit entity. The exemption authorized by this paragraph shall be administered in the form of a refund from the sales tax revenues apportioned pursuant to Section 1353 of this title and the vendor shall be required to collect the sales tax otherwise applicable to the transaction. The purchaser may apply for a refund of the sales tax paid in the manner prescribed by this paragraph. Within thirty (30) days after the end of each fiscal year, any purchaser that is entitled to make application for a refund based upon the exempt treatment authorized by this paragraph may file an application for refund of the sales taxes paid during such preceding fiscal year. The Tax Commission shall prescribe a form for purposes of making the application for refund. The Tax Commission shall determine whether or not the total amount of sales tax exemptions claimed by all purchasers is equal to or less than Six Hundred Fifty Thousand Dollars ($650,000.00). If such claims are less than or equal to that amount, the Tax Commission shall make refunds to the purchasers in the full amount of the documented and verified sales tax amounts. If such claims by all purchasers are in excess of Six Hundred Fifty Thousand Dollars ($650,000.00), the Tax Commission shall determine the amount of each purchaser's claim, the total amount of all claims by all purchasers, and the percentage each purchaser's claim amount

bears to the total. The resulting percentage determined for each purchaser shall be multiplied by Six Hundred Fifty Thousand Dollars ($650,000.00) to determine the amount of refundable sales tax to be paid to each purchaser. The pro rata refund amount shall be the only method to recover sales taxes paid during the preceding fiscal year and no balance of any sales taxes paid on a pro rata basis shall be the subject of any subsequent refund claim pursuant to this paragraph;

52. Effective July 1, 2006, sales of tangible personal property or services to any organization which assists, trains, educates, and provides housing for physically and mentally handicapped persons and which is exempt from taxation pursuant to the provisions of the Internal Revenue Code, 26 U.S.C., Section 501(c)(3) and that receives at least eighty-five percent (85%) of its annual budget from state or federal funds. In order to receive the benefit of the exemption authorized by this paragraph, the taxpayer shall be required to make payment of the applicable sales tax at the time of sale to the vendor in the manner otherwise required by law. Notwithstanding any other provision of the Oklahoma Uniform Tax Procedure Code to the contrary, the taxpayer shall be authorized to file a claim for refund of sales taxes paid that qualify for the exemption authorized by this paragraph for a period of one (1) year after the date of the sale transaction. The taxpayer shall be required to provide documentation as may be prescribed by the

Oklahoma Tax Commission in support of the refund claim. The total amount of sales tax qualifying for exempt treatment pursuant to this paragraph shall not exceed One Hundred Seventy-five Thousand Dollars ($175,000.00) each fiscal year. Claims for refund shall be processed in the order in which such claims are received by the Oklahoma Tax Commission. If a claim otherwise timely filed exceeds the total amount of refunds payable for a fiscal year, such claim shall be barred;

53. The first Two Thousand Dollars ($2,000.00) each year of sales of tangible personal property or services to, by, or for the benefit of a qualified neighborhood watch organization that is endorsed or supported by or working directly with a law enforcement agency with jurisdiction in the area in which the neighborhood watch organization is located. As used in this paragraph, "qualified neighborhood watch organization" means an organization that is a not-for-profit corporation under the laws of the State of Oklahoma that was created to help prevent criminal activity in an area through community involvement and interaction with local law enforcement and which is one of the first two thousand organizations which makes application to the Oklahoma Tax Commission for the exemption after the effective date of this act;

54. Sales of tangible personal property to a nonprofit organization, exempt from taxation pursuant to the provisions of the Internal Revenue Code, 26 U.S.C., Section 501(c)(3), organized

primarily for the purpose of providing services to homeless persons during the day and located in a metropolitan area with a population in excess of five hundred thousand (500,000) persons according to the latest Federal Decennial Census. The exemption authorized by this paragraph shall be applicable to sales of tangible personal property to a qualified entity occurring on or after January 1, 2005;

55. Sales of tangible personal property or services to or by an organization which is exempt from taxation pursuant to the provisions of the Internal Revenue Code, 26 U.S.C., Section 501(c)(3) for events the principal purpose of which is to provide funding for the preservation of wetlands and habitat for wild ducks;

56. Sales of tangible personal property or services to or by an organization which is exempt from taxation pursuant to the provisions of the Internal Revenue Code, 26 U.S.C., Section 501(c)(3) for events the principal purpose of which is to provide funding for the preservation and conservation of wild turkeys;

57. Sales of tangible personal property or services to an organization which:

a. is exempt from taxation pursuant to the provisions of the Internal Revenue Code, 26 U.S.C., Section 501(c)(3), and

b. is part of a network of community-based, autonomous member organizations that meets the following criteria:

(1) serves people with workplace disadvantages and disabilities by providing job training and employment services, as well as job placement opportunities and post-employment support,

(2) has locations in the United States and at least twenty other countries,

(3) collects donated clothing and household goods to sell in retail stores and provides contract labor services to business and government, and

(4) provides documentation to the Oklahoma Tax Commission that over seventy-five percent (75%) of its revenues are channeled into employment, job training and placement programs and other critical community services;

58. Sales of tickets made on or after September 21, 2005, and complimentary or free tickets for admission issued on or after September 21, 2005, which have a value equivalent to the charge that would have otherwise been made, for admission to a professional athletic event in which a team in the National Basketball Association is a participant, which is held in a facility owned or operated by a municipality, a county or a public trust of which a

municipality or a county is the sole beneficiary, and sales of tickets made on or after the effective date of this act, and complimentary or free tickets for admission issued on or after the effective date of this act, which have a value equivalent to the charge that would have otherwise been made, for admission to a professional athletic event in which a team in the National Hockey League is a participant, which is held in a facility owned or operated by a municipality, a county or a public trust of which a municipality or a county is the sole beneficiary;

59. Sales of tickets for admission and complimentary or free tickets for admission which have a value equivalent to the charge that would have otherwise been made to a professional sporting event involving ice hockey, baseball, basketball, football or arena football, or soccer. As used in this paragraph, "professional sporting event" means an organized athletic competition between teams that are members of an organized league or association with centralized management, other than a national league or national association, that imposes requirements for participation in the league upon the teams, the individual athletes or both, and which uses a salary structure to compensate the athletes;

60. Sales of tickets for admission to an annual event sponsored by an educational and charitable organization of women which is exempt from taxation pursuant to the provisions of the Internal Revenue Code, 26 U.S.C., Section 501(c)(3) and has as its mission

promoting volunteerism, developing the potential of women and improving the community through the effective action and leadership of trained volunteers;

61. Sales of tangible personal property or services to an organization, which is exempt from taxation pursuant to the provisions of the Internal Revenue Code, 26 U.S.C., Section 501(c)(3), and which is itself a member of an organization which is exempt from taxation pursuant to the provisions of the Internal Revenue Code, 26 U.S.C., Section 501(c)(3), if the membership organization is primarily engaged in advancing the purposes of its member organizations through fundraising, public awareness or other efforts for the benefit of its member organizations, and if the member organization is primarily engaged either in providing educational services and programs concerning health-related diseases and conditions to individuals suffering from such health-related diseases and conditions or their caregivers and family members or support to such individuals, or in health-related research as to such diseases and conditions, or both. In order to qualify for the exemption authorized by this paragraph, the member nonprofit organization shall be required to provide proof to the Oklahoma Tax Commission of its membership status in the membership organization;

62. Sales of tangible personal property or services to or by an organization which is part of a national volunteer women's service organization dedicated to promoting patriotism, preserving American

history and securing better education for children and which has at least 168,000 members in 3,000 chapters across the United States;

63. Sales of tangible personal property or services to or by a YWCA or YMCA organization which is part of a national nonprofit community service organization working to meet the health and social service needs of its members across the United States;

64. Sales of tangible personal property or services to or by a veteran's organization which is exempt from taxation pursuant to the provisions of the Internal Revenue Code, 26 U.S.C., Section 501 (c)(19) and which is known as the Veterans of Foreign Wars of the United States, Oklahoma Chapters;

65. Sales of boxes of food by a church or by an organization, which is exempt from taxation pursuant to the provisions of the Internal Revenue Code, 26 U.S.C., Section 501 (c)(3). To qualify under the provisions of this paragraph, the organization must be organized for the primary purpose of feeding needy individuals or to encourage volunteer service by requiring such service in order to purchase food. These boxes shall only contain edible staple food items;

66. Sales of tangible personal property or services to any person with whom a church has duly entered into a construction contract, necessary for carrying out such contract or to any subcontractor to such a construction contract;

67. Sales of tangible personal property or services used exclusively for charitable or educational purposes, to or by an organization which:

a. is exempt from taxation pursuant to the provisions of the Internal Revenue Code, 26 U.S.C., Section 501(c)(3),

b. has filed a Not-for-Profit Certificate of Incorporation in this state, and

c. is organized for the purpose of:

(1) providing training and education to developmentally disabled individuals,

(2) educating the community about the rights, abilities and strengths of developmentally disabled individuals, and

(3) promoting unity among developmentally disabled individuals in their community and geographic area;

68. Sales of tangible personal property or services to any organization which is a shelter for abused, neglected, or abandoned children and which is exempt from taxation pursuant to the provisions of the Internal Revenue Code, 26 U.S.C., Section 501(c)(3); provided, until July 1, 2008, such exemption shall apply only to eligible shelters for children from birth to age twelve (12)

and after July 1, 2008, such exemption shall apply to eligible shelters for children from birth to age eighteen (18);

69. Sales of tangible personal property or services to a child care center which is licensed pursuant to the Oklahoma Child Care Facilities Licensing Act and which:

a. possesses a 3-star rating from the Department of Human Services Reaching for the Stars Program or a national accreditation, and

b. allows on site universal pre-kindergarten education to be provided to four-year-old children through a contractual agreement with any public school or school district.

For the purposes of this paragraph, sales made to any person, firm, agency or entity that has entered previously into a contractual relationship with a child care center for construction and improvement of buildings and other structures owned by the child care center and operated for educational purposes shall be considered sales made to a child care center. Any such person, firm, agency or entity making purchases on behalf of a child care center shall certify in writing, on the copy of the invoice or sales ticket the nature of the purchase. Any such person, or person acting on behalf of a firm, agency or entity making purchases on behalf of a child care center in violation of this paragraph shall be guilty of a misdemeanor and upon conviction thereof shall be

fined an amount equal to double the amount of sales tax involved or incarcerated for not more than sixty (60) days or both;

70. a. Sales of tangible personal property to a service organization of mothers who have children who are serving or who have served in the military, which service organization is exempt from taxation pursuant to the provisions of the Internal Revenue Code, 26 U.S.C., Section 501(c)(19) and which is known as the Blue Star Mothers of America, Inc. The exemption provided by this paragraph shall only apply to the purchase of tangible personal property actually sent to United States military personnel overseas who are serving in a combat zone and not to any other tangible personal property purchased by the organization. Provided, this exemption shall not apply to any sales tax levied by a city, town, county, or any other jurisdiction in this state.

b. The exemption authorized by this paragraph shall be administered in the form of a refund from the sales tax revenues apportioned pursuant to Section 1353 of this title, and the vendor shall be required to collect the sales tax otherwise applicable to the transaction. The purchaser may apply for a refund of the state sales tax paid in the manner prescribed by

this paragraph. Within sixty (60) days after the end of each calendar quarter, any purchaser that is entitled to make application for a refund based upon the exempt treatment authorized by this paragraph may file an application for refund of the state sales taxes paid during such preceding calendar quarter. The Tax Commission shall prescribe a form for purposes of making the application for refund.

c. A purchaser who applies for a refund pursuant to this paragraph shall certify that the items were actually sent to military personnel overseas in a combat zone. Any purchaser that applies for a refund for the purchase of items that are not authorized for exemption under this paragraph shall be subject to a penalty in the amount of Five Hundred Dollars ($500.00);

71. Sales of food and snack items to or by an organization which is exempt from taxation pursuant to the provisions of the Internal Revenue Code, 26 U.S.C., Section 501(c)(3), whose primary and principal purpose is providing funding for scholarships in the medical field;

72. Sales of tangible personal property or services for use solely on construction projects for organizations which are exempt from taxation pursuant to the provisions of the Internal Revenue

Code, 26 U.S.C., Section 501(c)(3) and whose purpose is providing end-of-life care and access to hospice services to low-income individuals who live in a facility owned by the organization. The exemption provided by this paragraph applies to sales to the organization as well as to sales to any person with whom the organization has duly entered into a construction contract, necessary for carrying out such contract or to any subcontractor to such a construction contract. Any person making purchases on behalf of such organization shall certify, in writing, on the copy of the invoice or sales ticket to be retained by the vendor that the purchases are made for and on behalf of such organization and set out the name of such organization. Any person who wrongfully or erroneously certifies that purchases are for any of the above-named organizations or who otherwise violates this section shall be guilty of a misdemeanor and upon conviction thereof shall be fined an amount equal to double the amount of sales tax involved or incarcerated for not more than sixty (60) days or both;

73. Sales of tickets for admission to events held by organizations exempt from taxation pursuant to the provisions of the Internal Revenue Code, 26 U.S.C., Section 501(c)(3) that are organized for the purpose of supporting general hospitals licensed by the State Department of Health; and

74. Sales of tangible personal property or services:

a. to a foundation which is exempt from taxation pursuant to the provisions of the Internal Revenue Code, 26 U.S.C., Section 501(c)(3) and which raises tax-deductible contributions in support of a wide range of firearms-related public interest activities of the National Rifle Association of America and other organizations that defend and foster Second Amendment rights, and

b. to or by a grassroots fundraising program for sales related to events to raise funds for a foundation meeting the qualifications of subparagraph a of this paragraph.

SECTION 542. AMENDATORY 68 O.S. 2011, Section 1403, is amended to read as follows:

Section 1403. It is hereby declared to be the purpose of Section 1401 et seq. of this title to provide for the support of the functions of the state and local government of Oklahoma; and for this purpose and to this end, it is hereby expressly provided that the revenues derived hereunder, subject to the apportionment requirements for the Oklahoma Tax Commission and ~~Office of State Finance~~ Office of Management and Enterprise Services Joint Computer Enhancement Fund provided by Section 265 of this title, are hereby apportioned as follows:

1. a. the following amounts shall be paid by the Tax Commission to the State Treasurer and placed to the credit of the General Revenue Fund to be paid out pursuant to direct appropriation by the Legislature:

Fiscal Year	Amount
FY 2004	85.35%
FY 2005	85.14%
FY 2006	85.54%
FY 2007	85.04%
FY 2008 and each fiscal year thereafter	83.61%

b. in the event that additional monies are necessary pursuant to paragraph 6 of this section, such additional monies shall be deducted in the proportion determined by the State Board of Equalization pursuant to paragraph 3 of Section 2355.1B of this title from the monies apportioned to the General Revenue Fund;

2. Ten and forty-six one-hundredths percent (10.46%) shall be paid to the State Treasurer to be placed to the credit of the Education Reform Revolving Fund of the State Department of Education;

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

Fiscal Year	Amount
FY 2003 and FY 2004	3.54%
FY 2005	3.75%
FY 2006	4.0%
FY 2007	4.5%
FY 2008 and each fiscal year thereafter	5.0%

4. For the fiscal year beginning July 1, 2010, and for each fiscal year thereafter, eighty-seven one-hundredths percent (0.87%) shall be paid to the State Treasurer to be further apportioned as follows:

a. thirty-six percent (36%) shall be placed to the credit of the Oklahoma Tourism Promotion Revolving Fund, and

b. sixty-four percent (64%) shall be placed to the credit of the Oklahoma Tourism Capital Improvement Revolving Fund; and

5. For the fiscal year beginning July 1, 2010, and for each fiscal year thereafter, six one-hundredths percent (0.06%) shall be placed to the credit of the Oklahoma Historical Society Capital Improvement and Operations Revolving Fund.

6. During the first fiscal year after the State Board of Equalization has made a determination as provided in Section 2355.1B of this title, regarding a baseline amount of revenue apportioned pursuant to paragraph 3 of this section, and for each fiscal year

thereafter, in no event shall monies apportioned pursuant to paragraph 3 of this section, paragraph 3 of Section 1353 of this title and subparagraph c of paragraph 1 of Section 2352 of this title be less than such baseline amount.

SECTION 543. AMENDATORY 68 O.S. 2011, Section 2352, is amended to read as follows:

Section 2352. It is hereby declared to be the purpose of Section 2351 et seq. of this title to provide revenue for general governmental functions of state government; and, for that purpose and to that end, it is expressly declared that the revenue derived herefrom and penalties and interest thereon, subject to the apportionment requirements for the Rebuilding Oklahoma Access and Driver Safety Fund, the Oklahoma Tourism and Passenger Rail Revolving Fund and the Public Transit Revolving Fund to be derived from income tax revenue that would otherwise be apportioned to the General Revenue Fund as provided by Section 1521 of Title 69 of the Oklahoma Statutes, subject to the apportionment requirements for the Oklahoma Tax Commission and ~~Office of State Finance~~ Office of Management and Enterprise Services Joint Computer Enhancement Fund provided by Section ~~6~~ 265 of this ~~act~~ title, shall be distributed as follows:

1. For the fiscal year beginning July 1, 2002, the first Five Million Eight Hundred Thousand Dollars ($5,800,000.00) of revenue derived pursuant to the provisions of subsections A, B and E of

Section 2355 of this title shall be apportioned to the Education Reform Revolving Fund. The remainder of such revenue for the fiscal year beginning July 1, 2002, and all such revenue for each fiscal year thereafter shall be apportioned monthly as follows:

a. (1) the following amounts shall be paid to the State Treasurer to be placed to the credit of the General Revenue Fund of the state for such fiscal year for the support of the state government to be paid out only pursuant to appropriation by the Legislature:

Fiscal Year	Amount
FY 2003 and FY 2004	87.12%
FY 2005	86.91%
FY 2006	86.66%
FY 2007	86.16%
FY 2008 and each fiscal year thereafter	85.66%

(2) in the event that additional monies are necessary pursuant to paragraph 3 of this section, such additional monies shall be deducted in the proportion determined by the State Board of Equalization pursuant to paragraph 3 of Section 2355.1B of this title from the monies apportioned to the General Revenue Fund,

b. for FY 2003 and each fiscal year thereafter, eight and thirty-four one-hundredths percent (8.34%) shall be paid to the State Treasurer to be placed to the credit of the Education Reform Revolving Fund,

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

Fiscal Year	Amount
FY 2003 and FY 2004	3.54%
FY 2005	3.75%
FY 2006	4.0%
FY 2007	4.5%
FY 2008 and each fiscal year thereafter	5.0%

d. for FY 2003 and each fiscal year thereafter, one percent (1%) shall be placed to the credit of the Ad Valorem Reimbursement Fund;

2. Beginning July 1, 2003, for any period of time as certified by the Oklahoma Development Finance Authority and the Oklahoma Department of Commerce to be necessary for the repayment of obligations issued by the Oklahoma Development Finance Authority pursuant to Section 3654 of this title if the other sources of revenue paid to or apportioned to the Quality Jobs Program Incentive Leverage Fund are not adequate, including the proceeds from payment

pursuant to the guaranty required by subsection M of Section 3654 of this title, an amount certified by the Oklahoma Development Finance Authority to the Oklahoma Tax Commission shall be apportioned to the Quality Jobs Program Incentive Leverage Fund before any other apportionments are made as otherwise authorized by this paragraph. The Oklahoma Development Finance Authority shall certify to the Oklahoma Tax Commission the time as of which the revenue authorized for apportionment pursuant to this paragraph is no longer required. After the certification, the revenue derived from the income tax shall be apportioned in the manner otherwise provided by this section. Except as otherwise provided by this paragraph, for the fiscal year beginning July 1, 2002, the first Forty-One Million One Hundred Ninety Thousand Eight Hundred Dollars ($41,190,800.00) of revenue derived pursuant to the provisions of subsections C and D of Section 2355 of this title shall be apportioned to the Education Reform Revolving Fund. The remainder of such revenue for the fiscal year beginning July 1, 2002, and all such revenue for each fiscal year thereafter, subject to the apportionment requirements for the Oklahoma Tax Commission and ~~Office of State Finance~~ Office of Management and Enterprise Services Joint Computer Enhancement Fund provided by Section ~~6~~ 265 of this ~~act~~ title, shall be apportioned monthly as follows:

a. the following amounts shall be paid to the State Treasurer to be placed to the credit of the General

Revenue Fund of the state for such fiscal year for the support of the state government to be paid out only pursuant to appropriation by the Legislature:

Fiscal Year	Amount
FY 2003 and FY 2004	78.96%
FY 2005	78.75%
FY 2006	78.50%
FY 2007	78.0%
FY 2008 and each fiscal year thereafter	77.50%

b. for FY 2003 and each fiscal year thereafter, sixteen and five-tenths percent (16.5%) shall be paid to the State Treasurer to be placed to the credit of the Education Reform Revolving Fund of the State Department of Education,

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

Fiscal Year	Amount
FY 2003 and FY 2004	3.54%
FY 2005	3.75%
FY 2006	4.0%
FY 2007	4.5%

FY 2008 and each fiscal

year thereafter 5.0%

d. for FY 2003 and each fiscal year thereafter, one percent (1%) shall be placed to the credit of the Ad Valorem Reimbursement Fund; and

3. During the first fiscal year after the State Board of Equalization has made a determination as provided in Section 2355.1B of this title, regarding a baseline amount of revenue apportioned pursuant to subparagraph c of paragraph 1 of this section, and for each fiscal year thereafter, in no event shall monies apportioned pursuant to subparagraph c of paragraph 1 of this section, paragraph 3 of Section 1353 of this title and paragraph 3 of Section 1403 of this title be less than such baseline amount.

SECTION 544. AMENDATORY 68 O.S. 2011, Section 2355.2, is amended to read as follows:

Section 2355.2 A. There is hereby created in the State Treasury a revolving fund for the State Treasurer to be designated the "Oklahoma Taxpayer Relief Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of the monies transferred to such fund pursuant to paragraph 2 of subsection A of Section 46.1 of Title 62 of the Oklahoma Statutes. All monies accruing to the credit of said fund are hereby appropriated and may be budgeted and expended by the State Treasurer for the purpose of providing payments to Oklahoma residents who have

filed an income tax return pursuant to Section 2355 of this title for the preceding tax year, except for those residents who were inmates in the custody of the Department of Corrections, and for the purpose of administrative costs incurred by the State Treasurer in making payments provided by this section. The payments to taxpayers filing as married filing jointly, surviving spouse or head of household shall be equal to two times the payment to taxpayers filing as an individual or married filing separately. No taxpayer filing as an individual who claims zero personal exemptions shall receive a payment. During each year funds accrue pursuant to Section 46.1 of Title 62 of the Oklahoma Statutes, the Oklahoma Tax Commission shall provide the State Treasurer with information necessary for such payments to be issued. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

B. The State Treasurer shall promulgate any necessary rules in order to administer the provisions of this section.

C. The Oklahoma Taxpayer Relief Revolving Fund shall be abolished and all monies remaining in such fund transferred to the Special Cash Fund on June 30, 2012. Any liabilities payable from the Oklahoma Taxpayer Relief Revolving Fund shall be extinguished upon its abolishment and shall not be transferred to the Special

Cash Fund. The Special Cash Fund refers to the fund created by Section 253 of Title 62 of the Oklahoma Statutes.

SECTION 545. AMENDATORY 68 O.S. 2011, Section 2357.1A-1, is amended to read as follows:

Section 2357.1A-1. A. There is hereby created the Task Force for the Study of State Tax Credits and Economic Incentives.

B. The Task Force shall consist of ten (10) members to be appointed or selected as follows:

1. The Chair of the Appropriations and Budget Committee of the Oklahoma House of Representatives;

2. The Chair of the Appropriations Committee of the Oklahoma State Senate;

3. The Chair of the Revenue and Taxation Subcommittee of the Appropriations and Budget Committee of the Oklahoma House of Representatives;

4. The Chair of the Senate Finance Committee;

5. The Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services or a designee;

6. The State Treasurer or a designee;

7. The Oklahoma Secretary of State or a designee;

8. Minority Leader of the Oklahoma House of Representatives;

9. Minority Leader of the Oklahoma State Senate; and

10. The State Auditor and Inspector.

C. The Task Force shall conduct an organizational meeting not later than September 30, 2011. A majority of the members present at the organizational meeting or any subsequent meeting shall constitute a quorum for the purpose of any action taken including the preparation and approval of the final report required by subsection I of this section.

D. The cochairs of the Task Force shall be the member who is the Chair of the Revenue and Taxation Subcommittee of the Appropriations and Budget Committee and the member who is the Chair of the Finance Committee of the State Senate.

E. The Task Force shall be authorized to meet as necessary in order to perform the duties imposed upon it. Legislative members of the Task Force shall be reimbursed for travel expenses pursuant to the provisions of Section 456 of Title 74 of the Oklahoma Statutes. Other members of the Task Force shall be reimbursed as provided by the appointing authority.

F. The Task Force shall conduct a study regarding all state tax credits regardless of the tax type against which such credit may be claimed and any other economic incentives that affect state or local tax liabilities. The study shall include, but shall not be limited to:

1. The justification for the enactment of any state tax credits based upon the relevant economics of the applicable industry or economic sector affected;

2. The economic impact related to the utilization of state tax credits;

3. Analysis of the utilization of the credits by tax credit purchasers;

4. The impact of tax credits on any and all economic sectors of the state economy;

5. The adequacy or inadequacy of state tax credits or other economic incentives; and

6. Such other matters related to state tax credits or economic incentives as the Task Force deems relevant.

G. The Task Force shall be subject to the provisions of:

1. The Oklahoma Open Meeting Act; and

2. The Oklahoma Open Records Act.

H. Staff assistance for the Task Force shall be provided by the staff of the Oklahoma House of Representatives and the State Senate.

I. The Task Force shall produce a final written report of its findings and any recommendations regarding transferable tax credits. The report shall be submitted to the Governor, the Speaker of the Oklahoma House of Representatives and the President Pro Tempore of the State Senate not later than December 31, 2011.

J. The provisions of this section shall cease to have the force and effect of law and the Task Force shall terminate effective January 1, 2012.

SECTION 546. AMENDATORY 68 O.S. 2011, Section 2357.1A-2, is amended to read as follows:

Section 2357.1A-2 A. Notwithstanding any other provision of law, the transfer or allocation of any tax credit authorized pursuant to the provisions of ~~Title 68 of the Oklahoma Statutes~~ this title, except as provided in this section, shall be reported to the Oklahoma Tax Commission and any tax credit authorized pursuant to the provisions of Title 36 of the Oklahoma Statutes shall be reported to the Oklahoma Insurance Department as provided in subsection B of this section.

B. The transfer or allocation of any tax credit shall be reported to the Tax Commission or Insurance Department by the entity transferring or allocating the credit on or before the twentieth day of the second month after the tax year in which an act occurs which allows the tax credit to eventually be claimed. If the credit is transferable, the report shall state whether the credit will or may be transferred to another taxpayer and the names of the taxpayers to whom the credit is transferred. The report shall also provide whether the credit will or may be allocated by a pass-through entity to one or more of the shareholders, partners or members of the pass-through entity and the identity of the shareholders, partners or members of the pass-through entity to whom the credit was allocated. Further, the report shall include the tax type, the amount of the credit, the statutory or other legal authority which forms the basis

for the credit, and other information that may be required by the Tax Commission or the Insurance Department. The report to the Tax Commission or to the Insurance Department shall be on such form as the Commission or Department may prescribe. The Tax Commission and the Insurance Department shall be authorized to require the report to be filed electronically.

C. Notwithstanding the provisions of Section 205 of Title 68 of the Oklahoma Statutes the Tax Commission and the Insurance Department shall compile a list of all tax credits reported as required by this section and shall provide the list to the Governor, the Speaker of the Oklahoma House of Representatives, the President Pro Tempore of the State Senate and the Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services not later than June 1 of each year. Not later than five (5) working days after the report has been provided to the Governor, the Speaker of the Oklahoma House of Representatives and the President Pro Tempore of the State Senate, the Oklahoma Tax Commission shall publish the report on its website.

D. The compiled list shall identify the tax credits reported pursuant to subsection A of this section and shall separately identify the amount of tax credits that may be claimed against each separate state tax under the jurisdiction of the administering agency and the name of the entity that will be claiming the credit.

E. To the extent possible, the Tax Commission and the Insurance Department shall make an estimate of the revenue impact to the State of Oklahoma resulting from the credits reported on a separate fiscal year by fiscal year basis. Each agency shall make its estimate only for tax credits under the jurisdiction of each administering agency.

F. If a taxpayer claims a credit on any state tax return that was not previously reported to the Tax Commission or Insurance Department pursuant to this section, the Tax Commission or Insurance Department shall disallow the credit and recompute the applicable tax liability including any penalty or interest; provided, upon the filing of the report required by this section, the credit shall be allowed.

G. This section shall not be applicable to the following tax credits:

1. The sales tax relief credit authorized by Section 5011 of ~~Title 68 of the Oklahoma Statutes~~ this title;

2. The low income property tax relief credit authorized by Section 2907 of ~~Title 68 of the Oklahoma Statutes~~ this title;

3. The earned income tax credit authorized by Section 2357.43 of ~~Title 68 of the Oklahoma Statutes~~ this title;

4. The child care/child tax credit authorized by Section 2357 of ~~Title 68 of the Oklahoma Statutes~~ this title;

5. The credit for taxes paid to another state authorized by Section 2357 of ~~Title 68 of the Oklahoma Statutes~~ this title; and

6. The credit for property taxes paid on tornado damaged residential property authorized by Section 2357.29 of ~~Title 68 of the Oklahoma Statutes~~ this title.

SECTION 547. AMENDATORY 68 O.S. 2011, Section 2357.65A, is amended to read as follows:

Section 2357.65A A. As used in this section:

1. "Federally regulated investment company" means a qualified small business capital company as defined by Section 2357.61 of ~~Title 68 of the Oklahoma Statutes~~ this title and that is licensed by the United States Small Business Administration or the United States Department of Agriculture and which qualifies as one of the following types of entities:

a. a Small Business Investment Company, or

b. a Specialized Small Business Investment Company, or

c. a Rural Business Investment Company, or

d. a Community Development Entity as defined by Section 45D of the Internal Revenue Code of 1986, as amended; and

2. "Qualified small business capital company" means an entity meeting the requirements of Section 2357.61 of ~~Title 68 of the Oklahoma Statutes~~ this title.

B. Federally regulated investment companies shall be exempt from the reporting requirements of subsections C and G of Section 2357.64 of ~~Title 68 of the Oklahoma Statutes~~ this title.

C. As a condition of the exemption authorized by this section, the federally regulated investment company shall provide to the Oklahoma Tax Commission not later than March 15 each year:

1. A copy of the federal license issued by the applicable federal regulatory entity;

2. A copy of all reports and compliance documents required by the federal regulators; and

3. A copy of the annual financial audit of the federally regulated investment company.

D. A federally regulated investment company shall also prepare an annual summary report that discloses:

1. All investments made in for-profit business entities during the preceding calendar year;

2. The primary business address of each for-profit business entity in which any investment was made;

3. A statement of the business activity of each of the for-profit business entities described in paragraphs 1 and 2 of this subsection;

4. The type of investment instrument used to make the investment; and

5. A status report of all investments made by the federally regulated investment company.

E. The federally regulated investment company shall transmit a copy of the annual summary prescribed by subsection D of this

section to the committees or subcommittees of the Oklahoma House of Representatives and the Oklahoma State Senate having primary jurisdiction over the Small Business Capital Formation Incentive Act, the State Treasurer, the State Auditor and Inspector, the Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services and the Oklahoma Tax Commission.

F. The report required by subsection D of this section shall be prepared and submitted until all of the monies available to the federally regulated investment fund have been fully invested, all of the investments have been completed and the proceeds from the investment have been disbursed to the equity investors.

SECTION 548. AMENDATORY 68 O.S. 2011, Section 2357.76A, is amended to read as follows:

Section 2357.76A A. As used in this section:

1. "Federally regulated investment company" means a qualified rural small business capital company as defined by Section 2357.72 of ~~Title 68 of the Oklahoma Statutes~~ this title and that is licensed by the United States Small Business Administration or the United States Department of Agriculture and which qualifies as one of the following types of entities:

a. a Small Business Investment Company, or

b. a Specialized Small Business Investment Company, or

c. a Rural Business Investment Company, or

d. a Community Development Entity as defined by Section 45D of the Internal Revenue Code of 1986, as amended; and

2. "Qualified rural small business capital company" means an entity meeting the requirements of Section 2357.72 of ~~Title 68 of the Oklahoma Statutes~~ this title.

B. Federally regulated investment companies shall be exempt from the requirements of subsections C and G of Section 2357.75 of ~~Title 68 of the Oklahoma Statutes~~ this title.

C. As a condition of the exemption authorized by this section, the federally regulated investment company shall provide to the Oklahoma Tax Commission not later than March 15 each year:

1. A copy of the federal license issued by the applicable federal regulatory entity;

2. A copy of all reports and compliance documents required by the federal regulators; and

3. A copy of the annual financial audit of the federally regulated investment company.

D. A federally regulated investment company shall also prepare an annual summary report that discloses:

1. All investments made in for-profit business entities during the preceding calendar year;

2. The primary business address of each for-profit business entity in which any investment was made;

3. A statement of the business activity of each of the for-profit business entities described in paragraphs 1 and 2 of this subsection;

4. The type of investment instrument used to make the investment; and

5. A status report of all investments made by the federally regulated investment company.

E. The federally regulated investment company shall transmit a copy of the annual summary prescribed by subsection D of this section to the committees or subcommittees of the Oklahoma House of Representatives and the Oklahoma State Senate having primary jurisdiction over the Rural Venture Capital Formation Incentive Act, the State Treasurer, the State Auditor and Inspector, the Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services and the Oklahoma Tax Commission.

F. The report required by subsection D of this section shall be prepared and submitted until all of the monies available to the federally regulated investment fund have been fully invested, all of the investments have been completed and the proceeds from the investment have been disbursed to the equity investors.

SECTION 549. AMENDATORY 68 O.S. 2011, Section 2368.3, is amended to read as follows:

Section 2368.3 A. Each state individual income tax return form for tax years which begin after December 31, 2001, and each state

corporate tax return form for tax years beginning after December 31, 2001, shall contain a provision to allow a donation from a tax refund for the benefit of the Oklahoma School for the Deaf and the Oklahoma School for the Blind, as follows:

Oklahoma School for the Deaf/Oklahoma School for the Blind. Check if you wish to donate from your tax refund: ( ) $2, ( ) $5, or ( ) $____.

B. Except as otherwise provided for in this section, all monies generated pursuant to subsection A of this section shall be paid to the State Treasurer by the Oklahoma Tax Commission and placed to the credit of the Oklahoma School for the Deaf/Oklahoma School for the Blind Revolving Fund created in subsection C of this section.

C. There is hereby created in the State Treasury a revolving fund for the State Department of Rehabilitation Services to be designated the "Oklahoma School for the Deaf/Oklahoma School for the Blind Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies apportioned to the fund pursuant to the provisions of this section. All monies accruing to the credit of the fund are hereby appropriated and may be budgeted and expended by the State Department of Rehabilitation Services for the purpose of funding programs at the Oklahoma School for the Deaf and the Oklahoma School for the Blind. Such monies shall be equally divided between the two designated schools. Expenditures from the fund shall be made upon

warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

D. If a taxpayer makes a donation pursuant to subsection A of this section in error, such taxpayer may file a claim for refund at any time within three (3) years from the due date of the tax return. Such claims shall be filed pursuant to the provisions of Section 2373 of ~~Title 68 of the Oklahoma Statutes~~ this title. Prior to the apportionment set forth in this section, an amount equal to the total amount of refunds made pursuant to this subsection during any one (1) year shall be deducted from the total donations received pursuant to this section during the following year and such amount deducted shall be paid to the State Treasurer and placed to the credit of the Income Tax Withholding Refund Account.

SECTION 550. AMENDATORY 68 O.S. 2011, Section 2368.3a, is amended to read as follows:

Section 2368.3a A. There is hereby created in the State Treasury a revolving fund for the Department of Human Services, to be designated the "Oklahoma Silver Haired Legislature - Excellence in State Government Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of any monies transferred thereto by Section ~~1~~ 2368.4 of this ~~act~~ title.

B. All monies accruing to the credit of said fund are hereby appropriated and shall be budgeted and expended by the Department of Human Services for the purposes specified by Section ~~1~~ 2368.4 of this ~~act~~ title; provided no monies in the fund shall be expended for salaries or other administrative costs, or any programs or services not authorized by Section ~~1~~ 2368.4 of this ~~act~~ title.

C. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 551. AMENDATORY 68 O.S. 2011, Section 2368.5, is amended to read as follows:

Section 2368.5 A. Each state individual income tax return form for tax years which begin after December 31, 2003, and each state corporate tax return form for tax years beginning after December 31, 2003, shall contain a provision to allow a donation from a tax refund for the benefit of the common schools of this state, as follows:

Support of Oklahoma Common Schools. Check if you wish to donate from your tax refund: ( ) $2, ( ) $5, or ( ) $____.

B. Except as otherwise provided for in this section, all monies generated pursuant to subsection A of this section shall be paid to the State Treasurer by the Oklahoma Tax Commission and placed to the

credit of the Income Tax Checkoff Revolving Fund for the Support of Oklahoma Common Schools created in subsection C of this section.

C. There is hereby created in the State Treasury a revolving fund for the State Department of Education to be designated the "Income Tax Checkoff Revolving Fund for the Support of Oklahoma Common Schools". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies apportioned to the fund pursuant to the provisions of this section. All monies accruing to the credit of the fund are hereby appropriated and may be budgeted and expended by the State Department of Education for the purpose of funding common education in this state. Such monies shall be apportioned as and in the manner that state aid is provided to the common schools of this state. Expenditures from the fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

D. If a taxpayer makes a donation pursuant to subsection A of this section in error, such taxpayer may file a claim for refund at any time within three (3) years from the due date of the tax return. Such claims shall be filed pursuant to the provisions of Section 2373 of ~~Title 68 of the Oklahoma Statutes~~ this title. Prior to the apportionment set forth in this section, an amount equal to the total amount of refunds made pursuant to this subsection during any

one (1) year shall be deducted from the total donations received pursuant to this section during the following year and such amount deducted shall be paid to the State Treasurer and placed to the credit of the Income Tax Withholding Refund Account.

SECTION 552. AMENDATORY 68 O.S. 2011, Section 2368.6, is amended to read as follows:

Section 2368.6 A. Each state individual income tax return form for tax years which begin after December 31, 2003, and each state corporate tax return form for tax years beginning after December 31, 2003, shall contain a provision to allow a donation from a tax refund for the benefit of maintenance of the roads and highways in this state, as follows:

Support of Oklahoma Road and Highway Maintenance. Check if you wish to donate from your tax refund: ( ) $2, ( ) $5, or ( ) $____.

B. Except as otherwise provided for in this section, all monies generated pursuant to subsection A of this section shall be paid to the State Treasurer by the Oklahoma Tax Commission and placed to the credit of the Income Tax Checkoff Revolving Fund for the Support of Oklahoma Road and Highway Maintenance created in subsection C of this section.

C. There is hereby created in the State Treasury a revolving fund for the Department of Transportation to be designated the "Income Tax Checkoff Revolving Fund for the Support of Oklahoma Road and Highway Maintenance". The fund shall be a continuing fund, not

subject to fiscal year limitations, and shall consist of all monies apportioned to the fund pursuant to the provisions of this section. All monies accruing to the credit of the fund are hereby appropriated and may be budgeted and expended by the Department of Transportation for the purpose of funding road and highway maintenance in this state. Such monies shall be apportioned as and in a manner specified by the ~~State~~ Transportation Commission. Expenditures from the fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

D. If a taxpayer makes a donation pursuant to subsection A of this section in error, such taxpayer may file a claim for refund at any time within three (3) years from the due date of the tax return. Such claims shall be filed pursuant to the provisions of Section 2373 of ~~Title 68 of the Oklahoma Statutes~~ this title. Prior to the apportionment set forth in this section, an amount equal to the total amount of refunds made pursuant to this subsection during any one (1) year shall be deducted from the total donations received pursuant to this section during the following year and such amount deducted shall be paid to the State Treasurer and placed to the credit of the Income Tax Withholding Refund Account.

SECTION 553. AMENDATORY 68 O.S. 2011, Section 2368.7, is amended to read as follows:

Section 2368.7 A. Each state individual income tax return form for tax years which begin after December 31, 2003, and each state corporate tax return form for tax years beginning after December 31, 2003, shall contain a provision to allow a donation from a tax refund for the benefit of the Medicaid program of this state, as follows:

Support of Oklahoma Medicaid Program. Check if you wish to donate from your tax refund: ( ) $2, ( ) $5, or ( ) $____.

B. Except as otherwise provided for in this section, all monies generated pursuant to subsection A of this section shall be paid to the State Treasurer by the Oklahoma Tax Commission and placed to the credit of the Income Tax Checkoff Revolving Fund for the Support of the Oklahoma Medicaid Program created in subsection C of this section.

C. There is hereby created in the State Treasury a revolving fund for the Oklahoma Health Care Authority to be designated the "Income Tax Checkoff Revolving Fund for the Support of the Oklahoma Medicaid Program". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies apportioned to the fund pursuant to the provisions of this section. All monies accruing to the credit of the fund are hereby appropriated and may be budgeted and expended by the Oklahoma Health Care Authority for the purpose of funding the Medicaid program in this state. Such monies shall be apportioned as and in the manner

specified by the Oklahoma Health Care Authority. Expenditures from the fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

D. If a taxpayer makes a donation pursuant to subsection A of this section in error, such taxpayer may file a claim for refund at any time within three (3) years from the due date of the tax return. Such claims shall be filed pursuant to the provisions of Section 2373 of ~~Title 68 of the Oklahoma Statutes~~ this title. Prior to the apportionment set forth in this section, an amount equal to the total amount of refunds made pursuant to this subsection during any one (1) year shall be deducted from the total donations received pursuant to this section during the following year and such amount deducted shall be paid to the State Treasurer and placed to the credit of the Income Tax Withholding Refund Account.

SECTION 554. AMENDATORY 68 O.S. 2011, Section 2368.13, is amended to read as follows:

Section 2368.13 A. The Oklahoma Tax Commission shall include on each state individual tax return form for tax years beginning after December 31, 2003, and each state corporate tax return form for tax years beginning after December 31, 2003, an opportunity for the taxpayer to donate from a tax refund for the benefit of the

Oklahoma Pet Overpopulation Fund created in subsection C of this section.

B. The monies generated from donations made pursuant to subsection A of this section shall be collected by the Tax Commission and placed to the credit of the Oklahoma Pet Overpopulation Fund created in subsection C of this section.

C. There is hereby created in the State Treasury a revolving fund to be designated the "Oklahoma Pet Overpopulation Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies transferred to the fund pursuant to subsection A of this section, all monies transferred to the fund through the purchase of Animal Friendly special license plates, and any monies received in the form of gifts, grants, reimbursements, or donations specifically designated for the fund.

D. All monies accruing to the credit of the Oklahoma Pet Overpopulation Fund are hereby appropriated and may be budgeted and expended by the Oklahoma Department of Agriculture, Food, and Forestry through the State Veterinarian for the purpose of implementing and maintaining pet sterilization efforts in the State of Oklahoma.

E. Expenditures from the Oklahoma Pet Overpopulation Fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the

Office of Management and Enterprise Services for approval and payment.

SECTION 555. AMENDATORY 68 O.S. 2011, Section 2368.14, is amended to read as follows:

Section 2368.14 A. Each state individual income tax return form for tax years which begin after December 31, 2004, and each state corporate tax return form for tax years beginning after December 31, 2004, shall contain a provision to allow a donation from a tax refund for the benefit of providing financial relief to qualified members of the Oklahoma National Guard, as follows:

Support of the Oklahoma National Guard Relief Program. Check if you wish to donate from your tax refund: ( ) $2, ( ) $5, or ( ) $____.

B. Except as otherwise provided for in this section, all monies generated pursuant to subsection A of this section shall be paid to the State Treasurer by the Oklahoma Tax Commission and placed to the credit of the Income Tax Checkoff Revolving Fund for the Support of the Oklahoma National Guard Relief Program created in subsection C of this section.

C. There is hereby created in the State Treasury a revolving fund for the Military Department of the State of Oklahoma to be designated the "Income Tax Checkoff Revolving Fund for the Support of the Oklahoma National Guard Relief Program". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall

consist of all monies apportioned to the fund pursuant to the provisions of this section. All monies accruing to the credit of the fund are hereby appropriated and may be budgeted and expended by the Military Department for the purpose of funding qualified National Guard members to assist with approved expenses. Such monies shall be apportioned as and in a manner specified by the Military Department. Expenditures from the fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

D. If a taxpayer makes a donation pursuant to subsection A of this section in error, such taxpayer may file a claim for refund at any time within three (3) years from the due date of the tax return. Such claims shall be filed pursuant to the provisions of Section 2373 of ~~Title 68 of the Oklahoma Statutes~~ this title. Prior to the apportionment set forth in this section, an amount equal to the total amount of refunds made pursuant to this subsection during any one (1) year shall be deducted from the total donations received pursuant to this section during the following year and such amount deducted shall be paid to the State Treasurer and placed to the credit of the Income Tax Withholding Refund Account.

SECTION 556. AMENDATORY 68 O.S. 2011, Section 2368.15, is amended to read as follows:

Section 2368.15 A. The Oklahoma Tax Commission shall include on each state individual tax return form for tax years beginning after December 31, 2006, and each state corporate tax return form for tax years beginning after December 31, 2006, an opportunity for the taxpayer to donate from a tax refund for the benefit of the Oklahoma Leukemia and Lymphoma Revolving Fund.

B. All monies generated from donations made pursuant to subsection A of this section shall be paid to the State Treasurer by the Oklahoma Tax Commission and placed to the credit of the Oklahoma Leukemia and Lymphoma Revolving Fund created in subsection D of this section.

C. The monies generated from donations made pursuant to subsection A of this section shall be used by the State Department of Health for the purpose supporting voluntary health agencies dedicated to curing leukemia, lymphoma, Hodgkin's disease, and myeloma, and to improving the quality of life of patients and their families.

D. 1. There is hereby created in the State Treasury a revolving fund for the State Department of Health to be designated the "Oklahoma Leukemia and Lymphoma Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies received by the State Department of Health as designated by subsection C of this section.

2. All monies accruing to the credit of said fund are hereby appropriated and may be budgeted and expended by the State Department of Health for the purpose specified in subsection C of this ~~act~~ section.

3. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 557. AMENDATORY 68 O.S. 2011, Section 2368.16, is amended to read as follows:

Section 2368.16 A. Each state individual income tax return form for tax years which begin after December 31, 2007, and each state corporate tax return form for tax years beginning after December 31, 2007, shall contain a provision to allow a donation from a tax refund for the benefit of any regional food bank in this state. For purposes of this section, "regional food bank" means a nonprofit charitable organization exempt from taxation pursuant to the provisions of the Internal Revenue Code, 26 U.S.C., Section 501(c)(3), which as a part of a food bank network, maintains a food distribution operation providing food to other nonprofit entities that offer groceries or meals to people in need of food assistance. The provision to allow donation shall read as follows:

Support of programs for regional food banks in this state. Check if you wish to donate from your tax refund: ( ) $2, ( ) $5, or ( ) $____.

B. Except as otherwise provided for in this section, all monies generated pursuant to subsection A of this section shall be paid to the State Treasurer by the Oklahoma Tax Commission and placed to the credit of the Income Tax Checkoff Revolving Fund for Oklahoma Regional Food Banks created in subsection C of this section.

C. There is hereby created in the State Treasury a revolving fund for the Department of Human Services to be designated the "Income Tax Checkoff Revolving Fund for Oklahoma Regional Food Banks". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies apportioned to the fund pursuant to the provisions of this section. All monies accruing to the credit of the fund are hereby appropriated and may be budgeted and expended by the Department of Human Services for the purpose of providing funding for all regional food banks in this state. Expenditures from the fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

D. If a taxpayer makes a donation pursuant to subsection A of this section in error, such taxpayer may file a claim for refund at any time within three (3) years from the due date of the tax return.

Such claims shall be filed pursuant to the provisions of Section 2373 of ~~Title 68 of the Oklahoma Statutes~~ this title. Prior to the apportionment set forth in this section, an amount equal to the total amount of refunds made pursuant to this subsection during any one (1) year shall be deducted from the total donations received pursuant to this section during the following year and such amount deducted shall be paid to the State Treasurer and placed to the credit of the Income Tax Withholding Refund Account.

SECTION 558. AMENDATORY 68 O.S. 2011, Section 2368.17, is amended to read as follows:

Section 2368.17 A. Each state individual income tax return form for tax years which begin after December 31, 2009, and each state corporate tax return form for tax years beginning after December 31, 2009, shall contain a provision to allow a donation from a tax refund for the benefit of the Oklahoma chapter of the Y.M.C.A. Youth and Government program.

B. Except as otherwise provided for in this section, all monies generated pursuant to subsection A of this section shall be paid to the State Treasurer by the Oklahoma Tax Commission and placed to the credit of the Oklahoma Youth and Government Revolving Fund created in subsection C of this section.

C. There is hereby created in the State Treasury a revolving fund to be designated the "Oklahoma Youth and Government Revolving Fund" administered by the State Department of Education. The fund

shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all the monies received by the State Department of Education pursuant to the provisions of subsection A of this section. All monies accruing to the credit of the fund are appropriated and may be budgeted and expended by the State Department of Education at the beginning of each fiscal year for the purpose of providing grants to the Oklahoma chapter of the Y.M.C.A. Youth and Government program for purposes of educating young people regarding government and the legislative process. Expenditures from the fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

D. If a taxpayer makes a donation pursuant to subsection A of this section in error, such taxpayer may file a claim for a refund at any time within three (3) years from the due date of the tax return. Such claims shall be filed pursuant to the provisions of Section 2373 of this title. Prior to the apportionment set forth in this section, an amount equal to the total amount of refunds made pursuant to this subsection during any one (1) year shall be deducted from the total donations received pursuant to this section during the following year and such amount deducted shall be paid to the State Treasurer and placed to the credit of the Income Tax Withholding Refund Account.

SECTION 559. AMENDATORY 68 O.S. 2011, Section 2368.19, is amended to read as follows:

Section 2368.19 A. Each state individual income tax return form for tax years which begin after December 31, 2009, and each state corporate tax return form for tax years beginning after December 31, 2009, shall contain a provision to allow a donation from a tax refund for the purpose of providing academic and vocational training scholarships administered through the Folds of Honor Scholarship Program to dependents of military servicemen and servicewomen who were either killed or wounded in action due to military service in the war in Iraq or Afghanistan where such program is administered through Folds of Honor Incorporated, a nonprofit charitable organization exempt from taxation pursuant to the provisions of the Internal Revenue Code, 26 U.S.C., Section 501(c)(3). The provision to allow donation shall read as follows:

Support of Folds of Honor Scholarship Program, a nonprofit charitable organization providing academic and vocational training scholarships to dependents of military servicemen and servicewomen who were either killed or wounded in action due to military service in the war in Iraq or Afghanistan. Check if you wish to donate from your tax refund: ( ) $2, ( ) $5, or ( ) $____.

B. Except as otherwise provided for in this section, all monies generated pursuant to subsection A of this section shall be paid to the State Treasurer by the Oklahoma Tax Commission and placed to the

credit of the Income Tax Checkoff Revolving Fund for the Support of the Folds of Honor Scholarship Program created in subsection C of this section.

C. There is hereby created in the State Treasury a revolving fund for the Military Department of the State of Oklahoma to be designated the "Income Tax Checkoff Revolving Fund for the Support of the Folds of Honor Scholarship Program". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies apportioned to the fund pursuant to the provisions of this section. All monies accruing to the credit of the fund are hereby appropriated and may be budgeted and expended by the Military Department for the purpose of providing grants for academic and vocational training scholarships administered through the Folds of Honor Scholarship Program. Such monies shall be apportioned as and in a manner specified by the Military Department. Expenditures from the fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

D. If a taxpayer makes a donation pursuant to subsection A of this section in error, such taxpayer may file a claim for refund at any time within three (3) years from the due date of the tax return. Such claims shall be filed pursuant to the provisions of Section 2373 of ~~Title 68 of the Oklahoma Statutes~~ this title. Prior to the

apportionment set forth in this section, an amount equal to the total amount of refunds made pursuant to this subsection during any one (1) year shall be deducted from the total donations received pursuant to this section during the following year and such amount deducted shall be paid to the State Treasurer and placed to the credit of the Income Tax Withholding Refund Account.

SECTION 560. AMENDATORY 68 O.S. 2011, Section 2368.20, is amended to read as follows:

Section 2368.20 A. Each state individual income tax return form for tax years which begin after December 31, 2010, and each state corporate tax return form for tax years beginning after December 31, 2010, shall contain a provision to allow a donation for the benefit of Oklahoma Honor Flights.

B. Except as otherwise provided for in this section, all monies generated pursuant to subsection A of this section shall be paid to the State Treasurer by the Oklahoma Tax Commission and placed to the credit of the Oklahoma Honor Flights Revolving Fund created in subsection C of this section.

C. There is hereby created in the State Treasury a revolving fund to be designated the "Oklahoma Honor Flights Revolving Fund" and administered by the Oklahoma Department of Veterans Affairs. The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all the monies received by the Oklahoma Department of Veterans Affairs pursuant to the provisions

of subsection A of this section. All monies accruing to the credit of the fund are appropriated and may be budgeted and expended by the Oklahoma Department of Veterans Affairs at the beginning of each fiscal year for the purpose of providing grants to Oklahoma Honor Flights for purposes of transporting Oklahoma veterans to Washington, D.C., to visit those memorials dedicated to honor their service and sacrifices. Expenditures from the fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services for approval and payment.

D. If a taxpayer makes a donation pursuant to subsection A of this section in error, such taxpayer may file a claim for refund at any time within three (3) years from the due date of the tax return. Such claims shall be filed pursuant to the provisions of Section 2373 of ~~Title 68 of the Oklahoma Statutes~~ this title. Prior to the apportionment set forth in this section, an amount equal to the total amount of refunds made pursuant to this subsection during any one (1) year shall be deducted from the total donations received pursuant to this section during the following year and such amount deducted shall be paid to the State Treasurer and placed to the credit of the Income Tax Withholding Refund Account.

SECTION 561. AMENDATORY 68 O.S. 2011, Section 2368.21, is amended to read as follows:

Section 2368.21 A. Each state individual income tax return form for tax years which begin after December 31, 2009, and each state corporate tax return form for tax years beginning after December 31, 2009, shall contain a provision to allow a donation from a tax refund for the benefit of the Multiple Sclerosis Society.

B. Except as otherwise provided for in this section, all monies generated pursuant to subsection A of this section shall be paid to the State Treasurer by the Oklahoma Tax Commission and placed to the credit of the Multiple Sclerosis Society Revolving Fund created in subsection C of this section.

C. There is hereby created in the State Treasury a revolving fund to be designated the "Multiple Sclerosis Society Revolving Fund" and administered by the State Department of Health. The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all the monies received by the State Department of Health pursuant to the provisions of subsection A of this section. All monies accruing to the credit of the fund are appropriated and may be budgeted and expended by the State Department of Health at the beginning of each fiscal year for the purpose of providing grants to the Multiple Sclerosis Society for purposes of mobilizing people and resources to drive research for a cure and to address the challenges of everyone affected by multiple sclerosis. Expenditures from the fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by

law with the Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services for approval and payment.

D. If a taxpayer makes a donation pursuant to subsection A of this section in error, such taxpayer may file a claim for refund at any time within three (3) years from the due date of the tax return. Such claims shall be filed pursuant to the provisions of Section 2373 of this title. Prior to the apportionment set forth in this section, an amount equal to the total amount of refunds made pursuant to this subsection during any one (1) year shall be deducted from the total donations received pursuant to this section during the following year and such amount deducted shall be paid to the State Treasurer and placed to the credit of the Income Tax Withholding Refund Account.

SECTION 562. AMENDATORY 68 O.S. 2011, Section 2368.22, is amended to read as follows:

Section 2368.22 A. Each state individual income tax return form for tax years which begin after December 31, 2011, and each state corporate tax return form for tax years beginning after December 31, 2011, shall contain a provision to allow a donation from a tax refund for the benefit of domestic violence and sexual assault services in Oklahoma that have been certified by the Attorney General. As used in this section the term "services" shall include but not be limited to programs, shelters or a combination thereof.

B. Except as otherwise provided for in this section, all monies generated pursuant to subsection A of this section shall be paid to the State Treasurer by the Oklahoma Tax Commission and placed to the credit of the Domestic Violence and Sexual Assault Services Revolving Fund created in subsection C of this section.

C. There is hereby created in the State Treasury a revolving fund to be designated the "Domestic Violence and Sexual Assault Services Revolving Fund" administered by the Attorney General. The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all the monies received by the Attorney General pursuant to the provisions of subsection A of this section. All monies accruing to the credit of the fund are appropriated and may be budgeted and expended by the Attorney General at the beginning of each fiscal year for the purpose of providing grants to domestic violence and sexual assault services providers for the purpose of providing domestic violence and sexual assault services in Oklahoma. Expenditures from the fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services for approval and payment.

D. The Attorney General shall provide notice of the Domestic Violence and Sexual Assault Services Revolving Fund on the website of the Attorney General.

E. If a taxpayer makes a donation pursuant to subsection A of this section in error, such taxpayer may file a claim for a refund at any time within three (3) years from the due date of the tax return. Such claims shall be filed pursuant to the provisions of Section 2373 of ~~Title 68 of the Oklahoma Statutes~~ this title. Prior to the apportionment set forth in this section, an amount equal to the total amount of refunds made pursuant to this subsection during any one (1) year shall be deducted from the total donations received pursuant to this section during the following year and such amount deducted shall be paid to the State Treasurer and placed to the credit of the Income Tax Withholding Refund Account.

SECTION 563. AMENDATORY 68 O.S. 2011, Section 2368.23, is amended to read as follows:

Section 2368.23 A. Each state individual income tax return form for tax years which begin after December 31, 2011, and each state corporate tax return form for tax years beginning after December 31, 2011, shall contain a provision to allow a donation from a tax refund for the benefit of volunteer fire departments in Oklahoma.

B. Except as otherwise provided for in this section, all monies generated pursuant to subsection A of this section shall be paid to the State Treasurer by the Oklahoma Tax Commission and placed to the credit of the Volunteer Fire Department Revolving Fund created in subsection C of this section.

C. There is hereby created in the State Treasury a revolving fund to be designated the "Volunteer Fire Department Revolving Fund" administered by the Office of the State Fire Marshal. The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all the monies received by the Office of the State Fire Marshal pursuant to the provisions of subsection A of this section. All monies accruing to the credit of the fund are appropriated and may be budgeted and expended by the Office of the State Fire Marshal at the beginning of each fiscal year for the purpose of providing grants to volunteer fire departments in this state for the purpose of purchasing bunker gear, wildland gear and other protective clothing. Expenditures from the fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services for approval and payment.

D. If a taxpayer makes a donation pursuant to subsection A of this section in error, such taxpayer may file a claim for a refund at any time within three (3) years from the due date of the tax return. Such claims shall be filed pursuant to the provisions of Section 2373 of ~~Title 68 of the Oklahoma Statutes~~ this title. Prior to the apportionment set forth in this section, an amount equal to the total amount of refunds made pursuant to this subsection during any one (1) year shall be deducted from the total donations received

pursuant to this section during the following year and such amount deducted shall be paid to the State Treasurer and placed to the credit of the Income Tax Withholding Refund Account.

SECTION 564. AMENDATORY 68 O.S. 2011, Section 2368.24, is amended to read as follows:

Section 2368.24 A. Each state individual income tax return form for tax years which begin after December 31, 2011, and each state corporate tax return form for tax years beginning after December 31, 2011, shall contain a provision to allow a donation from a tax refund for the benefit of the Oklahoma Lupus Revolving Fund.

B. Except as otherwise provided for in this section, all monies generated pursuant to subsection A of this section shall be paid to the State Treasurer by the Oklahoma Tax Commission and placed to the credit of the Oklahoma Lupus Revolving Fund created in subsection C of this section.

C. There is hereby created in the State Treasury a revolving fund to be designated the "Oklahoma Lupus Revolving Fund" and administered by the State Department of Health. The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all the monies received by the State Department of Health pursuant to the provisions of subsection A of this section. All monies accruing to the credit of the fund are appropriated and may be budgeted and expended by the State Department of Health at the

beginning of each fiscal year for the purpose of providing grants to the Oklahoma Medical Research Foundation for the purpose of funding research into treating and curing Lupus in this state. Expenditures from the fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services for approval and payment.

D. If a taxpayer makes a donation pursuant to subsection A of this section in error, such taxpayer may file a claim for a refund at any time within three (3) years from the due date of the tax return. Such claims shall be filed pursuant to the provisions of Section 2373 of ~~Title 68 of the Oklahoma Statutes~~ this title. Prior to the apportionment set forth in this section, an amount equal to the total amount of refunds made pursuant to this subsection during any one (1) year shall be deducted from the total donations received pursuant to this section during the following year and such amount deducted shall be paid to the State Treasurer and placed to the credit of the Income Tax Withholding Refund Account.

SECTION 565. AMENDATORY 68 O.S. 2011, Section 2368.26, is amended to read as follows:

Section 2368.26 A. Each state individual income tax return form for tax years which begin after December 31, 2011, and each state corporate tax return form for tax years beginning after December 31, 2011, shall contain a provision to allow a donation

from a tax refund for the purpose of supporting music festivals held in the Historic Greenwood District.

B. Except as otherwise provided for in this section, all monies generated pursuant to subsection A of this section shall be paid to the State Treasurer by the Oklahoma Tax Commission and placed to the credit of the Historic Greenwood District Music Festival Revolving Fund created in subsection C of this section.

C. There is hereby created in the State Treasury a revolving fund to be designated the "Historic Greenwood District Music Festival Revolving Fund" and administered by the Oklahoma Historical Society. The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all the monies received by the Oklahoma Historical Society pursuant to the provisions of subsection A of this section. All monies accruing to the credit of the fund are appropriated and may be budgeted and expended by the Oklahoma Historical Society at the beginning of each fiscal year for the purpose of promoting and supporting music festivals in the Historic Greenwood District. Expenditures from the fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services for approval and payment.

D. If a taxpayer makes a donation pursuant to subsection A of this section in error, such taxpayer may file a claim for refund at

any time within three (3) years from the due date of the tax return. Such claims shall be filed pursuant to the provisions of Section 2373 of ~~Title 68 of the Oklahoma Statutes~~ this title. Prior to the apportionment set forth in this section, an amount equal to the total amount of refunds made pursuant to this subsection during any one (1) year shall be deducted from the total donations received pursuant to this section during the following year and such amount deducted shall be paid to the State Treasurer and placed to the credit of the Income Tax Withholding Refund Account.

SECTION 566. AMENDATORY 68 O.S. 2011, Section 2702, is amended to read as follows:

Section 2702. A. The governing body of any incorporated city or town and the Oklahoma Tax Commission shall enter into contractual agreements whereby the Tax Commission shall have authority to assess, to collect and to enforce any taxes or, penalties or interest thereon, levied by such incorporated city or town, and remit the same to such municipality. Said assessment, collection, and enforcement authority shall apply to any taxes, penalty or interest liability existing at the time of contracting. Upon contracting, the Tax Commission shall have all the powers of enforcement in regard to such taxes, penalties and interest as are granted to or vested in the contracting municipality. Such agreement shall provide for the assessment, collection, enforcement, and prosecution of such municipal tax, penalties and interest, in

the same manner as and in accordance with the administration, collection, enforcement, and prosecution by the Tax Commission of any similar state tax except as provided by agreement. Such agreement shall authorize the Tax Commission to retain an amount not to exceed one and three-fourths percent (1 3/4%) as a retention fee of municipal tax collected for services rendered in connection with such collections; provided, if a municipality files an action resulting in collection of delinquent state and municipal taxes, the Tax Commission shall remit one-half (1/2) of the retention fee applied to the amount of such taxes to the municipality to be apportioned as are other sales tax revenue. All funds retained by the Tax Commission for the collection services to municipalities shall be deposited in the Oklahoma Tax Commission Revolving Fund in the State Treasury. The municipality shall agree to refrain from any assessment, collection, or enforcement of the municipal tax except as specified in an agreement made pursuant to subsections A, C, D and E of this section.

B. The Tax Commission shall place all sales taxes, including penalties and interest, collected on behalf of a municipality pursuant to the provisions of this section and all use taxes, including penalties and interest, collected on behalf of a municipality pursuant to the provisions of Section 1411 of this title in the Sales Tax Remitting Account as provided in Section 1373 of this title.

C. Notwithstanding the provisions of subsection E of this section, the Tax Commission and the governing body of any incorporated city or town may enter into contractual agreements whereby the municipality would be authorized to implement or augment the enforcement, collection and prosecution of the municipal tax in those contracting municipalities and to provide for the satisfaction of refunds or credits to taxpayers. Such agreements shall and are hereby authorized to provide that the municipality and the Tax Commission may exchange necessary information to effectively carry out the terms of such agreements. The municipality, its officers and employees shall preserve the confidentiality of such information in the same manner and be subject to the same penalties as provided by Section 205 of this title, provided that the municipal prosecutor and other municipal enforcement personnel may receive all information necessary to implement or augment the enforcement and prosecution of municipal sales tax ordinances.

D. Provided further that, upon the request of any incorporated city or town, the Tax Commission shall enter into contractual agreements with such municipality whereby the municipality would be authorized to implement or augment the enforcement, either directly or through contract with private auditors or audit firms, of the municipal tax. Any person performing an audit shall first be approved by the Tax Commission and, once approved, shall be appointed as an agent of the Tax Commission for purposes of the

audit. Contracts with a private auditor or audit firm shall not be subject to the limitations of Section 262 of this title and shall and are hereby authorized to provide that the municipality, private auditors or audit firms and the Tax Commission may exchange necessary information to effectively carry out the terms of such agreements. The municipality, its officers and employees and private auditors or audit firms may receive all information necessary to perform audits and shall preserve the confidentiality of such information in the same manner and be subject to the same penalties as provided by Section 205 of this title. Municipalities conducting audits directly or by contracting for private auditors or audit firms pursuant to this subsection shall furnish to the Tax Commission the audit results and all relevant supporting documentation. Further, such municipalities shall provide for the payment of private auditors or audit firms by deduction from the tax assessment resulting from the audit conducted by said private auditors or audit firms unless a municipality contracts with the auditor or audit firm for another method of payment. Any municipal sales tax funds recovered as a result of the services provided under this subsection will not be included in calculating the retention fee retained by the Tax Commission pursuant to subsection A of this section. The contracts authorized by subsection A of this section shall provide that the Tax Commission shall not have any obligations

thereunder to any municipality that does not participate in an audit conducted under this subsection.

E. 1. Pursuant to the provisions of this subsection, upon the request of any municipality, the Tax Commission shall enter into a contractual agreement with the municipality whereby the municipality would be authorized to engage in compliance activities, either directly or through contract with private persons or entities, to augment the collection of the municipal tax by the Tax Commission. The sole responsibility for the administration of any and all such compliance activities shall remain with the Tax Commission to ensure that sellers and purchasers shall only be required to register, file returns, and remit state and local taxes to one single authority, and that no enforcement activities are duplicated.

2. Any contractual agreement entered into pursuant to paragraph 1 of this subsection and any person or entity who will be performing compliance activities shall first be approved by the Tax Commission in its sole discretion. Once approved, the private person or entity shall be appointed as an agent of the Tax Commission for purposes of such compliance activities. Any agreements entered into pursuant to paragraph 1 of this subsection shall provide that the municipality, private persons or entities appointed as an agent and the Tax Commission may exchange necessary information to effectively carry out the terms of the agreements. The municipality, its officers and employees and any private person or entity appointed as an agent of

the Tax Commission may receive all information necessary for compliance activities and shall preserve the confidentiality of the information in the same manner and be subject to the same penalties as provided by Section 205 of this title. Municipalities conducting compliance activities directly or by contracting with private persons or entities pursuant to this subsection shall furnish to the Tax Commission the compliance results and all relevant supporting documentation and the Tax Commission shall take such information and issue proposed assessments or conduct other such administrative action as is necessary.

3. There is hereby created in the State Treasury a revolving fund for the Oklahoma Tax Commission to be known as the "Tax Commission Compliance Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and notwithstanding any other provisions of law, shall consist of the first three-fourths of one percent (3/4 of 1%) of enhanced collections of state sales and use taxes collected pursuant to an agreement entered into pursuant to paragraph 1 of this subsection. All monies accruing to the credit of the fund are hereby appropriated and may be budgeted and expended by the Oklahoma Tax Commission for the purpose of reimbursing a municipality for enhanced collections of state sales taxes pursuant to an agreement entered into pursuant to paragraph 1 of this subsection. Expenditures from the fund shall be made upon warrants issued by the State Treasurer against claims filed as

prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

4. The Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services shall form an Implementation Working Group composed of representatives of municipalities and of the Tax Commission and shall adopt a plan to implement this subsection by September 30, 2011. The plan shall ensure that the Tax Commission shall maintain a central point of collection and centralized administration and enforcement and further shall be consistent with all applicable state laws.

F. Any sum or sums collected or required to be collected pursuant to a municipal sales tax levy shall be deemed to be held in trust for the municipality, and, as trustee, the collecting vendor shall have a fiduciary duty to the municipality in regards to such sums and shall be subject to the trust laws of this state.

SECTION 567. AMENDATORY 68 O.S. 2011, Section 3603, is amended to read as follows:

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

1. a. "Basic industry" means:

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

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

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

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

(c) the exempt wholesale generator facility sells to purchasers located outside the state for consumption in activities located outside the state at least ninety percent (90%) of the total electrical energy output which qualifies for the specialized treatment provided by the Energy Policy Act of 1992, P.L. 102-486, 106 Stat. 2776, as

amended, and federal regulations adopted pursuant thereto, and

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

(3) those administrative and facilities support service activities defined or classified in the NAICS Manual under Industry Group Nos. 5611 and 5612, Industry Nos. 51821, 519130, 52232, 56142 and 54191 or U.S. Industry Nos. 524291 and 551114, those other support activities for air transportation defined or classified in the NAICS Manual under Industry Group No. 488190, and those support, repair, and maintenance service activities for the wind industry defined or classified in the NAICS Manual under Industry Group No. 811310,

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

(5) distribution centers for retail or wholesale businesses defined or classified in the NAICS Manual under Sector No. 42, if forty percent

(40%) or more of the inventory processed through such warehouse is shipped out-of-state,

(6) those adjustment and collection service activities defined or classified in the NAICS Manual under U.S. Industry No. 561440, if seventy-five percent (75%) of the loans to be serviced were made by out-of-state debtors,

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

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

(ii) a facility or facilities at which reservations for transportation provided by such an establishment are processed, whether such services are performed by employees of the establishment, by employees of a subsidiary of or other entity affiliated with the establishment or by employees of an entity with whom the establishment has contracted for the performance of such services; provided,

this provision shall not disqualify an establishment which uses an out-of-state entity or employees for some reservations services, or

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

(8) flight training services activities defined or classified in the NAICS Manual under U.S. Industry Group No. 611512, which for purposes of Section 3601 et seq. of this title shall include new direct jobs for which gross payroll existed

on or after January 1, 2003, as identified in the NAICS Manual,

(9) the following, if an establishment classified therein has or will have within one (1) year sales of at least seventy-five percent (75%) of its total sales, as determined by the Incentive Approval Committee pursuant to the provisions of subsection B of this section, to out-of-state customers or buyers, to in-state customers or buyers if the product or service is resold by the purchaser to an out-of-state customer or buyer for ultimate use, or to the federal government:

(a) those transportation and warehousing activities defined or classified in the NAICS Manual under Industry Subsector No. 493, if not otherwise listed in this paragraph, Industry Subsector No. 484 and Industry Group Nos. 4884 through 4889,

(b) those passenger transportation activities defined or classified in the NAICS Manual under Industry Nos. 561510, 561520 and 561599,

(c) those freight or cargo transportation activities defined or classified in the NAICS Manual under Industry No. 541614,

(d) those insurance activities defined or classified in the NAICS Manual under Industry Group No. 5241,

(e) those mailing, reproduction, commercial art and photography and stenographic service activities defined or classified in the NAICS Manual under U.S. Industry Nos. 541430, 541860, 541922, 561439 and 561492,

(f) those services to dwellings and other buildings, as defined or classified in the NAICS Manual under Industry Group No. 5617, excluding U.S. Industry No. 561730,

(g) those equipment rental and leasing activities defined or classified in the NAICS Manual under Industry Group Nos. 5323 and 5324,

(h) those employment services defined or classified in the NAICS Manual under Industry Group No. 5613,

(i) those information technology and other computer-related service activities defined

or classified in the NAICS Manual under Industry Group Nos. 5112, 5182, 5191 and 5415,

(j) those business support service activities defined or classified in the NAICS Manual under U.S. Industry Nos. 561410 through 561439, Industry Group No. 5616 and Industry No. 51911,

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

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

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

(n) those refuse systems activities defined or classified in the NAICS Manual under Industry Group No. 5622, provided that the

establishment is primarily engaged in the capture and distribution of methane gas produced within a landfill,

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

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

(q) those agricultural activities classified in the NAICS Manual under U.S. Industry Nos. 112120 and 112310,

(r) those professional organization activities classified in the NAICS Manual under U.S. Industry No. 813920,

(s) alternative energy structure construction classified in the NAICS Manual under U.S. Industry No. 237130,

(t) solar reflective coating application classified in the NAICS Manual under U.S. Industry No. 238160, and

(u) solar heating equipment installation classified in the NAICS Manual under U.S. Industry No. 238220;

(10) those activities related to extraction of crude petroleum and natural gas defined or classified in the NAICS Manual under Industry Group No. 2111, subject to the limitations provided in paragraph 3 of this subsection and paragraph 3 of subsection B of this section,

(11) those activities performed by the federal civilian workforce at a facility of the Federal Aviation Administration located in this state if the Director of the Department of Commerce determines or is notified that the federal government is soliciting proposals or otherwise inviting states to compete for additional federal civilian employment or expansion of federal civilian employment at such facilities,

(12) those activities defined or classified in the NAICS Manual under U.S. Industry No. 711211 (2007 version),

(13) those real estate or brokerage activities classified in the NAICS Manual under U.S. Industry No. 53120 for which at least seventy-five percent (75%) of the establishment's revenues are attributed to out-of-state sales and at least seventy-five percent (75%) of the real estate transactions generating those revenues are attributed to real property located outside the State of Oklahoma, or

(14) those support activities for rail transportation and those support activities for water transportation defined or classified in the NAICS Manual under U.S. Industry Nos. 4882 and 4883.

b. An establishment described in subparagraph a of this paragraph shall not be considered to be engaged in a basic industry unless it offers, or will offer within one hundred eighty (180) days of employment, a basic health benefits plan to the individuals it employs in new direct jobs in this state which is determined by the Oklahoma Department of Commerce to consist of the following elements or elements substantially equivalent thereto:

(1) not more than fifty percent (50%) of the premium shall be paid by the employee,

(2) coverage for basic hospital care,

(3) coverage for physician care,

(4) coverage for mental health care,

(5) coverage for substance abuse treatment,

(6) coverage for prescription drugs, and

(7) coverage for prenatal care;

2. "Change-in-control event" means the transfer to one or more unrelated establishments or unrelated persons, of either:

a. beneficial ownership of more than fifty percent (50%) in value and more than fifty percent (50%) in voting power of the outstanding equity securities of the transferred establishment, or

b. more than fifty percent (50%) in value of the assets of an establishment.

A transferor shall be treated as related to a transferee if more than fifty percent (50%) of the voting interests of the transferor and transferee are owned, directly or indirectly, by the other or are owned, directly or indirectly, by the same person or persons, unless such transferred establishment has an outstanding class of equity securities registered under Sections 12(b) or 15(d) of the Securities Exchange Act of 1934, as amended, in which event the transferor and transferee will be treated as unrelated; provided, an establishment applying for the Oklahoma Quality Jobs Program Act as a result of a ~~change of control~~ change-in-control event is required

to apply within one hundred eighty (180) days of the change-in-control event to qualify for consideration. An establishment entering the Oklahoma Quality Jobs Program Act as the result of a ~~change of control~~ change-in-control event shall be required to maintain a level of new direct jobs as agreed to in its contract with the Department of Commerce and to pay new direct jobs an average annualized wage which equals or exceeds one hundred twenty-five percent (125%) of the average county wage as that percentage is determined by the Oklahoma State Data Center based upon the most recent U.S. Department of Commerce data for the county in which the new jobs are located. For purposes of this paragraph, healthcare premiums paid by the applicant for individuals in new direct jobs shall not be included in the annualized wage. Such establishment entering the Quality Jobs Program Act as the result of a ~~change of control~~ change-in-control event shall be required to retain the contracted average annualized wage and maintain the contracted maintenance level of new direct jobs numbers as certified by the Tax Commission. If the required average annualized wage or the required new direct jobs numbers do not equal or exceed such contracted level during any quarter, the quarterly incentive payments shall not be made and shall not be resumed until such time as such requirements are met. An establishment described in this paragraph shall be required to repay all incentive payments received under the Quality Jobs Program Act if the establishment is determined by the Oklahoma

Tax Commission to no longer have business operations in the state within three (3) years from the beginning of the calendar quarter for which the first incentive payment claim is filed.

3. "New direct job":

a. means full-time-equivalent employment in this state in an establishment which has qualified to receive an incentive payment pursuant to the provisions of Section 3601 et seq. of this title which employment did not exist in this state prior to the date of approval by the Department of the application of the establishment pursuant to the provisions of Section 3604 of this title and with respect to an establishment qualifying for incentive payments pursuant to division (12) of subparagraph a of paragraph 1 of this subsection shall not include compensation paid to an employee or independent contractor for an athletic contest conducted in the state if the compensation is paid by an entity that does not have its principal place of business in the state or that does not own real or personal property having a market value of at least One Million Dollars ($1,000,000.00) located in the state, and the employees or independent contractors of such entity are compensated to compete against the employees or

independent contractors of an establishment that qualifies for incentive payments pursuant to division (12) of subparagraph a of paragraph 1 of this subsection and which is organized under Oklahoma law or that is lawfully registered to do business in the state and which does have its principal place of business located in the state and owns real or personal property having a market value of at least One Million Dollars ($1,000,000.00) located in the state; provided, that if an application of an establishment is approved by the Department of Commerce after a change-in-control event and the Director of the Department of Commerce determines that the jobs located at such establishment are likely to leave the state, "new direct job" shall include employment that existed in this state prior to the date of application which is retained in this state by the new establishment following a change-in-control event, if such job otherwise qualifies as a new direct job, and

b. shall include full-time-equivalent employment in this state of employees who are employed by an employment agency or similar entity other than the establishment which has qualified to receive an incentive payment

and who are leased or otherwise provided under contract to the qualified establishment, if such job did not exist in this state prior to the date of approval by the Department of the application of the establishment or the job otherwise qualifies as a new direct job following a change-in-control event. A job shall be deemed to exist in this state prior to approval of an application if the activities and functions for which the particular job exists have been ongoing at any time within six (6) months prior to such approval. With respect to establishments defined in division (10) of subparagraph a of paragraph 1 of this subsection, new direct jobs shall be limited to those jobs directly comprising the corporate headquarters of or directly relating to administrative, financial, engineering, surveying, geological or geophysical services performed by the establishment. Under no circumstances shall employment relating to drilling or field services be considered new direct jobs;

4. "Estimated direct state benefits" means the tax revenues projected by the Department to accrue to the state as a result of new direct jobs;

5. "Estimated direct state costs" means the costs projected by the Department to accrue to the state as a result of new direct jobs. Such costs shall include, but not be limited to:

a. the costs of education of new state resident children,

b. the costs of public health, public safety and transportation services to be provided to new state residents,

c. the costs of other state services to be provided to new state residents, and

d. the costs of other state services;

6. "Estimated net direct state benefits" means the estimated direct state benefits less the estimated direct state costs;

7. "Net benefit rate" means the estimated net direct state benefits computed as a percentage of gross payroll; provided:

a. except as otherwise provided in this paragraph, the net benefit rate may be variable and shall not exceed five percent (5%),

b. the net benefit rate shall not exceed six percent (6%) in connection with an establishment which is owned and operated by an entity which has been awarded a United States Department of Defense contract for which:

(1) bids were solicited and accepted by the United States Department of Defense from facilities located outside this state,

(2) the term is or is renewable for not less than twenty (20) years, and

(3) the average annual salary, excluding benefits which are not subject to Oklahoma income taxes, for new direct jobs created as a direct result of the awarding of the contract is projected by the Department of Commerce to equal or exceed Forty Thousand Dollars ($40,000.00) within three (3) years of the date of the first incentive payment,

c. except as otherwise provided in subparagraph d of this paragraph, in no event shall incentive payments, cumulatively, exceed the estimated net direct state benefits,

d. the net benefit rate shall be five percent (5%) for an establishment locating:

(1) in an opportunity zone located in a high-employment county, as such terms are defined in subsection G of Section 3604 of this title, or

(2) in a county in which:

(a) the per capita personal income, as determined by the Department, is eighty-five percent (85%) or less of the statewide average per capita personal income,

(b) the population has decreased over the previous ten (10) years, as determined by the State Data Center based on the most recent U.S. Department of Commerce data, or

(c) the unemployment rate exceeds the lesser of five percent (5%) or two percentage points above the state average unemployment rate as certified by the Oklahoma Employment Security Commission,

e. the net benefit rate shall not exceed six percent (6%) in connection with an establishment which:

(1) is, as of the date of application, receiving incentive payments pursuant to the Oklahoma Quality Jobs Program Act and has been receiving such payments for at least one (1) year prior to the date of application, and

(2) expands its operations in this state by creating additional new direct jobs which pay average annualized wages which equal or exceed one hundred fifty percent (150%) of the average annualized wages of new direct jobs on which incentive payments were received during the preceding calendar year, and

f. with respect to an establishment defined or classified in the NAICS Manual under U.S. Industry No. 711211 (2007 version) or any establishment defined or classified in the NAICS Manual as a U.S. Industry Number which is not included within the definition of "basic industry" as such term is defined in this section on April 17, 2008, the net benefit rate shall not exceed the highest rate of income tax imposed upon the Oklahoma taxable income of individuals pursuant to subparagraph (g) or subparagraph (h), as applicable, of paragraph 1 and paragraph 2 of subsection B of Section 2355 of this title. Any change in such highest rate of individual income tax imposed pursuant to the provisions of Section 2355 of this title shall be applicable to the computation of incentive payments to an establishment as described by this subparagraph and shall be effective for purposes of incentive payments based on payroll paid by such establishment on or after January 1 of any applicable year for which the net benefit rate is modified as required by this subparagraph.

Incentive payments made pursuant to the provisions of this subparagraph shall be based upon payroll associated with such new direct jobs. For purposes of this subparagraph, the amount of

health insurance premiums or other benefits paid by the establishment shall not be included for purposes of computation of the average annualized wage;

8. "Gross payroll" means wages, as defined in Section 2385.1 of this title for new direct jobs;

9. a. "Establishment" means any business or governmental entity, no matter what legal form, including, but not limited to, a sole proprietorship; partnership; limited liability company; corporation or combination of corporations which have a central parent corporation which makes corporate management decisions such as those involving consolidation, acquisition, merger or expansion; federal agency; political subdivision of the State of Oklahoma; or trust authority; provided, distinct, identifiable subunits of such entities may be determined to be an establishment, for all purposes of Section 3601 et seq. of this title, by the Department subject to the following conditions:

(1) within three (3) years of the first complete calendar quarter following the start date, the entity must have a minimum payroll of Two Million Five Hundred Thousand Dollars ($2,500,000.00) and the subunit must also have or will have a minimum

payroll of Two Million Five Hundred Thousand Dollars ($2,500,000.00),

(2) the subunit is engaged in an activity or service or produces a product which is demonstratively independent and separate from the entity's other activities, services or products and could be conducted or produced in the absence of any other activity, service or production of the entity,

(3) has an accounting system capable of tracking or facilitating an audit of the subunit's payroll, expenses, revenue and production. Limited interunit overlap of administrative and purchasing functions shall not disqualify a subunit from consideration as an establishment by the Department,

(4) the entity has not previously had a subunit determined to be an establishment pursuant to this section; provided, the restriction set forth in this division shall not apply to subunits which qualify pursuant to the provisions of subparagraph b of paragraph 7 of this subsection, and

(5) it is determined by the Department that the entity will have a probable net gain in total employment within the incentive period.

b. The Department may promulgate rules to further limit the circumstances under which a subunit may be considered an establishment. The Department shall promulgate rules to determine whether a subunit of an entity achieves a net gain in total employment. The Department shall establish criteria for determining the period of time within which such gain must be demonstrated and a method for determining net gain in total employment;

10. "NAICS Manual" means any manual, book or other publication containing the North American Industry Classification System, United States, 1997, promulgated by the Office of Management and Budget of the United States of America, or the latest revised edition;

11. "Qualified federal contract" means a contract between an agency or instrumentality of the United States government, including but not limited to the Department of Defense or any branch of the United States Armed Forces, but exclusive of any contract performed for the Federal Emergency Management Agency as a direct result of a natural disaster declared by the Governor or the President of the United States with respect to damage to property located in Oklahoma or loss of life or personal injury to persons in Oklahoma, and a

lawfully recognized business entity, whether or not the business entity is organized under the laws of the State of Oklahoma or whether or not the principal place of business of the business entity is located within the State of Oklahoma, for the performance of services, including but not limited to testing, research, development, consulting or other services in a basic industry, if the contract involves the performance of such services performed on or after July 1, 2009, by the employees of the business entity within the State of Oklahoma or if the contract involves the performance of such services performed on or after July 1, 2009, by employees of a lawfully recognized business entity that is a subcontractor of the business entity with which the prime contract has been formed. A qualified federal contract described in this paragraph shall not qualify unless both the qualified federal contractor and any subcontractors originally involved in the work or added subsequently during the period of performance verify to the qualified federal contractor verifier that it offers, or will offer within one hundred eighty (180) days of employment of its respective employees, a basic health benefits plan as described in subparagraph b of paragraph 1 of this subsection to individuals who perform qualified labor hours in this state;

12. "Qualified federal contractor verifier" means a nonprofit entity organized under the laws of the State of Oklahoma, having an affiliation with a comprehensive university which is part of The

Oklahoma State System of Higher Education, and having the following characteristics:

a. established multiyear classified and unclassified indefinite-delivery/indefinite-quantity federal contract vehicles in excess of Fifty Million Dollars ($50,000,000.00),

b. current capability to sponsor and maintain personnel security clearances and authorized by the federal government to handle and perform classified work up to the Top Secret Sensitive Compartmented Information levels,

c. at least one on-site federally certified Sensitive Compartmented Information Facility,

d. on-site secure mass data storage complex with the capability of isolating, segregating and protecting corporate proprietary and classified information,

e. trusted agent status by maintaining no ownership of, vested interest in, nor royalty production from any intellectual property,

f. at least one hundred thousand (100,000) square feet of configurable laboratory and support space,

g. the direct access to restricted air space through a formalized memorandum of agreement with the Department of Defense,

h. at least five thousand (5,000) acres available for outdoor testing and training facilities, and

i. the ability to house state-of-the-art surety facilities, including chemical, biological, radiological, explosives, electronics, and unmanned systems laboratories and ranges;

13. "SIC Manual" means the 1987 revision to the Standard Industrial Classification Manual, promulgated by the Office of Management and Budget of the United States of America;

14. "Start date" means the date on which an establishment may begin accruing benefits for the creation of new direct jobs, which date shall be determined by the Department;

15. "Effective date" means the date of approval of a contract under which incentive payments will be made pursuant to the Oklahoma Quality Jobs Program Act, which shall be the date the signed and accepted incentive contract is received by the Department; provided, an approved project may have a start date which is different from the effective date;

16. "Total qualified labor hours" means the reimbursed payment amount for hours of work performed by the State of Oklahoma workforce of a qualified federal contractor or the State of Oklahoma workforce of a subcontractor of a qualified federal contractor and which are required for the full performance of a qualified federal contract;

17. "Qualified labor rate" means the fully reimbursed labor rate paid through a qualified federal contract for qualified labor hours to the qualified federal contractor or subcontractor; and

18. "Qualified federal contractor" means a business entity:

a. maintaining a prime contract with the federal government as defined in paragraph 11 of this subsection,

b. providing notice of intent to apply to the Department within one hundred eighty (180) days of the effective date of this act or one hundred eighty (180) days of the date of the award of a qualified federal contract or award of a new qualified subcontract under an existing qualified federal contract, and

c. adding substantively to the contract by performing at least eight percent (8%) of the total labor whether qualified and nonqualified labor as determined by the federal contractor verifier on a direct contract or individual task order or delivery order on an indefinite-delivery/indefinite-quantity or other blanket contract vehicle.

Should a prime contractor provide notice to the Department of its intent not to apply for incentive for a qualified federal contract or fails to qualify under the criteria above, subcontractors in order of tier ranking as determined by the federal

contract verifier may assume the role of the prime and apply to become a qualified federal contractor provided the entity meets the same criteria above with the exception that notice of intent to apply with the Department must be provided within sixty (60) days of the prime's disqualification or one hundred eighty (180) days of the award of its subcontract, whichever is later.

B. The Incentive Approval Committee is hereby created and shall consist of the Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services, the Director of the Department and one member of the Oklahoma Tax Commission appointed by the Tax Commission, or a designee from each agency approved by such member. It shall be the duty of the Committee to determine:

1. Upon initial application on a form approved by the Committee, if an establishment is engaged in a basic industry as defined in subdivision (b) of division (7) or in subdivisions (a) through (p) of division (9) of subparagraph a of paragraph 1 of subsection A of this section or as otherwise provided by subsection C of this section;

2. If an establishment would have been defined as a "basic industry" prior to the amendments to this section to convert from SIC Codes to NAICS Codes. If the Committee so determines, the establishment shall be considered as a "basic industry" for purposes of the Oklahoma Quality Jobs Program Act; and

3. If employees of an establishment as defined in division (10) of subparagraph a of paragraph 1 of subsection A of this section meet the requirements to be considered employed in new direct jobs as specified in paragraph 3 of subsection A of this section.

C. For an establishment defined as a "basic industry" pursuant to division (4) of subparagraph a of paragraph 1 of subsection A of this section, the Incentive Approval Committee shall consist of the members provided by subsection B of this section and the Executive Director of the Oklahoma Center for the Advancement of Science and Technology, or a designee from the Center appointed by the Executive Director.

SECTION 568. AMENDATORY 68 O.S. 2011, Section 3625, is amended to read as follows:

Section 3625. A. There is hereby created in the State Treasury a revolving fund for the Oklahoma Tax Commission to be designated the "Oklahoma Film Enhancement Rebate Program Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies received by the Tax Commission which are specifically required by law to be deposited in the fund and any public or private donations, contributions, and gifts received for the benefit of the fund. All monies accruing to the credit of the fund are hereby appropriated and may be budgeted and expended by the Tax Commission for the purpose of paying rebates as provided in this act. Expenditures from the fund shall be made

upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

B. The Oklahoma Tax Commission shall apportion, from the revenues which would otherwise be apportioned to the General Revenue Fund pursuant to subparagraph a of paragraph 1 of Section 2352 of this title, an amount that the Commission estimates to be necessary to pay the rebates provided by Section 3624 of this title to the Oklahoma Film Enhancement Rebate Program Revolving Fund.

SECTION 569. AMENDATORY 68 O.S. 2011, Section 50001, is amended to read as follows:

Section 50001. There is hereby levied upon percentages of fire insurance gross premiums from a sum of the following lines of insurance: fire, allied, homeowners multiperil, commercial multiperil, growing crops, ocean marine, inland marine, auto physical damage (including collision), and aircraft physical damage, less returns and dividends to policyholders, which is issued in this state by companies doing business in this state a tax of five-sixteenths of one percent (5/16 of 1%). The percentages of fire insurance gross premiums to be considered for taxation shall be determined annually by the Commissioner. This tax shall be collected annually, by the last day of February, from companies collecting such premiums and shall be collected by the Insurance Commissioner as other taxes on insurance are collected. The

Insurance Commissioner shall keep a separate account of all such monies received and shall pay the same to the State Treasurer. There is hereby created in the State Treasury a fund for the Fire Marshal Commission and the State Fire Marshal to be designated the "Fire Marshal Fund". The fund shall consist of all monies collected pursuant to the provisions of this section and shall be used in the performance of duties imposed by law upon the Fire Marshal Commission and the Office of the State Fire Marshal. Expenditures from the Fire Marshal Fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment. Beginning July 1, 1982, all expenditures from the Fire Marshal Fund shall be made pursuant only to legislative appropriation. Beginning July 1, 1983, all monies collected pursuant to the provisions of this section shall be deposited in the State Treasury for credit to the General Revenue Fund of the state. Employees of the Office of State Fire Marshal, other than the State Fire Marshal, shall have salaries commensurate with those fixed by the Merit System of Personnel Administration. All salaries shall be payable monthly from funds available to the State Fire Marshal. The State Fire Marshal, subject to confirmation by the Fire Marshal Commission, shall appoint and fix the salaries of such employees as are necessary to fulfill the duties of his office.

SECTION 570. AMENDATORY 68 O.S. 2011, Section 50014, is amended to read as follows:

Section 50014. A. 1. There is hereby created in the State Treasury a revolving fund for the Oklahoma Tourism and Recreation Department, to be designated the "Oklahoma Tourism Promotion Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies received by the Oklahoma Tourism and Recreation Department and apportioned to such fund pursuant to the provisions of Sections 1353 and 1403 of this title and such other monies accredited to the fund pursuant to law.

2. All monies accruing to the credit of the fund are hereby appropriated and may be budgeted and expended by the Oklahoma Tourism and Recreation Department for the purpose of Oklahoma tourism promotion, as defined by Section 50011 of this title, provided that the Department shall ensure that all areas of the state will be adequately promoted, and all monies expended from the fund shall reflect a consistent brand and image in the promotion of Oklahoma tourism.

3. No monies from this revolving fund shall be transferred for any purpose to any other state agency or be used for the purpose of contracting with any other state agency or reimbursing any other state agency for any expense with the exception of contracting and payment for research work completed by an institution of The

Oklahoma State System of Higher Education. No monies from this revolving fund shall be expended for any wage or salary of any employee of any state agency. Expenditures from the fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

B. 1. There is hereby created in the State Treasury a revolving fund for the Oklahoma Tourism and Recreation Department, to be designated the "Oklahoma Tourism Capital Improvement Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies received by the Oklahoma Tourism and Recreation Department and apportioned to such fund pursuant to the provisions of Sections 1353 and 1403 of this title and such other monies accredited to the fund pursuant to law.

2. All monies accruing to the credit of the fund are hereby appropriated and may be budgeted and expended by the Oklahoma Tourism and Recreation Department for the purpose of funding capital improvement projects or operations at state parks and tourist information centers; provided, no more than twenty percent (20%) of the amount accruing annually shall be expended for the purpose of funding operations.

3. No monies from this revolving fund shall be transferred for any purpose to any other state agency. Expenditures from the fund

shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 571. AMENDATORY 69 O.S. 2011, Section 306, is amended to read as follows:

Section 306. Immediately upon the election and qualification of the Director, he shall become vested with the duties and powers of the management and control of the Department, under such orders, rules and regulations as may be prescribed by the Commission; and in addition thereto he shall have the following specific powers and duties:

(a) To supervise the state highway system under rules and regulations prescribed by the Commission;

(b) To appoint and employ, supervise and discharge such professional, clerical, skilled and semiskilled help, labor and other employees as may be deemed necessary for the proper discharge of the duties of the Department and to fix and determine the salaries or wages to be paid subject to all such rules and regulations as may be promulgated by the Commission, and subject to the policies, rules and regulations of the ~~Office of Personnel Management~~ Office of Management and Enterprise Services and the State Merit System of Personnel Administration;

(c) To investigate and determine upon the various methods of road and bridge construction and maintenance in the different sections of the state;

(d) To aid at all times in promoting highway improvements and maintenance throughout the state;

(e) To make recommendations to the Commission in the letting of all contracts for construction or improvements of state highways or any contract for road or bridge construction or improvement where the work is being done in whole or in part with state or federal monies; and to act for the Commission in the purchase of all materials, equipment and supplies as provided for in this Code;

(f) To place on the state highway system any road he deems necessary and to the best interest of the state, when approved by a majority of the entire Commission, and to eliminate from the state highway system any road when approved by a majority of the entire Commission;

(g) To approve and pay claims for the services of professional, clerical, skilled and semiskilled help, laborers and other employees, for the Commission, when the salary or wages of such help and employees shall have been previously approved by the Commission; and to approve and pay progressive estimates on work done or contracts performed, where such work or contracts have theretofore been approved by the Commission; and to approve and pay claims for

the purchase of equipment, materials and supplies theretofore authorized by the Commission;

(h) To make emergency purchases of equipment, materials, and supplies, and emergency contracts for construction and repairs, under rules and regulations prescribed by the Commission;

(i) To grant permission to state agencies, municipalities and water companies or districts to lay any water pipeline within the rights-of-way of state highways, when approved by the Commission; and

(j) To act for the Department in all matters except as otherwise provided in this Code.

SECTION 572. AMENDATORY 69 O.S. 2011, Section 404, is amended to read as follows:

Section 404. A. There is hereby created in the State Treasury a revolving fund for the ~~Oklahoma~~ Department of Transportation to be designated the "State Infrastructure Bank Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of the following:

1. All monies received by the Department of Transportation as provided in Section 403 of this title;

2. All monies received pursuant and subject to the provisions of the National Highway System Designation Act of 1995 which are eligible for use in state revolving loan funds established to meet the requirements of that act;

3. All monies appropriated to this fund;

4. Payments of principal and interest and penalty payments on loans made directly from federal monies and appropriated monies in this fund;

5. Annual state administration fees of one-half percent (1/2%) on the outstanding loan balance; and

6. Any other sums designated for deposit to this fund from any source, public or private.

All monies accruing to the credit of the fund are hereby appropriated and may be budgeted and expended by the ~~Oklahoma~~ Department of Transportation for the purposes of effectuating the provisions of this act. Expenditures from the fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

B. The monies placed in the State Infrastructure Bank Revolving Fund shall be invested by the State Treasurer as prescribed by Section 89.2 of Title 62 of the Oklahoma Statutes. Any interest earned by the State Treasurer shall be deposited to the credit of the State Infrastructure Bank Revolving Fund. Monies invested by the State Treasurer shall be available to meet the program funding needs established by the Department of Transportation pursuant to this act.

SECTION 573. AMENDATORY 69 O.S. 2011, Section 421, is amended to read as follows:

Section 421. There is hereby created in the State Treasury a revolving fund for the ~~Oklahoma~~ Department of Transportation to be designated the "Oklahoma Safe Routes to Schools Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies received by the Department from any public or private sources authorized by law. All monies accruing to the credit of the fund are hereby appropriated and may be budgeted and expended by the Department for the purpose of implementing the federal Safe Routes to School program. Expenditures from the fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 574. AMENDATORY 69 O.S. 2011, Section 506, is amended to read as follows:

Section 506. A. There is hereby created in the State Treasury a revolving fund to be known as the "High Priority State Bridge Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all appropriations and transfers made by the Legislature and the apportionments made pursuant to Sections 500.6 and 500.7 of Title 68 of the Oklahoma Statutes. All monies accruing to the credit of said fund are hereby

appropriated and may be budgeted and expended beginning with the fiscal year ending June 30, 2008, and each fiscal year thereafter pursuant to subsection B of this section. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

B. The funds shall be used for the sole purpose of construction or reconstruction of bridges on the state highway system that are of the highest priority as defined by the Transportation Commission. The fund shall be invested in whatever instruments are authorized by law for investments by the State Treasurer and the interest earned by any investment of monies from the fund shall be credited to the fund which shall earn the same, if there is any unexpended balance of such fund to which to credit the interest.

SECTION 575. AMENDATORY 69 O.S. 2011, Section 507, is amended to read as follows:

Section 507. A. There is hereby created in the State Treasury a revolving fund to be known as the "County Improvements for Roads and Bridges Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all appropriations and transfers made by the Legislature and the apportionments made pursuant to subsection L of Section 1104 of Title 47 of the Oklahoma Statutes. All monies accruing to the credit of said fund are hereby

appropriated and may be budgeted and expended beginning with the fiscal year ending June 30, 2008, and each fiscal year thereafter pursuant to subsection B of this section. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

B. The funds apportioned pursuant to subsection L of Section 1104 of Title 47 of the Oklahoma Statutes shall be in equal amounts to the various Transportation Commission districts. The funds shall be used for the sole purpose of construction or reconstruction of county roads or bridges on the county highway system that are of the highest priority as defined by the Transportation Commission. Counties may accumulate annual funding for a period of up to five (5) years for a specific project, with such funding to be held by the Transportation Commission to the credit of the county project. The Transportation Commission shall promulgate rules for the administration of the process and the development of criteria for determining the level of priority for projects and include such projects in a five-year construction plan that will be updated annually. Projects in the five-year construction plan shall be contracted as provided by law and awarded by the Transportation Commission.

C. The fund shall be invested in whatever instruments are authorized by law for investments by the State Treasurer and the interest earned by any investment of monies from the fund shall be credited to the fund which shall earn the same, if there is any unexpended balance of such fund to which to credit the interest. The interest credited herein shall be expended pursuant to this section.

SECTION 576. AMENDATORY 69 O.S. 2011, Section 636.3, is amended to read as follows:

Section 636.3 A. Counties shall enter into lease or lease-purchase contracts for road machinery and equipment pursuant to the provisions of Sections 636.1 through 636.7 of this title or pursuant to the provisions of Sections 1500 through 1505 of Title 19 of the Oklahoma Statutes and may not otherwise lease road machinery or equipment except in the case of an emergency, when specialized road machinery or equipment for projects of short durations is required for periods not to exceed thirty (30) days.

B. A county shall be eligible to enter into a lease or lease-purchase contract with the Department of Transportation for road machinery and equipment on a priority basis determined by the county funding classification designation during any fiscal year for the purchase of road machinery and equipment. The county funding classification designation shall be developed by the Department of Transportation and the Association of County Commissioners of

Oklahoma and approved by the Oklahoma Department of Transportation County Advisory Board. Upon approval by the Department of Transportation County Advisory Board, the funding classification designation shall be submitted to the Transportation Commission for final approval. The counties receiving the least appropriations per mile of road may receive the highest priority rating. A county may also enter into a full warranty lease contract for road machinery and equipment pursuant to the provisions of subsection F of this section. Nothing in Sections 636.1 through 636.7 of this title shall prohibit a county from purchasing road machinery and equipment if it has adequate funds appropriated during any fiscal year for such purpose.

C. Whenever a county desires to lease or lease-purchase road machinery and equipment with funds from the County Road Machinery and Equipment Revolving Fund, it shall notify the Department of Transportation of its requirements and specifications and shall provide a list of vendors from which bids will be requested for the lease or lease-purchase agreements.

D. Upon receiving such notification from a county, the Department shall be authorized to purchase requested road machinery or equipment for lease or lease-purchase to that county or may lease or lease-purchase surplus or used road machinery and equipment to a county provided such road machinery or equipment meets the requirements and specifications of the requesting county.

E. If there are no funds available in the County Road Machinery and Equipment Revolving Fund, the Department of Transportation, upon notification that a county desires to lease or lease-purchase road machinery or equipment, shall certify to the county that there are no funds available in the County Road Machinery and Equipment Revolving Fund for such purposes. The county may then request the Purchasing Director of the ~~Department of Central Services~~ Office of Management and Enterprise Services to solicit bids or request bids pursuant to the provisions of Section 1500 et seq. of Title 19 of the Oklahoma Statutes to lease or lease-purchase the requested road machinery or equipment.

F. When funds are available in the County Road Machinery and Equipment Revolving Fund the Department of Transportation shall, after receiving notification from a county desiring to lease or lease-purchase equipment, authorize the county to request bids pursuant to the provisions of this act and allocate funds equal to the estimated cost of the equipment or machinery requested. However, if the lowest and best bid received by the county exceeds the estimated purchase price of the equipment or machinery, the county shall pay any difference above the estimated purchase price if accepted. The county shall use the bid procedure provided for in Section 1500 et seq. of Title 19 of the Oklahoma Statutes. The county shall forward the lowest and best bid received to the

Department of Transportation which shall authorize the lease or lease-purchase of the equipment or machinery.

G. A county may enter into a full warranty lease contract for road machinery and equipment if the county has adequate funds appropriated during any fiscal year for such purpose. Whenever a county desires to enter into a full warranty lease contract for road machinery or equipment, the county must notify the State Auditor and Inspector of its intent and must provide the State Auditor and Inspector with its requirements and specifications along with the proper documentation to be advertised for bids. Upon receiving the notification and documentation from a county, the State Auditor and Inspector shall review the documentation and, upon approval, shall forward the documentation and specifications to the State Purchasing Division of the ~~Department of Central Services~~ Office of Management and Enterprise Services. The Purchasing Director of the ~~Department of Central Services~~ Office of Management and Enterprise Services shall solicit bids to lease the requested road machinery or equipment according to the documentation and specifications of the county as approved by the State Auditor and Inspector. The term of any full warranty lease contract authorized pursuant to this subsection may be for any period up to one (1) year, provided the term shall not extend beyond the end of any fiscal year, with an option to renew such lease subject to the requirement that adequate funds are appropriated during the fiscal year by the county for such

purpose. The State Auditor and Inspector shall prescribe the lease forms and other documentation necessary for implementing the provisions of this subsection.

H. Except as provided in subsection G of this section, the Department of Transportation shall promulgate such rules and regulations and is authorized to require from the counties such information, forms and reports as are necessary for properly and efficiently administering Sections 636.1 through 636.7 of this title.

SECTION 577. AMENDATORY 69 O.S. 2011, Section 687.2, is amended to read as follows:

Section 687.2 There is hereby created in the State Treasury a revolving fund for the State Treasurer to be designated the "Statewide Circuit Engineering District Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies received by the State Treasurer pursuant to the provisions of Section 227.3 of Title 74 of the Oklahoma Statutes and any other monies designated by law for deposit thereto. All monies accruing to the credit of the fund are hereby appropriated and may be budgeted and expended by the State Treasurer solely for the purpose of funding the statewide circuit engineering board organized pursuant to Section 687.1 of this title. The State Auditor and Inspector shall audit the Statewide Circuit Engineering District on a yearly basis, and the statewide circuit engineering

district board shall be responsible for the cost of the audit. Expenditures from the fund shall be made once each month upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 578. AMENDATORY 69 O.S. 2011, Section 687.3, is amended to read as follows:

Section 687.3 A. There is hereby created in the State Treasury a revolving fund to be designated the "Emergency and Transportation Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies received by any donations, deposits designated by law, or appropriations. All monies accruing to the credit of said fund are hereby appropriated and may be budgeted and expended by any qualified county or counties pursuant to subsection B of this section for the purpose of funding emergency or transportation projects of a county that are reimbursable. The fund shall be invested in whatever instruments are authorized by law for investments by the State Treasurer and the interest earned by any investment of monies from the fund shall be credited to the Statewide Circuit Engineering District Revolving Fund created pursuant to Section 687.2 of this title for expenditure as provided by law. Expenditures from the Emergency and Transportation Revolving Fund shall be made upon warrants issued by the State Treasurer against claims filed as

prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

B. The Statewide Circuit Engineering Board shall develop and adopt rules governing the application and qualification procedures for counties seeking funding pursuant to subsection A of this section. Such rules shall also specify criteria in determining reimbursable projects and the procedures for reimbursement of the fund upon completion of projects.

SECTION 579. AMENDATORY 69 O.S. 2011, Section 708.2, is amended to read as follows:

Section 708.2 A. The Department of Transportation and the Oklahoma Turnpike Authority shall each compile a list of all persons and entities interested in and capable of performing construction management and design consultant services specific to the transportation industry. The consultant list shall include, but shall not be limited to, qualified construction managers and design consultants capable of performing such services as solicited from the ~~Department of Central Services~~ Office of Management and Enterprise Services file on an annual basis. The Department and the Authority shall each determine the qualifications of the prospective construction managers and design consultants. The construction managers and design consultants shall be selected at the discretion of the Department or the Authority.

B. The Department or the Authority shall issue a solicitation to construction managers or design consultants capable of providing the services desired. The solicitation shall, at a minimum, contain:

1. A description and scope of the projects;

2. An estimated construction cost, anticipated starting date, and completion date the Department or the Authority desires for the project;

3. A certification of funds available for the construction manager or design consultant fee, including federal, state or other participation;

4. The closing date for construction manager or design consultant to give notice of interest; and

5. Additional data the Department or the Authority requires from the construction manager or design consultant. The closing date for submission of construction manager or design consultant notice of interest for consideration shall be within thirty (30) days of the date the notice is issued by the Department or the Authority.

C. The Department or the Authority shall review the qualifications of the entities on the consultant list and shall select no less than three and no more than five consultants per contract for further consideration. The review shall include consideration of the following information:

1. Professional qualifications for the type of work contemplated;

2. Capacity for completing the project in the specified time period;

3. Past performance on projects of a similar nature; and

4. Percentage of work to be performed by residents of Oklahoma.

D. The Department and the Authority shall each establish a committee which will evaluate the construction managers or design consultants selected for consideration and rank the construction managers or design consultants in order of preference.

E. The Department or the Authority shall enter into negotiations with the first-choice consultant. If the Department or Authority and the first-choice consultant cannot reach an agreement, their negotiations shall be terminated and negotiations with the second-choice consultant shall commence. If the Department or the Authority and the second-choice consultant cannot reach an agreement, their negotiations shall be terminated and negotiations with the third-choice consultant shall commence. If the Department or the Authority and the third-choice consultant cannot reach an agreement, then all negotiations shall be terminated. Should the Department or the Authority be unable to negotiate a satisfactory contract with any of the three selected consultants, the Department or the Authority shall reevaluate the proposed work and send out a new notice.

F. As provided for in the Transportation Commission rules or by Authority resolutions, the Department or the Authority shall perform a written evaluation of the services provided by the consultant. This evaluation shall become a part of the Department's and the Authority's consultant file. Failure of the consultant to perform the prescribed work in a timely and accurate manner shall be grounds for exclusion from the list of qualified construction managers or design consultants until such time as the consultant can reasonably document and demonstrate performance improvement to the satisfaction of the Department or the Authority.

G. As provided for in the Transportation Commission rules or by Authority resolutions, the Department or the Authority may enter into demand services contracts for consultant services to provide a specific project work type or activity for unspecified projects or facilities on an as-needed basis. When soliciting and securing such services, the Department and the Authority shall utilize the procedure as set forth in this section.

SECTION 580. AMENDATORY 69 O.S. 2011, Section 1001, is amended to read as follows:

Section 1001. A. The Transportation Commission shall have authority to sell any lands, or interest therein, which may have been acquired for highway purposes, or facilities necessary and incident thereto, and any equipment, materials or supplies which in the opinion of the Commission are no longer serviceable, useful or

necessary for the state highway system or the operation of the Department of Transportation. Such authority shall be subject at all times to the continuing right to the use of the lands by any entity operating a sewer, water or gas system, telephone or electrical services, and by public service corporations and rural electric and telephone cooperatives for the construction, reconstruction, maintenance, operation and repair of their facilities of service which may be upon the lands. However, any such land which was acquired by the Commission from a governmental subdivision as a gift, or for a nominal consideration, may be reconveyed to the governmental subdivision by the Commission, upon repayment by the governmental subdivision to the Commission of any consideration for the original conveyance.

B. Any surplus land which has been leased to a political subdivision by the Commission may be sold and conveyed to the political subdivision for the present fair market value as determined by a competent appraisal and the political subdivision may have credited toward the purchase price of any such property the lease payments which the political subdivision shall have previously made to the Commission.

C. Except as otherwise herein provided, the lands, materials, equipment and supplies shall be sold for cash to the highest and best bidder after notice by publication in a newspaper published in the county where the land is situated, or where the materials,

equipment or supplies are located, in two consecutive weekly issues of the newspaper.

D. 1. If the land originally comprised a partial taking leaving an abutting remainder, then prior to conducting such advertisement and solicitation of bids for the sale of any lands or interests therein, the Commission shall notify the person, firm or corporation which originally conveyed the property to the Commission or present successor to the original remainder that same has been declared surplus and is to be offered for sale. Such notice shall be sent by registered mail addressed to the last-known address of such person, firm or corporation, with return receipt requested. Such notice shall contain an offer to sell such property to such person, firm or corporation for an amount not greater than the amount for which the property was originally obtained by the Commission for a period of five (5) years from the original taking. Following the five-year period, the sale of such property may be offered at fair market value. The amount of the Commission's requested purchase price based on such appraisal shall be stated in the notice, and the person, firm or corporation receiving such notice and offer shall be informed therein that unless such person, firm or corporation notifies the Commission in writing within thirty (30) days from the date of receipt of the notice that the Commission's offer of sale is accepted by such person, firm or corporation, the Commission shall proceed to sell the property at

public auction as provided for in this section. After the expiration of thirty (30) days from the date of receipt of the notice by the person, firm or corporation to whom it is addressed, if such person, firm or corporation has not notified the Commission in writing of the acceptance of the Commission's offer of sale, the Commission shall proceed to sell such property by public auction and no attempt to accept the Commission's offer by such person, firm or corporation after the expiration of such thirty (30) days shall be honored by the Commission. However, such person, firm or corporation may submit a bid at the public auction of the property in the same manner as any other qualified bidder.

2. If the land to be disposed of originally comprised a total taking leaving no abutting remainder, then such shall be sold to the highest bidder, or as otherwise herein provided except that if the land to be disposed of originally comprised a total taking of less than one (1) acre leaving only one abutting property owner of record, then prior to conducting such advertisement and solicitation of bids for the sale of any such lands or interest therein, the Commission shall notify the sole abutting property owner of record to the taking that such has been declared surplus and is to be offered for sale. Such notice shall be sent by registered mail addressed to the last-known address of such person, firm or corporation, with return receipt requested. Such notice shall contain an offer to sell such property to such person, firm or

corporation subject to the same conditions as set forth in paragraph 1 of this subsection.

3. For the purposes of this section, the Commission shall not distinguish between persons from whom surplus lands or interest therein were acquired by negotiated sale or gift and persons from whom such property was acquired by condemnation proceedings.

E. The Commission may, in its discretion, exchange any such lands for other lands needed for highway purposes, or may lease or rent any lands which are owned by the Department, and are not immediately necessary for highway purposes, on such terms as the Commission determines for the best interests of the state.

F. When the ~~Oklahoma~~ Department of Transportation determines that any equipment or vehicle becomes excess, obsolete, antiquated, unused or otherwise surplus, the Department shall notify the ~~Department of Central Services~~ Office of Management and Enterprise Services in writing that such equipment or vehicle is surplus. The notice shall identify:

1. The type, brand or make, and country of manufacture of the equipment or vehicle;

2. The age of the equipment or vehicle including but not limited to mileage;

3. Whether the equipment or vehicle is in good working condition or not;

4. If the equipment or vehicle is not in good working condition, whether it is in repairable condition at reasonable cost;

5. Original cost of the equipment or vehicle; and

6. Present value of the equipment or vehicle, if known.

The ~~Department of Central Services~~ Office of Management and Enterprise Services, with any other notice of surplus property, shall notify the eligible individuals or entities as provided in subsection G of this section of the availability of the surplus property of the ~~Oklahoma~~ Department of Transportation.

G. Prior to any advertised public auction or advertised sealed bids to all individuals and entities eligible for participation in the surplus program, the Department, thirty (30) days prior to the advertised auction date, shall offer, at fair market value, the equipment or vehicles to the individuals or entities, in the following order of priority:

1. Other state agencies;

2. Political subdivisions of the state;

3. Rural fire departments located in this state; and

4. Rural water districts located in this state.

Any equipment or vehicles purchased pursuant to this subsection shall be made available to the purchaser on the date of purchase.

H. The Department is authorized to act on behalf of the Commission in transactions authorized pursuant to this section, except as may be otherwise provided by rule or regulation of the

Commission; and, all prior transactions of the Department which are otherwise in conformity with this section are deemed authorized and approved.

I. When the Department of Transportation determines that any road or bridge materials or supplies become excess, unused, or otherwise surplus, the Department shall make such road or bridge material or supplies available to all governmental entities eligible for participation in the surplus program. The Department may be reimbursed for any cost incurred in the recovery or storage of such road or bridge material or supplies. The governmental entity requesting the excess, unused, or otherwise surplus road or bridge materials or supplies shall retrieve such materials or supplies from the Department of Transportation within one hundred eighty (180) days from the completion of project for which the materials or supplies are declared excess or surplus.

The Department, upon request of a local government, may transfer surplus bridge beams to the local government for use in the construction or repair of public roadway bridges. The local government shall not sell the surplus beams. Prior to the transfer, the local government shall cause the surplus beams to be inspected by a registered professional engineer. The local government shall assume full responsibility for the cost of transporting the beams and for the use of the beams including, but not limited to, the proper removal and disposal of lead-based paint. The Department

shall retain the surplus beams for the requesting local government for a period not exceeding one hundred eighty (180) days, after which the Department may otherwise dispose of the surplus beams.

SECTION 581. AMENDATORY 69 O.S. 2011, Section 1507, is amended to read as follows:

Section 1507. The Department shall file budget estimates with the Director of ~~State Finance~~ the Office of Management and Enterprise Services in the manner prescribed and at the time required by law, for each fiscal year of the ensuing biennium following each regular session of the Legislature. Planning of road programs shall be on a fiscal year basis and shall show the estimated amount of revenue available to finance such budget from existing revenue laws.

SECTION 582. AMENDATORY 69 O.S. 2011, Section 1512, is amended to read as follows:

Section 1512. No obligation shall be incurred by the Department of Transportation against the State Highway Construction and Maintenance Fund during any fiscal year in excess of the total amount of monies accruing to said fund during such fiscal year. Construction contracts and purchase orders issued by the ~~State~~ Department of Transportation, setting forth the actual or estimated cost of construction as consideration for the cost of work to be done or services, supplies and equipment to be furnished, shall constitute obligations within the meaning of this act. Monthly,

bimonthly or weekly payrolls of the ~~State~~ Department of Transportation shall constitute current charges and shall become obligations against the State Highway Construction and Maintenance Fund at the time the payrolls are filed with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for payment.

SECTION 583. AMENDATORY 69 O.S. 2011, Section 1521, is amended to read as follows:

Section 1521. A. There is hereby created in the State Treasury a fund to be known as the "Rebuilding Oklahoma Access and Driver Safety Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all appropriations and transfers made by the Legislature. All monies accruing to the credit of the fund are hereby appropriated and may be budgeted and expended each fiscal year by the Department of Transportation for the purposes authorized by subsection G of this section. Expenditures from the fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

B. There shall be apportioned to the funds specified in this subsection from the monies that would otherwise be apportioned to the General Revenue Fund by Section 2352 of Title 68 of the Oklahoma Statutes from the revenues derived pursuant to subsections A, B and

E of Section 2355 of Title 68 of the Oklahoma Statutes amounts as follows:

1. For each fiscal year, subject to the provisions of paragraph 3 of this subsection, and, except for the amount prescribed by subparagraph a of this paragraph, subject to any reductions required by subsection F of this section, there shall be apportioned to the Rebuilding Oklahoma Access and Driver Safety Fund:

a. for the fiscal year beginning July 1, 2011, the first Thirty-five Million Seven Hundred Thousand Dollars ($35,700,000.00) and for the fiscal year beginning July 1, 2012, and for each fiscal year thereafter, the first Forty-one Million Seven Hundred Thousand Dollars ($41,700,000.00), which shall be allocated and used by the Department of Transportation first for the purpose of making any required payments for principal, interest or other costs of borrowing with respect to the obligations issued pursuant to Section 341 of Title 73 of the Oklahoma Statutes and after any such required payment has been made then for the purposes otherwise authorized by this section, plus

b. the total amount apportioned to the Rebuilding Oklahoma Access and Driver Safety Fund for the preceding fiscal year which, except for the amount prescribed by subparagraph a of this paragraph, shall

be apportioned before any other amount is apportioned pursuant to Section 2352 of Title 68 of the Oklahoma Statutes, plus

c. an additional incremental amount which shall not be in excess of the amount prescribed by subparagraph a of this paragraph and that is required in order for the total apportionment for such fiscal year to equal Four Hundred Thirty-five Million Dollars ($435,000,000.00), and

d. all amounts apportioned pursuant to this paragraph shall be divided into twelve equal amounts to be apportioned each month during the fiscal year except the amount specified in subparagraph a of this paragraph which amount shall be allocated in its full amount in cash not later than July 30 each year or such later date as may be required in order for the amount to be allocated in cash;

2. For each fiscal year after the apportionments required by paragraph 1 of this subsection have been made:

a. the next Two Million Dollars ($2,000,000.00) shall be apportioned to the Oklahoma Tourism and Passenger Rail Revolving Fund created pursuant to Section 325 of Title 66 of the Oklahoma Statutes to be used for

capital and operating costs for the "Heartland Flyer" rail project,

b. the next Three Million Dollars ($3,000,000.00) shall be apportioned to the Public Transit Revolving Fund created pursuant to Section 4031 of this title to be used for purposes authorized by law other than the purpose described by subparagraph a of this paragraph, and

c. all amounts apportioned pursuant to this paragraph shall be divided into twelve equal amounts to be apportioned each month during the fiscal year; and

3. For each fiscal year after the first fiscal year in which the total apportionment to the Rebuilding Oklahoma Access and Driver Safety Fund as provided by paragraph 1 of this subsection equals Four Hundred Thirty-five Million Dollars ($435,000,000.00), the first Four Hundred Thirty-five Million Dollars ($435,000,000.00) collected pursuant to subsections A, B and E of Section 2355 of Title 68 of the Oklahoma Statutes and apportioned pursuant to Section 2352 of Title 68 of the Oklahoma Statutes that would otherwise be apportioned to the General Revenue Fund shall be apportioned to the Rebuilding Oklahoma Access and Driver Safety Fund. With the exception of the amount prescribed by subparagraph a of paragraph 1 of this subsection, all amounts apportioned pursuant

to this paragraph shall be divided into twelve equal amounts to be apportioned each month during the fiscal year.

C. The apportionments of revenues required by subparagraphs a, b and c of paragraph 1 of subsection B of this section shall be made until the total annual apportionment to the Rebuilding Oklahoma Access and Driver Safety Fund equals Four Hundred Thirty-five Million Dollars ($435,000,000.00). After such annual apportionment level is reached, the apportionment to the fund shall be governed by the provisions of paragraph 3 of subsection B of this section.

D. The monies apportioned to the Rebuilding Oklahoma Access and Driver Safety Fund shall not be used to supplant or replace existing state funds used for transportation purposes.

E. In order to ensure that the funds from the ROADS Fund are used to enhance and not supplant state funding for the Department of Transportation, the State Board of Equalization shall examine and investigate expenditures from the fund each year. For purposes of this examination, monies used to retire outstanding debt obligations for which the Department of Transportation is responsible shall be excluded. At the meeting of the State Board of Equalization held within five (5) days after the monthly apportionment in February of each year, the State Board of Equalization shall issue a finding and report which shall state whether expenditures from the ROADS Fund were used to enhance or supplant state funding for the Department of Transportation. If the State Board of Equalization finds that state

funding for the Department of Transportation was supplanted by funds from the ROADS Fund, the Board shall specify the amount by which such funding was supplanted. In this event, the Legislature shall not make any appropriations for the ensuing fiscal year until an appropriation in that amount is made to replenish state funding for the Department of Transportation.

F. In the event that the Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services declares a General Revenue Fund revenue failure pursuant to Section ~~41.9~~ 34.49 of Title 62 of the Oklahoma Statutes, and agency allocations are reduced pursuant to the provisions of Section ~~41.9~~ 34.49 of Title 62 of the Oklahoma Statutes, the amounts that would otherwise be apportioned to the ROADS Fund by:

1. Subparagraph a of paragraph 1 of subsection B of this section, only to the extent that the amount is not required for debt service related to the obligations authorized pursuant to Section 341 of Title 73 of the Oklahoma Statutes;

2. Subparagraphs b and c of paragraph 1 of subsection B of this section; and

3. Subparagraphs a and b of paragraph 2 of subsection B of this section,

shall be reduced by a percentage equal to that required of the General Revenue Fund appropriations to state agencies and such reductions shall occur during the entire fiscal year and for any

month during which such reductions are required by the ~~Office of State Finance~~ Office of Management and Enterprise Services and by the same percentage as that required of the agencies for such General Revenue Fund appropriations.

G. The Department of Transportation shall use the monies in the Rebuilding Oklahoma Access and Driver Safety Fund for:

1. The construction and maintenance of state roads, bridges and highways;

2. The direct expenses of operating and maintaining the state highway system, including bridges;

3. Direct expenses incurred in constructing, repairing, and maintaining state highways, farm-to-market roads, county highways and bridges as authorized by law;

4. Matching federal funds;

5. The purchase of materials, tools, machinery, motor vehicles, and equipment necessary or convenient for the construction and maintenance of the state highway system and bridges;

6. Debt service incurred prior to January 1, 2006, for Capital Improvement Program bonds sold pursuant to Section 2001 of this title; and

7. Debt service incurred on or after July 1, 2009, with respect to obligations authorized to be issued pursuant to Section 341 of Title 73 of the Oklahoma Statutes.

H. From the monies allocated pursuant to the provisions of subparagraph a of paragraph 1 of subsection B of this section each fiscal year, the Department of Transportation shall make payments required for the payment of principal, interest and other costs related to the obligations issued by the Oklahoma Capitol Improvement Authority as authorized by Section 341 of Title 73 of the Oklahoma Statutes and such payments shall be made by the Department each fiscal year before such monies are used for any other purpose.

SECTION 584. AMENDATORY 69 O.S. 2011, Section 1736, is amended to read as follows:

Section 1736. There is hereby created in the State Treasury a revolving fund for the Oklahoma Turnpike Authority to be designated the "Honor the Fallen Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies deposited to the credit of the fund by law. All monies accruing to the credit of the fund are hereby appropriated and may be budgeted and expended by the Oklahoma Turnpike Authority for the purpose of repaying turnpike tolls for the funeral procession of any member of the United States Armed Forces, including the National Guard or Armed Forces Reserve, who is either killed in the line of duty in a combat zone or dies of wounds inflicted in a combat zone and who, at the time of death, was a resident of this state. Expenditures from the fund shall be made

upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 585. AMENDATORY 69 O.S. 2011, Section 1963, is amended to read as follows:

Section 1963. There is hereby created in the State Treasury a revolving fund to be designated the "Highway Construction Materials Technician Certification Board Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies received by the Board for deposit in the fund. All monies accruing to the credit of the fund are hereby appropriated and may be budgeted and expended by the Board for the purpose of conducting training and examination and the execution of the powers and duties of the Board as set forth in this act. Expenditures from the fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 586. AMENDATORY 69 O.S. 2011, Section 4031, is amended to read as follows:

Section 4031. There is hereby created in the State Treasury a revolving fund for the ~~Oklahoma~~ Department of Transportation, to be designated the "Public Transit Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall

consist of all monies received by the Department for deposit in the fund. All monies accruing to the credit of said fund are hereby appropriated and may be budgeted and expended by the Department for the purpose of establishing, expanding, improving, and maintaining rural and urban public mass transportation services. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 587. AMENDATORY 70 O.S. 2011, Section 1-123, is amended to read as follows:

Section 1-123. A. There is hereby created in the State Treasury a revolving fund for the State Board of Education to be designated the "Public School Classroom Support Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies received by the State Board of Education from the state income tax checkoff as provided for in Section ~~1~~ 1-122 of this ~~act~~ title, any state-appropriated funds, federal funds, donations, grants, contributions, and gifts from any public or private source. All monies accruing to the credit of the fund are hereby appropriated and may be budgeted and expended by the State Board of Education for the purposes of providing grants to public school classroom teachers as provided for in subsection B of this section. Expenditures from the fund shall

be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services for approval and payment.

B. Contingent upon the amount of funds available in the Public School Classroom Support Revolving Fund, the State Board of Education shall award one or more grants annually to classroom teachers. The grants shall be used by the classroom teacher for supplies, materials, or equipment for the class or classes taught by the teacher. The Board shall determine the criteria for and establish a process for the submission of grants applications. The applications shall be considered on a statewide competitive basis. The Board shall promulgate rules for the implementation of the grants issued pursuant to this section.

SECTION 588. AMENDATORY 70 O.S. 2011, Section 3-109, is amended to read as follows:

Section 3-109. There is hereby created in the State Treasury a revolving fund for the State Board of Education, to be designated the "Curriculum Materials Revolving Fund". The fund shall consist of curriculum guides fees paid to the Board pursuant to law. The revolving fund shall be a continuing fund not subject to fiscal year limitations and shall be under the control and management of the administrative authority of the State Board of Education. Expenditures from said fund shall be made for the purpose of

maintaining the curriculum guides process and for any other purpose as designated by the Legislature. Warrants for expenditure shall be drawn by the State Treasurer on claims by an authorized employee of the State Board of Education and approved by the Director of ~~State Finance~~ the Office of Management and Enterprise Services.

SECTION 589. AMENDATORY 70 O.S. 2011, Section 3-110, is amended to read as follows:

Section 3-110. There is hereby created in the State Treasury a revolving fund for the State Board of Education, to be designated the "Adult Education Revolving Fund". The fund shall consist of fees paid to the Board for the scoring of the writing component portion of the General Education Development test as administered by the Board pursuant to law. The revolving fund shall be a continuing fund, not subject to fiscal year limitations, and shall be under the control and management of the administrative authority of the State Board of Education. Expenditures from said fund shall be made to maintain the General Education Development testing process and for the scoring of the writing component of said test. Warrants for expenditure shall be drawn by the State Treasurer on claims by an authorized employee of the State Board of Education and approved by the Director of ~~State Finance~~ the Office of Management and Enterprise Services.

SECTION 590. AMENDATORY 70 O.S. 2011, Section 3-117, is amended to read as follows:

Section 3-117. There is hereby created the Office of Accountability. The Oklahoma State Regents for Higher Education are hereby directed to support the Office of Accountability from the budget of the State Regents. The State Regents shall include the Office of Accountability in its budget work program to be submitted each fiscal year for the succeeding fiscal year to the ~~Office of State Finance~~ Office of Management and Enterprise Services. Each year the Education Oversight Board shall submit a program budget for the Office of Accountability to the State Regents. Any amendments to the Office of Accountability program budget must first be approved by the Education Oversight Board. The Office of Accountability, its personnel, budget, and expenditure of funds shall be solely under the direction of the Education Oversight Board.

SECTION 591. AMENDATORY 70 O.S. 2011, Section 3-118, is amended to read as follows:

Section 3-118. The Secretary of Education shall:

1. Oversee the Office of Accountability;

2. Employ necessary personnel according to procedures established for the employment of personnel by the ~~Office of Personnel Management~~ Office of Management and Enterprise Services;

3. Monitor the efforts of the public school districts to comply with the provisions of this act and of Senate Bill No. 183 of the

1st Session of the 42nd Oklahoma Legislature which relate to common education;

4. Identify districts not making satisfactory progress toward compliance with said provisions and recommend appropriate corrective actions to the State Board of Education concerning each district so identified;

5. Have executive responsibility for the Oklahoma Educational Indicators Program and the annual report required pursuant to Section 1210.531 of this title;

6. Review and make periodic public comment on the progress and effectiveness of the State Board and State Department of Education, the Office of the State Superintendent of Public Instruction, other bodies created by this act, and the public schools of this state concerning the implementation of the provisions of this act and of Enrolled Senate Bill No. 183 of the 1st Session of the 42nd Oklahoma Legislature which relate to common education;

7. Analyze the revenues for all systems of education and the expenditure of common education revenue, giving close attention to expenditures for administrative expenses relating to the common schools;

8. Make reports to the public concerning these matters whenever appropriate; and

9. Submit recommendations regarding funding for education or statutory changes to the Speaker of the House of Representatives,

the President Pro Tempore of the Senate and the Governor whenever appropriate.

SECTION 592. AMENDATORY 70 O.S. 2011, Section 3-163, is amended to read as follows:

Section 3-163. A. There is hereby created to continue until July 1, 2015, in accordance with the provisions of the Oklahoma Sunset Law, the P-20 Data Coordinating Council.

B. The Council shall be composed of members as follows:

1. One member who shall serve as chair of the Council, appointed by the Governor, and confirmed by the Senate;

2. The Chancellor of Higher Education, or designee;

3. The State Superintendent of Public Instruction, or designee;

4. The Director of the Oklahoma State Department of Career and Technical Education, or designee;

5. A member of the Senate, appointed by the President Pro Tempore of the Senate;

6. A member of the House of Representatives, appointed by the Speaker of the House of Representatives;

7. A staff member of the ~~Office of State Finance~~ Office of Management and Enterprise Services, appointed by the Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services;

8. The Chief Information Officer, if such position is created through enactment of legislation;

9. The Executive Director of the Oklahoma Employment Security Commission, or designee;

10. The Director of the Office of Accountability, or designee;

11. A representative of a statewide business organization, appointed by the Governor;

12. A representative of a statewide organization representing public school superintendents, appointed by the Governor; and

13. A representative of a statewide organization representing public school teachers, appointed by the Governor.

C. Appointments to the Council shall be made by July 1, 2009. Meetings of the Council shall be held at least quarterly at the call of the chair. Members shall serve at the pleasure of their appointing authorities. A majority of the members of the Council shall constitute a quorum to transact business, but no vacancy shall impair the right of the remaining members to exercise all of the powers of the Council. A vacancy on the Council shall be filled by the original appointing authority. The ~~Office of State Finance~~ Office of Management and Enterprise Services, the State Department of Education, Oklahoma Department of Career and Technology Education, and the Oklahoma State Regents for Higher Education shall provide staff, support and information as requested by the Council.

D. Members of the Council shall receive no compensation for serving on the Council, but shall receive travel reimbursement as follows:

1. State employees who are members of the Council shall be reimbursed for travel expenses incurred in the performance of their duties by their respective agencies in accordance with the State Travel Reimbursement Act;

2. Legislative members shall be reimbursed in accordance with Section 456 of Title 74 of the Oklahoma Statutes; and

3. All other members of the Council shall be reimbursed by the ~~Office of State Finance~~ Office of Management and Enterprise Services for travel expenses incurred in the performance of their duties in accordance with the State Travel Reimbursement Act.

E. The Council shall advise the State Department of Education, the State Regents for Higher Education, the Department of Career and Technology Education, the Office of Accountability, the Oklahoma Employment Security Commission, the Legislature, and the Governor on coordination of the creation of a unified, longitudinal student data system to provide interoperability and efficient and effective storage, use and sharing of data among the State Department of Education, Oklahoma Department of Career and Technology Education, Oklahoma State Regents for Higher Education, Legislature, other policymakers and executive agencies, and the general public.

F. The Council shall act in accordance with the provisions of the Oklahoma Open Meeting Act and the Oklahoma Open Records Act.

G. By October 31, 2009, the P-20 Data Coordinating Council shall complete an assessment of the current status of student data

systems in place by the State Department of Education, Oklahoma Department of Career and Technology Education, and Oklahoma State Regents for Higher Education. The P-20 Data Coordinating Council may contract with a private consultant or consultants to assist in the assessment, contingent upon the availability of funding. The Council is hereby authorized to utilize any funds received including, but not limited to, any state or federal funds, grants, or private donations.

H. By December 31, 2009, the Chair of the P-20 Data Coordinating Council shall notify in writing the agencies set forth in ~~paragraph~~ subsection G of this ~~subsection~~ section of any actions necessary for each agency to take to enable the move to a unified data system and shall recommend any statutory changes necessary to the Legislature and the Governor. The data system established shall include the elements described in section 6401(e)(2)(D) of the America COMPETES Act (20 U.S.C. 9871(e)(2)(D)).

I. For the purposes of this act, a "unified data system" shall connect essential data elements relating to student level course work and course grades. The system shall facilitate the transfer of data across systems and among interested parties to address questions that cut across levels of the educational system and agencies. The unified data system shall facilitate the addition of data elements relating to testing, instruction and other performance and demographic data. The unified data system shall be accessible

to a wide range of stakeholders and serve a variety of purposes, including improving teaching and learning, informing public policy, fostering a culture of evidence-based decision making, conducting research, evaluating system and program effectiveness, and providing reports to various stakeholder groups.

SECTION 593. AMENDATORY 70 O.S. 2011, Section 3-164, is amended to read as follows:

Section 3-164. There is hereby created in the State Treasury a revolving fund for the P-20 Data Coordinating Council to be designated the "P-20 Data Coordinating Council Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies received by the P-20 Data Coordinating Council from state or federal funds, grants, and private donations. All monies accruing to the credit of the fund are hereby appropriated and may be budgeted and expended by the P-20 Data Coordinating Council for the purpose of providing financial support to the Council, including salary and benefits of the P-20 Data Officer and other necessary expenditures. Expenditures from the fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 594. AMENDATORY 70 O.S. 2011, Section 3-165, is amended to read as follows:

Section 3-165. A. There is hereby created to continue until July 1, 2015, in accordance with the provisions of the Oklahoma Sunset Law, the Educational Quality and Accountability Board.

B. The membership of the Board shall consist of:

1. The Secretary of Education, who shall serve as Chair of the Board. If there is a vacancy in the office of Secretary of Education, or if the individual appointed as Secretary of Education is concurrently the Superintendent of Public Instruction, the Governor shall appoint a replacement member to serve as Chair of the Board in lieu of the Secretary of Education;

2. The Chair of the P-20 Data Coordinating Council appointed by the Governor pursuant to Section ~~2~~ 3-163 of this ~~act~~ title, who shall serve as Vice Chair of the Board;

3. The Chair of the Governor's Council for Workforce and Economic Development;

4. A chief executive officer of a company in this state, appointed by the Governor;

5. An individual with primary responsibility for information technology for a company with a minimum of five hundred (500) employees in this state, appointed by the Governor;

6. The Vice Chancellor of Academic Affairs for the Oklahoma State Regents for Higher Education, appointed by the Chancellor of Higher Education;

7. A president of a regional or comprehensive university within The Oklahoma State System of Higher Education, appointed by the Chancellor of Higher Education;

8. A teacher of a public school district, appointed by the Speaker of the House of Representatives;

9. A principal of a public school district, appointed by the Speaker of the House of Representatives;

10. A superintendent of a public school district, appointed by the President Pro Tempore of the Senate; and

11. A representative of a statewide parent-teacher organization, appointed by the President Pro Tempore of the Senate.

C. Initial appointments pursuant to the provisions of this section shall be made no later than July 1, 2009. Vacancies shall be filled by the original appointing authority.

D. A quorum which shall consist of six members must be present for the transaction of any business. The Board shall hold meetings at least on a quarterly basis. Members shall be reimbursed for travel in the performance of their official duties in accordance with the State Travel Reimbursement Act.

E. The Board shall:

1. Review all functions related to the determination of adequate yearly progress as required under the Elementary and Secondary Education Act, P.L. No. 107-110;

2. Review processes for selection and approval of contracts and bid specifications for contracts by the State Department of Education with vendors for administration of testing and approval of test specifications and test blueprints necessary for the administration of the Oklahoma School Testing Program Act;

3. Review all tests administered by the State Department of Education and make recommendations to realign, recalibrate and improve the tests with a particular emphasis on grades three through eight and End-of-Instruction (EOI) tests;

4. Review processes for the establishment of cut scores for the Oklahoma School Testing Program Act;

5. Study the process by which student performance levels and the corresponding cut scores pursuant to the Oklahoma School Testing Program Act are determined and adopted, including the timing of cut score adoption;

6. Study the feasibility of ensuring that the cut scores are tied to the rigor of the tests and the rate and method by which scheduled increases in cut scores shall occur, including any link to national assessments;

7. Serve as an independent auditing entity for the purpose of evaluating the systems and processes by which the Oklahoma School Testing Program Act is implemented, ascertaining the validity and reliability of information or the deficiencies thereof; and

8. Make recommendations to the Legislature and the Governor on the Board's findings.

F. The Educational Quality and Accountability Board may seek the assistance of the Legislative Service Bureau to contract with an independent consultant as necessary to conduct the audit specified in paragraph 7 of subsection E of this section, contingent on the availability of funds.

G. Staff support for the Board will be provided by the Staff of the House of Representatives, Senate, ~~Office of State Finance~~ Office of Management and Enterprise Services and Legislative Service Bureau.

H. Members who serve on the Educational Quality and Accountability Board shall be exempt from the dual office holding prohibitions of Section 6 of Title 51 of the Oklahoma Statutes.

SECTION 595. AMENDATORY 70 O.S. 2011, Section 3-166, is amended to read as follows:

Section 3-166. There is hereby created in the State Treasury a revolving fund for the Educational Quality and Accountability Board to be designated the "Educational Quality and Accountability Board Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies received by the Educational Quality and Accountability Board from state or federal funds, grants, and private donations. All monies accruing to the credit of the fund are hereby appropriated and may be

budgeted and expended by the Educational Quality and Accountability Board for the purpose of providing financial support to the Board in order to fulfill the duties as set forth in Section ~~5~~ 3-165 of this ~~act~~ title. Expenditures from the fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 596. AMENDATORY 70 O.S. 2011, Section 3-173, is amended to read as follows:

Section 3-173. A. There is hereby created to continue until July 1, 2014, in accordance with the provisions of the Oklahoma Sunset Law, the Oklahoma Advisory Council on Indian Education.

B. The Council shall:

1. Make recommendations to the State Board of Education and the Superintendent of Public Instruction in educational matters affecting the education of Native American students;

2. Promote educational opportunities and improvement of the quality of education provided to Native American students throughout the state;

3. Advocate for Native American students in the state; and

4. Monitor and evaluate how the public education system of the state impacts Native American students.

C. The Council shall be composed of eighteen (18) members as follows:

1. Five members who shall each represent an Indian tribe in the state, of which at least one shall represent an Indian tribe which has an enrollment of less than ten thousand (10,000) members who reside in the state, appointed by the Governor from a list of nominations submitted by the different Indian tribes in the state;

2. Four members who shall each represent the tribal education departments of an Indian tribe in the state, appointed by the Governor from a list of nominations submitted by the different Indian tribes in the state;

3. One member who shall represent the Oklahoma Council on Indian Education, appointed by the Governor;

4. Two members who shall represent two different statewide organizations representing public school teachers, appointed by the President Pro Tempore of the Senate;

5. One member who shall represent a statewide organization representing public school superintendents appointed by the Speaker of the House of Representatives;

6. One member who shall represent Oklahoma tribal colleges, appointed by the Chancellor of Higher Education;

7. The Director of the Native American Cultural and Educational Authority, or designee;

8. The Chancellor of Higher Education, or designee;

9. The Director of the Oklahoma Department of Career and Technology Education, or designee; and

10. The Superintendent of Public Instruction, or designee.

D. Appointments to the Council shall be made by September 1, 2010. The first meeting of the Council shall be called by the Superintendent of Public Instruction. At the first meeting, the members of the Council shall elect a chair and vice-chair from among the members. Meetings of the Council shall be held at least quarterly at the call of the chair. Members shall serve at the pleasure of their appointing authorities. A majority of the members of the Council shall constitute a quorum to transact business, but no vacancy shall impair the right of the remaining members to exercise all of the powers of the Council. A vacancy on the Council shall be filled by the original appointing authority. The State Department of Education, Oklahoma Department of Career and Technology Education, and the Oklahoma State Regents for Higher Education shall provide staff, support and information as requested by the Council.

E. Members of the Council shall receive no compensation for serving on the Council, but shall receive travel reimbursement as follows:

1. State employees who are members of the Council shall be reimbursed for travel expenses incurred in the performance of their duties by their respective agencies in accordance with the State Travel Reimbursement Act; and

2. All other members of the Council shall be reimbursed by the ~~Office of State Finance~~ Office of Management and Enterprise Services for travel expenses incurred in the performance of their duties in accordance with the State Travel Reimbursement Act.

F. The Council shall act in accordance with the provisions of the Oklahoma Open Meeting Act and the Oklahoma Open Records Act.

G. Members who serve on the Council shall be exempt from the dual-office-holding prohibitions of Section 6 of Title 51 of the Oklahoma Statutes.

H. The Council shall have the following duties:

1. Identify strategies for developing an efficient and reliable process of communications between Oklahoma education entities, educators, tribal organizations and other interested parties;

2. Identify and disseminate research-based, measurable criteria, both behavioral and academic, by which the success and efficacy of the education offered to Native American students in Oklahoma may be measured;

3. Analyze data to ensure that education agencies in Oklahoma continue to address the education needs of Native American students;

4. Encourage and promote Native American educational leadership at all levels of the education system; and

5. Make recommendations to the State Board of Education for programs that will help achieve the purposes of the Oklahoma Advisory Council on Indian Education Act.

I. The Council shall evaluate and make an annual report on the effectiveness of the public education system in Oklahoma in meeting the needs of Native American students in Oklahoma. The report shall be submitted to the State Board of Education. The report shall also contain a summary of the findings made by the Council pursuant to subsection H of this section, a summary of all data collected by the Council, a summary of the means by which all data was collected by the Council, and any other information deemed necessary by the Council.

SECTION 597. AMENDATORY 70 O.S. 2011, Section 5-117a, is amended to read as follows:

Section 5-117a. A. Any board of education for a school district may require each bidder for a school district contract for supplies, equipment or materials to provide information as to the manufacturer and country of origin of any supplies, equipment or materials for the school district as specified by labels attached to the supplies, equipment or materials where such identification is required by federal or state law.

B. Any school district contract for the purchase of supplies, equipment or materials may require the contractor to obtain from all of his subcontractors information as to the manufacturer and country or countries of origin of any such supplies, equipment or materials provided to the school district as specified by labels attached to

the supplies, equipment or materials where such identification is required by federal or state law.

C. The provisions of this section shall not apply to:

1. Component parts or accessories; or

2. The purchase of supplies, equipment or material by any board of education, if such purchase is made through an open market contract or a statewide contract executed by the ~~Department of Central Services~~ Office of Management and Enterprise Services.

SECTION 598. AMENDATORY 70 O.S. 2011, Section 6-191, is amended to read as follows:

Section 6-191. Until July 1, 1998, there is created in the State Treasury a revolving fund for the State Board of Education, to be designated the "Teachers' Curriculum Examination Revolving Fund". The fund shall consist of curriculum examination fees paid to the Board pursuant to statutory authority. The revolving fund shall be a continuing fund not subject to fiscal year limitations and shall be under the control and management of the administrative authority of the State Board of Education. Expenditures from said fund shall be made to maintain the curriculum examination process as set out in this act. Warrants for expenditure shall be drawn by the State Treasurer on claims signed by an authorized employee or employees of the State Board of Education and approved by the Director of ~~State Finance~~ the Office of Management and Enterprise Services.

On July 1, 1997, the State Board of Education shall transfer any unencumbered funds in the Teachers' Curriculum Examination Revolving Fund to the Teachers' Competency Examination Revolving Fund. Any funds which are unexpended on January 1, 1998, shall be transferred to the Teachers' Competency Examination Revolving Fund. On July 1, 1997, there shall be created in the State Treasury a revolving fund for the Oklahoma Commission for Teacher Preparation, to be designated the "Teachers' Competency Examination Revolving Fund". The fund shall consist of all monies received by the Commission from competency examination fees paid pursuant to statutory authority. The revolving fund shall be a continuing fund not subject to fiscal year limitations and shall be under the control and management of the administrative authority of the Oklahoma Commission for Teacher Preparation. Expenditures from said fund shall be made to maintain the competency examination process set out in the Oklahoma Teacher Preparation Act. Warrants for expenditure shall be drawn by the State Treasurer on claims signed by an authorized employee or employees of the Oklahoma Commission for Teacher Preparation and approved by the Director of ~~State Finance~~ the Office of Management and Enterprise Services.

SECTION 599. AMENDATORY 70 O.S. 2011, Section 6-201, is amended to read as follows:

Section 6-201. Effective for the 1998 fiscal year, the State Board of Education, the Oklahoma State Regents for Higher Education,

the State Board of Career and Technology Education and the Oklahoma Commission for Teacher Preparation shall annually prepare a joint funding plan for submission by September 1 of each year to the ~~Office of State Finance~~ Office of Management and Enterprise Services and the Legislature which reflects the estimated state costs for the fiscal year of the entire teacher education, assessment, licensure and certification, residency and professional development system. The plan shall provide for the utilization of all financial resources from federal, state, local, and private sources and shall provide for the coordination of those resources to fund any related services. The individual components of the plan, as they relate to individual agencies, shall be incorporated annually into each affected agency's budget request in accordance with the provisions of Section ~~41.29~~ 34.36 of Title 62 of the Oklahoma Statutes.

SECTION 600. AMENDATORY 70 O.S. 2011, Section 6-204.3, is amended to read as follows:

Section 6-204.3 There is hereby created in the State Treasury a revolving fund for the Oklahoma Commission for Teacher Preparation to be designated the "Education Leadership Oklahoma Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies appropriated or transferred to the fund by the Legislature. All monies accruing to the credit of the fund are hereby appropriated and may be budgeted and expended by the Oklahoma Commission for Teacher Preparation to

provide assistance and scholarships for candidates seeking National Board certification. Expenditures from the fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 601. AMENDATORY 70 O.S. 2011, Section 6-204.4, is amended to read as follows:

Section 6-204.4 There is hereby created in the State Treasury a revolving fund for the State Board of Education to be designated the "Oklahoma National Board Certification Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies appropriated or transferred to the fund by the Legislature. All monies accruing to the credit of the fund are hereby appropriated and may be budgeted and expended by the State Board of Education to provide an annual bonus for those teachers possessing National Board certification. Expenditures from the fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment. The State Board of Education shall transfer all funds deposited into the Oklahoma National Board Certification Revolving Fund for the fiscal year ending June 30, 1998, to the Education Leadership Oklahoma Revolving Fund, created in Section 6-

204.3 of this title, less expenditures and encumbrances as adjusted by transfer on July 1, 1998.

SECTION 602. AMENDATORY 70 O.S. 2011, Section 6-204.5, is amended to read as follows:

Section 6-204.5 There is hereby created in the State Treasury a revolving fund for the Oklahoma Commission for Teacher Preparation to be designated the "Professional Development Institutes Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies appropriated or transferred to the fund by the Legislature. All monies accruing to the credit of the fund are hereby appropriated and may be budgeted and expended by the Oklahoma Commission for Teacher Preparation to develop and administer professional development programs for teachers and administrators and training for residency committee members. Expenditures shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 603. AMENDATORY 70 O.S. 2011, Section 6-206.1, is amended to read as follows:

Section 6-206.1 There is hereby created in the State Treasury a revolving fund for the State Board of Education to be designated the "Oklahoma School Psychologist, Speech-Language Pathologist, and Audiologist National Certification Revolving Fund". The fund shall

be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies appropriated or transferred to the fund by the Legislature. All monies accruing to the credit of the fund are hereby appropriated and may be budgeted and expended by the State Board of Education to provide an annual bonus for individuals meeting the requirements of Section ~~1~~ 6-206 of this ~~act~~ title. Expenditures from the fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 604. AMENDATORY 70 O.S. 2011, Section 13-114.1, is amended to read as follows:

Section 13-114.1 There is hereby created in the State Treasury a revolving fund for the State Board of Education to be designated the "Oklahoma Special Education Assistance Fund". The fund shall be a continuing fund not subject to fiscal year limitations, and shall consist of all monies appropriated or transferred to the fund by the Legislature. Except as otherwise provided in this section, all monies accruing to the credit of said fund are hereby appropriated and may be budgeted and expended by the State Board of Education for the purpose of providing financial assistance to local school districts pursuant to Sections 13-114.2 through 13-114.4 of this title. For the 1992-93 school year, monies may be expended from this fund for the local and state-supported financial support of

public schools. Expenditures from said fund shall be made on warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 605. AMENDATORY 70 O.S. 2011, Section 13-124.1, is amended to read as follows:

Section 13-124.1 There is hereby created in the State Treasury a revolving fund for the State Department of Education to be designated the "Oklahoma Early Intervention Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of those monies appropriated to the fund by law or deposited in the fund pursuant to direction or authorization by the joint funding plan required in Section 13-124 of this title. All monies accruing to the credit of said fund are hereby appropriated and may be budgeted and expended by the State Department of Education for the purpose of providing early intervention services to children with disabilities in accordance with Part H of the Individuals with Disabilities Education Act (IDEA) and the Oklahoma Early Intervention Act. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 606. AMENDATORY 70 O.S. 2011, Section 17-106, is amended to read as follows:

Section 17-106. (1) The general administration and responsibility for the proper operation of the retirement system and for making effective the provisions of the act are hereby vested in a Board of Trustees which shall be known as the Board of Trustees and shall be organized immediately after a majority of the trustees provided for in this section shall have qualified and taken the oath of office.

(2) The Board shall consist of the following members:

(a) The State Superintendent of Public Instruction, ex officio or a designee.

(b) The Director of ~~State Finance~~ the Office of Management and Enterprise Services, ex officio or a designee.

(c) The Director of the Oklahoma Department of Career and Technology Education, ex officio, or his or her designee.

(d) One member appointed by the Governor whose initial term of office shall expire on January 14, 1991. The members thereafter appointed by the Governor shall serve a term of office of four (4) years which is coterminous with the term of office of the office of the appointing authority.

(e) Two members shall be appointed by the Governor of the State of Oklahoma and approved by the Senate. The two members shall be:

1. a representative of a school of higher education in Oklahoma

whose term of office shall initially be one (1) year, and 2. a member of the System of the nonclassified optional personnel status whose initial term of office shall be two (2) years. After the initial terms of office the terms of the members shall be four (4) years.

(f) Upon the expiration of the term of office of the stockbroker member of the Board, the Governor shall appoint a member to the Board whose initial term of office shall expire on January 14, 1991. The members thereafter appointed by the Governor shall serve a term of office of four (4) years which is coterminous with the term of office of the office of the appointing authority.

(g) Upon the expiration of the term of office of the representative of the insurance industry member of the Board, the Governor shall appoint a member to the Board whose initial term of office shall expire on January 14, 1991. The members thereafter appointed by the Governor shall serve a term of office of four (4) years which is coterminous with the term of office of the office of the appointing authority.

(h) Upon the expiration of the term of office of the investment counselor member of the Board, the Governor shall appoint a member to the Board whose initial term of office shall expire on January 14, 1991. The members thereafter appointed by the Governor shall serve a term of office of four (4) years which is coterminous with the term of office of the office of the appointing authority.

(i) Upon the expiration of the term of office of the active classroom teacher member of the Board, the President Pro Tempore of the Senate shall appoint a member to the Board, who shall be an active classroom teacher and whose initial term of office shall expire on January 8, 1991. The members thereafter appointed by the President Pro Tempore of the Senate shall serve a term of office of four (4) years.

(j) Upon the expiration of the term of office of the retired classroom teacher member of the Board, the Speaker of the House of Representatives shall appoint a member to the Board, who shall be a retired member of the System and whose initial term of office shall expire on January 8, 1991. The members thereafter appointed by the Speaker of the House of Representatives shall serve a term of office of four (4) years.

(k) The Speaker of the House of Representatives shall appoint a member to the Board, who shall be an active classroom teacher and whose initial term of office shall expire on January 3, 1989. The members thereafter appointed by the Speaker of the House of Representatives shall serve a term of office of four (4) years.

(l) The President Pro Tempore of the Senate shall appoint a member to the Board, who shall be a retired member of the System and whose initial term of office shall expire on January 3, 1989. The members thereafter appointed by the President Pro Tempore of the Senate shall serve a term of office of four (4) years.

(3) Persons who are appointed to the Board of Trustees by the Governor pursuant to paragraphs (d), (f), (g) and (h) of subsection (2) of this section shall:

(a) have demonstrated professional experience in investment or funds management, public funds management, public or private pension fund management or retirement system management; or

(b) have demonstrated experience in the banking profession and have demonstrated professional experience in investment or funds management; or

(c) be licensed to practice law in this state and have demonstrated professional experience in commercial matters; or

(d) be licensed by the Oklahoma ~~State Board of Public Accountancy~~ Board to practice in this state as a public accountant or a certified public accountant.

The appointing authorities, in making appointments that conform to the requirements of this subsection, shall give due consideration to balancing the appointments among the criteria specified in paragraphs (a) through (d) of this subsection.

(4) No member of the Board of Trustees shall be a lobbyist registered in this state as provided by law.

(5) Notwithstanding any of the provisions of this section to the contrary, any person serving as an appointed member of the Board of Trustees on the operative date of this act shall be eligible for reappointment when the term of office of the member expires.

(6) If a vacancy occurs in the office of a trustee, the vacancy shall be filled for the unexpired term in the same manner as the office was previously filled.

(7) Each of the trustees, except those who are state officials serving ex officio, shall receive travel expenses in accordance with the State Travel Reimbursement Act.

(8) Each trustee shall, within ten (10) days after his or her appointment or election, take an oath of office that, so far as it devolves upon him or her, the trustee will diligently and honestly administer the affairs of the Board of Trustees and that he or she will not knowingly violate or willingly permit to be violated any of the provisions of law applicable to the retirement system. Such oath shall be subscribed to by the member making it, certified by the officer before whom it is taken, and immediately filed in the office of the Secretary of State.

(9) Each trustee shall be entitled to one vote on the Board of Trustees. Seven votes shall be necessary for a decision by the trustees at any meeting of the Board.

(10) Subject to the limitations of this act, the Board of Trustees shall, from time to time, establish rules and regulations for the administration of the funds created by this act and for the transaction of its business. Provided that such rules and regulations may include rules and regulations providing for the withholding from the retirement allowance due a retired person under

the provisions of this act an amount requested in writing by the retiree for the purpose of paying:

(a) monthly premiums on group hospital and surgical insurance programs to which such retiree belongs, and for the transmitting of the sums so withheld to the insurance carrier designated by the retiree; and

(b) membership dues in any statewide association limited to retired educator membership with a minimum membership of one thousand (1,000) dues-paying members and for the transmitting of the sums so withheld.

(11) The Board of Trustees shall elect from its membership a chair, and by a majority vote of all of its members shall appoint a secretary-treasurer, who may be, but need not be, one of its members. The Board shall employ an executive director and shall engage such actuarial and other service as shall be required to transact the business of the retirement system. The compensation of all persons engaged by the Board and all other expenses of the Board necessary for the operation of the retirement system shall be paid at such rates and in such amounts as the Board shall approve.

(12) The members of the Board of Trustees, the Executive Director and the employees of the System shall not accept gifts or gratuities from an individual organization with a value in excess of Fifty Dollars ($50.00) per year. The provisions of this section shall not be construed to prevent the members of the Board of

Trustees, the Executive Director or the employees of the System from attending educational seminars, conferences, meetings or similar functions which are paid for, directly or indirectly, by more than one organization.

(13) The Board of Trustees shall keep in convenient form such data as shall be necessary for actuarial valuation of the various funds of the retirement system and for checking the experience of the system.

(14) The Board of Trustees shall keep a record of all of its proceedings which shall be open to public inspection. It shall publish annually a report showing the fiscal transactions of the retirement system for the preceding school year, the amount of the accumulated cash and securities of the system, and the last balance sheet showing the financial condition of the system by means of an actuarial valuation of the assets and liabilities of the retirement system and a detailed accounting of its administrative expenses.

(15) The Board of Trustees shall retain an attorney who is licensed to practice law in this state. The attorney shall serve at the pleasure of the Board of Trustees for such compensation as may be provided by the Board of Trustees. The attorney shall advise the Board of Trustees and perform legal services for the Board of Trustees with respect to any matters properly before the Board of Trustees. When requested by the Board of Trustees, the Attorney General of the state also shall render legal services to the Board

of Trustees. In addition to the above, the Board of Trustees may employ hearing examiners to conduct administrative grievance hearings under the provisions of the Administrative Procedures Act.

(16) Suitable offices shall be furnished by the ~~Department of Central Services~~ Office of Management and Enterprise Services. Upon the failure or inability of the ~~Department of Central Services~~ Office of Management and Enterprise Services to provide adequate facilities, the Board of Trustees may contract for necessary office space in suitable quarters.

(17) The Board of Trustees shall designate a Medical Board to be composed of three physicians not eligible to participate in the retirement system. The physicians so appointed by the Board of Trustees shall be legally qualified to practice medicine in Oklahoma and shall be physicians of good standing in the medical profession. If required, other physicians may be employed to report on special cases. The Medical Board shall pass upon all medical examinations required under the provisions of this act and shall investigate all essential statements and certificates by or on behalf of a member in connection with an application for disability retirement and shall report in writing to the Board of Trustees its conclusion and recommendation upon all the matters referred to it. The Board of Trustees shall adopt such rules and regulations as may be necessary to properly administer this benefit.

(18) The Board of Trustees shall designate an actuary who shall be the technical advisor of the Board of Trustees on matters regarding the operation of funds created by the provisions of this act and shall perform such other duties as are required in connection therewith.

(19) At least once each five (5) years the actuary shall make an actuarial investigation of the experience of the retirement system, including the mortality, service and compensation experience of members and beneficiaries. Based on the results of such investigation the actuary shall recommend for adoption by the Board of Trustees such tables and rates as are required for the operation of the retirement system and for the preparation of annual actuarial valuations.

(20) On the basis of such tables and rates as the Board of Trustees shall adopt, the actuary shall prepare an annual actuarial valuation of the assets and liabilities of the retirement system and certify the rates of contribution payable by the state under the provisions of law concerning the Teachers' Retirement System.

SECTION 607. AMENDATORY 70 O.S. 2011, Section 17-121, is amended to read as follows:

Section 17-121. A. Effective July 1, 1999, for each active contributing member of the Teachers' Retirement System of Oklahoma, who is making contributions of at least Twenty-five Dollars ($25.00) per month to a plan account maintained by the Teachers' Retirement

System of Oklahoma pursuant to Section 403(b) of Title 26 of the United States Code, 26 U.S.C. Section 403(b), the Teachers' Retirement System shall pay each month from funds appropriated to the Oklahoma Teachers' Deferred Savings Incentive Plan Fund created pursuant to this section the sum of Twenty-five Dollars ($25.00) to a plan established pursuant to the Internal Revenue Code, Section 401(a), for the benefit of the participant.

B. If monies in the Oklahoma Teachers' Deferred Savings Incentive Plan Fund are insufficient to fully fund the contributions in any month, payments shall be suspended until such time as sufficient monies are available.

C. The Teachers' Retirement System shall be responsible for establishing rules and plan documents for administration of the contributions authorized by this section. Funds so credited shall be held and invested in the same manner as funds managed in accounts of members contributing to an account established pursuant to Section 403(b) of the Internal Revenue Code of 1986, as amended.

D. There is hereby created in the State Treasury a revolving fund to be designated the "Oklahoma Teachers' Deferred Savings Incentive Plan Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of any monies the Legislature may appropriate or transfer to the fund and any monies contributed for the fund from any other sources, public or private. All monies accruing to the credit of said fund are hereby

appropriated and may be budgeted and expended by the Teachers' Retirement System of Oklahoma for the matching of deferred compensation contributions pursuant to this section and in accordance with rules promulgated by the Teachers' Retirement System of Oklahoma. Expenditures from the fund shall be made by warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 608. AMENDATORY 70 O.S. 2011, Section 18-105, is amended to read as follows:

Section 18-105. The State Board of Education shall furnish the Director of ~~State Finance~~ the Office of Management and Enterprise Services with a copy of the apportionments made from the funds appropriated for each fiscal year to each of the several school districts of the state, and warrants shall be drawn by the State Treasurer against appropriations for each fiscal year in accordance with such apportionments only upon the order of the State Board of Education through the Director of ~~State Finance~~ the Office of Management and Enterprise Services. The warrants for the payments to the several school districts of any county shall be forwarded by the State Board of Education through the Director of ~~State Finance~~ the Office of Management and Enterprise Services directly to the treasurer of each school district.

SECTION 609. AMENDATORY 70 O.S. 2011, Section 18-118.1, is amended to read as follows:

Section 18-118.1 A. When a bond is forfeited due to illegal activity of a school district officer or employee and an audit performed by the Office of the State Auditor and Inspector reported the illegal activity, the school district shall forward ten percent (10%) of the amount of the forfeited bond to the State Board of Education for deposit to the School Investigative Audit Revolving Fund.

B. 1. Every person convicted of the crime of theft, embezzlement, conversion, or misappropriation of school district funds shall be assessed an amount equivalent to ten percent (10%) of any court-ordered restitution costs.

2. The assessment shall be mandatory and in addition to and not in lieu of any fines, restitution costs, other assessments, or forfeitures authorized or required by law for the offense. The assessment required by this subsection shall not be subject to any order of suspension. The court shall order either a lump-sum payment or establish a payment schedule.

3. Willful failure of the offender to comply with the payment schedule shall be considered contempt of court.

4. For purposes of collection, the assessment order shall not expire until paid in full, nor shall the assessment order be limited by the term of imprisonment prescribed by law for the offense, nor

by any term of imprisonment imposed against the offender, whether suspended or actually served.

5. The assessment provided for in this subsection shall be collected by the court clerk as provided for collection of fines and costs. When assessment payments are collected by the court clerk pursuant to court order, the funds shall be forwarded to the State Board of Education for deposit into the School Investigative Audit Revolving Fund created by this section.

C. 1. There is hereby created in the State Treasury a revolving fund for the State Board of Education to be designated the "School Investigative Audit Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies paid to and received by the State Board of Education from school districts, officers, or employees for the performance of audits, for the forfeiture of bonds, or for assessments ordered in addition to court-ordered restitution costs, and monies appropriated or transferred to the fund by the Legislature.

2. All monies accruing to the credit of the fund are hereby appropriated and may be budgeted and expended by the State Board of Education to reimburse the Office of the State Auditor and Inspector for costs incurred in the performance of special audits conducted pursuant to the provisions of Section 213 of Title 74 of the Oklahoma Statutes.

3. Prior to approval of any payment from this fund, the State Board of Education shall determine that a school district that is liable for expenses incurred due to the performance of an audit is unable to pay such expenses. Payments from this fund shall only be made to the extent that monies are available in the fund. Expenditures from the fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 610. AMENDATORY 70 O.S. 2011, Section 18-162, is amended to read as follows:

Section 18-162. No later than the first day of October of each year, the State Board of Education shall submit with the itemized budget request and estimates for the ensuing fiscal year, a Schools Capital Improvements Budget. Such Schools Capital Improvements Budget shall be submitted to the Director of ~~State Finance~~ the Office of Management and Enterprise Services, the Director of the Legislative Service Bureau and the Oklahoma Development Finance Authority.

SECTION 611. AMENDATORY 70 O.S. 2011, Section 18-400, is amended to read as follows:

Section 18-400. There is hereby created in the State Treasury a revolving fund for the State Board of Education to be designated the "Education Reform Revolving Fund". The fund shall be a continuing

fund, not subject to fiscal year limitations, and shall consist of all appropriations and transfers made by the Legislature. All monies accruing to the credit of said fund are hereby appropriated and may be budgeted and expended beginning with the fiscal year ending June 30, 1993, by the State Board of Education for the purposes of implementing reforms contained in Enrolled House Bill No. 1017 of the First Extraordinary Session of the 42nd Oklahoma Legislature. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 612. AMENDATORY 70 O.S. 2011, Section 21-116, is amended to read as follows:

Section 21-116. A. There is hereby created in the State Treasury a revolving fund for the Oklahoma Board of Private Vocational Schools to be designated the "Oklahoma Board of Private Vocational Schools Revolving Fund". The Fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies received by the Oklahoma Board of Private Vocational Schools from all fees and penalties collected by the Board pursuant to Sections 21-103, 21-106~~,~~ and 21-111 of ~~Title 70 of the Oklahoma Statutes~~ this title or rules promulgated and any other funds obtained or received by the Board. All monies in the fund shall be used exclusively for the purpose of operations and functions of the

Oklahoma Board of Private Vocational Schools. All monies accruing to the credit of the fund are hereby appropriated and may be budgeted and expended by the Oklahoma Board of Private Vocational Schools as authorized by the Legislature. Expenditures from the fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

B. Any balance remaining to the credit of the Private Vocational Student Tuition Recovery Fund which accrued prior to the repeal of the fund shall be transferred to the Oklahoma Board of Private Vocational Schools Revolving Fund created in this section.

SECTION 613. AMENDATORY 70 O.S. 2011, Section 23-126, is amended to read as follows:

Section 23-126. Purchases made by the Oklahoma Educational Television Authority from sources other than state-appropriated funds for the acquisition of television programs shall be excluded from the provisions of ~~Title 74,~~ Section 85.7 of Title 74 of the Oklahoma Statutes, of "The Oklahoma Central Purchasing Act". The said Authority is hereby authorized to make such purchases against special authorization orders submitted to, approved and encumbered by, the Director of ~~State Finance~~ the Office of Management and Enterprise Services. Contracts for the purchase of television programs entered into by the Oklahoma Educational Television

Authority and charged against a special authorization order as herein provided shall be maintained as a permanent record of the Authority for a period of not less than three (3) years after liquidation of the contract.

SECTION 614. AMENDATORY 70 O.S. 2011, Section 625.4a, is amended to read as follows:

Section 625.4a There is hereby created in the State Treasury a revolving fund for the Physician Manpower Training Commission to be designated the "Physician Manpower Training Commission Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations and shall consist of all payments received by the Commission pursuant to Sections 625.3 and 625.10a of this title and all payments received by the Commission pursuant to the Allied Health Placement Program and the Nursing Home Demonstration Program. All monies accruing to the credit of the fund are hereby appropriated and may be budgeted and expended by the Physician Manpower Training Commission for any expenses incurred in the implementation of its duties. Expenditures from the fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 615. AMENDATORY 70 O.S. 2011, Section 697.7, is amended to read as follows:

Section 697.7 The Physician Manpower Training Commission is hereby authorized to enter into contractual arrangements with residency training programs at the University of Oklahoma College of Medicine, University of Oklahoma-Tulsa Medical College, or the Oklahoma College of Osteopathic Medicine and Surgery, in order to enhance available funding for the training of primary care residents and to pay the cost of the salary stipend and expenses of the resident physician for the period of time spent in the residency programs. Monies received by the Commission from the participating residency training program under the provisions of this section shall be deposited to, and disbursed from, the "Residency Revolving Fund" hereby created in the State Treasury. The fund shall be a continuing fund not subject to legislative appropriation or fiscal year limitations. Expenditures from the fund shall be made on warrants issued by the State Treasurer against claims filed by the Commission with the Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services for approval and payment.

SECTION 616. AMENDATORY 70 O.S. 2011, Section 697.8, is amended to read as follows:

Section 697.8 A community may enter into a contract with a resident physician in training whereby the resident agrees to establish a practice in the community upon the completion of his residency. The Physician Manpower Training Commission shall have the authority to receive funds direct from that community for the

purpose of paying the resident involved to the extent of the contractual arrangements. Monies received by the Commission under the provisions of this section shall be deposited to, and disbursed from, the "Community Residency Revolving Fund" hereby created in the State Treasury. The fund shall be a continuing fund not subject to legislative appropriation or fiscal year limitations. Expenditures from said fund shall be made on warrants issued by the State Treasurer against claims filed by the Commission with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 617. AMENDATORY 70 O.S. 2011, Section 697.10, is amended to read as follows:

Section 697.10 A. The Physician Manpower Training Commission is authorized to enter into contractual arrangements with individual hospitals and clinical programs for the reimbursement of intern or resident salary cost not to exceed the limits established by Section 697.2 of this title. Provided, that residency and internship positions created prior to the spring semester 1975 shall be eligible for participation in the cost-sharing program for internship and residency training as established by Sections 697.1 through 697.8 of this title, only if partial funding of said positions will allow the creation of additional positions in whole or in part at the participating hospital or clinical situation. The participating hospital or clinical situation shall document in a

manner specified by the Commission the extent to which funding of a previously created and established position contributes directly to the creation of additional positions at the participating hospital or clinical situation.

B. The Commission is authorized, in cooperation with the Oklahoma Health Care Authority, to enter into contractual arrangements with the University of Oklahoma College of Medicine and the Oklahoma State University College of Osteopathic Medicine for the reimbursement of intern and resident professional liability insurance cost which shall not be subject to the limits established in Section 697.2 of this title. Any and all intern and resident positions are eligible for reimbursement of intern and resident professional liability insurance cost.

C. There is hereby created in the State Treasury a revolving fund for the Physician Manpower Training Commission to be designated the "Intern and Residents Professional Liability Insurance Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies received by the Physician Manpower Training Commission for reimbursement of intern and residency professional liability insurance costs. All monies accruing to the credit of the fund are hereby appropriated and may be budgeted and expended by the Physician Manpower Training Commission for such costs. Expenditures from the fund shall be made upon warrants issued by the State Treasurer against claims filed as

prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 618. AMENDATORY 70 O.S. 2011, Section 697.11, is amended to read as follows:

Section 697.11 A. In addition to internship and residency programs previously established and funded, it is the intent of the Legislature that the Physician Manpower Training Commission, in cooperation with the Oklahoma Health Care Authority, establish a Critical Need Internship and Residency Program. The purpose of the Program is to fund internship and residency programs across the state in areas of critical need. The determination of areas of critical need shall be made through a cooperative effort between the University of Oklahoma College of Medicine and the Oklahoma State University College of Osteopathic Medicine. The findings shall be reported to the Commission by July 1, 2006, and every three (3) years thereafter.

B. The University of Oklahoma College of Medicine and the Oklahoma State University College of Osteopathic Medicine shall annually provide to the Commission a report outlining the areas of physician shortages in each specialty area. The report shall be the basis for the cooperative funding of critical need physician specialties for the current fiscal year.

C. There is hereby created in the State Treasury a revolving fund for the Physician Manpower Training Commission to be designated

the "Critical Need Internship and Residency Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies received by the Physician Manpower Training Commission for funding internship and residency programs in areas of critical need. All monies accruing to the credit of the fund are hereby appropriated and may be budgeted and expended by the Physician Manpower Training Commission for such costs. Expenditures from the fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 619. AMENDATORY 70 O.S. 2011, Section 697.17, is amended to read as follows:

Section 697.17 A. There is hereby established the Nursing Student Assistance Program which shall be administered by the Physician Manpower Training Commission. The purpose of the program shall be to encourage persons to enter nursing education programs and to practice in areas of this state in which there is an urgent need for nursing services or in institutions or agencies of this state which provide funds on a matching basis with the Physician Manpower Training Commission for the support of nursing students. The Nursing Student Assistance Program shall be administered by rules adopted by the Physician Manpower Training Commission.

B. Only students who are residents of this state shall be eligible to participate in the Nursing Student Assistance Program.

C. If a person receiving Nursing Student Assistance Program funds fails to fully comply with the provisions of the contract for said funds, the person shall refund to the Physician Manpower Training Commission all monies received by the person pursuant to the provisions of the contract plus interest at the rate of twelve percent (12%) from the date of disbursement of said funds and shall be liable for any other liquidated damages as specified in the contract.

D. There is hereby created in the State Treasury a revolving fund for the Physician Manpower Training Commission to be designated the "Nursing Student Assistance Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all nonappropriated monies, including community match money of appropriated funds, grants, gifts, and repayment of scholarships received by the Physician Manpower Training Commission. All monies accruing to the credit of said fund are hereby appropriated and may be budgeted and expended by the Physician Manpower Training Commission for such scholarships as may be provided for pursuant to the Nursing Student Assistance Program. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with

the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 620. AMENDATORY 70 O.S. 2011, Section 697.18, is amended to read as follows:

Section 697.18 A community may enter into a contract with a physician who is a graduate from an accredited medical school whereby such physician agrees to establish a practice in that community. The Physician Manpower Training Commission shall have the authority to receive funds direct from that community for the purpose of paying the physician involved to the extent of the contractual arrangement. Monies received by the Commission under the provisions of this section shall be deposited to and disbursed from, the "Community Match Revolving Fund" hereby created in the State Treasury. The fund shall be a continuing fund not subject to legislative appropriation of fiscal year limitations. Expenditures from said fund shall be made on warrants issued by the State Treasurer against claims filed by the Commission with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 621. AMENDATORY 70 O.S. 2011, Section 697.19, is amended to read as follows:

Section 697.19 A. There is hereby established the Omnibus Budget Reconciliation Act Program (OBRA) which shall be administered by the Physician Manpower Training Commission. The purpose of the

program shall be to encourage persons to enter nursing education programs and to practice in nursing homes of this state in which there is an urgent need for nursing services which provide funds on a matching basis with the Physician Manpower Training Commission for the support of nursing students. The OBRA Program shall be administered by rules under the Oklahoma Nursing Student Assistance Program adopted by the Physician Manpower Training Commission.

B. Only students who are residents of this state shall be eligible to participate in the OBRA Program.

C. If a person receiving OBRA Program funds fails to fully comply with the provisions of the contract for said funds, the person shall refund to the Physician Manpower Training Commission all monies received by the person pursuant to the provisions of the contract plus interest at the rate of twelve percent (12%) from the date of disbursement of said funds and shall be liable for any other liquidated damages as specified in the contract.

D. There is hereby created in the State Treasury a revolving fund for the Physician Manpower Training Commission to be designated the "OBRA Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all nonappropriated monies, including local nursing home association match money of appropriated funds, grants, gifts, and repayment of scholarships received by the Physician Manpower Training Commission. All monies accruing to the credit of said fund are hereby appropriated and may

be budgeted and expended by the Physician Manpower Training Commission for such scholarships as may be provided for pursuant to the OBRA Program. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 622. AMENDATORY 70 O.S. 2011, Section 697.21, is amended to read as follows:

Section 697.21 A. There is hereby established the Physician Assistant Scholarship Program. The purpose of the program is to encourage persons to enter physician assistant education programs and to practice in rural and medically underserved areas of this state. The Physician Assistant Scholarship Program shall be administered by the Physician Manpower Training Commission pursuant to rules promulgated by the Commission and shall be funded based on an annual estimate of need as determined by the Commission. Awards made pursuant to this Program shall be subject to the availability of funds. The number of and amount of each award shall be determined by the Commission based on the availability of funds.

B. Only students who are residents of this state and who have been admitted as a student in an accredited physician assistant program shall be eligible to participate in the Physician Assistant Scholarship Program.

C. If a person receiving Physician Assistant Scholarship Program monies fails to fully comply with the provisions of the contract for the monies, the person shall refund to the Physician Manpower Training Commission all monies received by the person pursuant to the provisions of the contract plus interest at a rate that equals the prime interest rate plus one percent (1%) from the date of disbursement of the funds and shall be liable for any other liquidated damages as specified in the contract.

D. There is hereby created in the State Treasury a revolving fund for the Physician Manpower Training Commission to be designated the "Physician Assistant Scholarship Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies received by the Physician Manpower Training Commission for implementation of the Physician Assistant Scholarship Program. All monies accruing to the credit of the fund are hereby appropriated and may be budgeted and expended by the Physician Manpower Training Commission for such scholarships as may be provided for pursuant to the Physician Assistant Scholarship Program. Expenditures from the fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 623. AMENDATORY 70 O.S. 2011, Section 1210.402, is amended to read as follows:

Section 1210.402 There is hereby created in the State Treasury a revolving fund for the Oklahoma School of Science and Mathematics, to be designated the "Oklahoma School of Science and Mathematics Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies received by the Board of Trustees of the Oklahoma School of Science and Mathematics, from all sources. All monies accruing to the credit of said fund are hereby appropriated and may be budgeted and expended by the Board of Trustees of the Oklahoma School of Science and Mathematics for the purpose of developing the Oklahoma School of Science and Mathematics. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 624. AMENDATORY 70 O.S. 2011, Section 1210.452, is amended to read as follows:

Section 1210.452 A. There is hereby created in the State Treasury a revolving fund for the Oklahoma School for the Visual and Performing Arts, to be designated the "Oklahoma School for the Visual and Performing Arts Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies received by the board of trustees of the Oklahoma School for the Visual and Performing Arts, from all sources. All monies accruing to the credit of said fund are hereby

appropriated and may be budgeted and expended by the board of trustees for the purpose of developing the Oklahoma School for the Visual and Performing Arts. Expenditures from the fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

B. The Oklahoma School for the Visual and Performing Arts Revolving Fund shall not receive any state-appropriated dollars for the fiscal year ending June 30, 2010.

SECTION 625. AMENDATORY 70 O.S. 2011, Section 3205, is amended to read as follows:

Section 3205. (a) The Oklahoma State Regents for Higher Education shall be furnished suitable permanent quarters by the Oklahoma Capitol Improvement Authority for which the State Regents shall pay an appropriate rental charge and shall appoint and fix the duties and compensation of such personnel as the State Regents deems necessary to perform its functions and duties. Until such time as space can be provided by the Oklahoma Capitol Improvement Authority the ~~Office of Public Affairs~~ Office of Management and Enterprise Services shall provide quarters for the State Regents without rental charge. The State Regents may establish and maintain plans for tenure and retirement of its employees and for payment of deferred compensation of such employees, and may provide hospital and medical

benefits, accident, health, and life insurance, and annuity contracts for such employees, and pay for all or part of the cost thereof, with funds available for payment of its operating expenses.

(b) Monies received by the State Regents for payment of the cost of maintaining offices, payment of personnel, and other operating expenses shall be deposited in a special fund in the State Treasury, to be known as the "Oklahoma State Regents for Higher Education Revolving Fund". Such fund shall be a continuing fund not subject to appropriation by the Legislature, and shall be subject to expenditure by and shall be paid out upon the order of the State Regents at such times and in such amounts as the State Regents may direct. Disbursements from such revolving fund shall be by state warrants issued by the State Treasurer.

SECTION 626. AMENDATORY 70 O.S. 2011, Section 3210, is amended to read as follows:

Section 3210. (a) All appropriations made by the Legislature for state educational institutions of the State System shall be made to the State Regents in consolidated form, indicating the amount appropriated from the General Revenue Fund and each special fund, without reference to the amount appropriated to any particular institution. On April 1 of each year, or as soon thereafter as possible, but not later than June 15 of each year, the State Regents shall certify to the Director of ~~State Finance~~ the Office of Management and Enterprise Services such portions of the consolidated

appropriation as they shall have allocated to each institution from the General Revenue Fund and each special fund for the next fiscal year and the amount of the allocation for each institution which is to be reserved for the purpose authorized by subsection B of Section ~~41.14~~ 34.53 of Title 62 of the Oklahoma Statutes. The Director of ~~State Finance~~ the Office of Management and Enterprise Services shall allocate the revenue deposited in the State Treasury to the credit of the General Revenue Fund to a cash account for each institution or special appropriation, and to any unallocated portion of such consolidated appropriations, on a percentage basis in the same manner as provided by law for allocations of cash to Legislative appropriations for other departments and institutions.

(b) The State Regents may make additional allocations from the consolidated appropriation to any institution during the year but they shall not decrease the amount allocated to any institution during the year. Where an additional allocation is made to an institution, the Director of ~~State Finance~~ the Office of Management and Enterprise Services shall make such adjustment by decreasing the consolidated appropriation balance and increasing the appropriation of the institution or institutions to which the additional allocation is made. At the same time he shall make an adjustment between the cash accounts by reducing the consolidated cash account and increasing the institution's cash account, giving the institution or institutions credit in cash for that portion of

revenue which has already been allocated to that portion of the consolidated appropriation transferred, thereby transferring the percentage of cash which belongs to the additional allocation made from the consolidated appropriation. Thereafter, the Director of ~~State Finance~~ the Office of Management and Enterprise Services shall increase the revenue allocations to each of the educational institutions which have received additional allocations so that such allocations shall take into consideration the original allocation plus the additional allocation from the consolidated appropriation. The State Regents may make additional allocations each month of the fiscal year but such allocations for all institutions shall be certified to the Director of ~~State Finance~~ the Office of Management and Enterprise Services at the same time and shall not take effect until the first day of the month following the month in which such additional allocations are certified to the Director of ~~State Finance~~ the Office of Management and Enterprise Services. The cash allocated to all of the institutions shall never exceed the amount of revenue which would have been allocated to the consolidated appropriation had such consolidated appropriation never been divided. The division of cash among the several institutions shall be considered a division of the revenue which would have been allocated to the consolidated account.

(c) Both the cash allocations and the appropriation allotments shall be considered cumulative in that the balance unexpended or

unencumbered at the end of any month of the fiscal year shall add to the amount allocated during the subsequent months so that the fiscal year shall be considered as a unit.

(d) The appropriations allocated by the State Regents to each institution for the year on June 15 shall be set up in the same manner as other departments and institutions for contractual purposes except as otherwise provided in this section.

(e) Financial documents arising from the appropriation allocations to each institution shall be filed with the Director of ~~State Finance~~ the Office of Management and Enterprise Services in the same manner and at the same time as is now provided by law.

(f) Nothing contained in this section shall be construed to change existing laws relating to the apportionment of cash to Section 13 or New College Funds for each of the institutions which under present laws receive monies from such sources. Provided, that nothing herein shall be construed to give the State Regents authority to take money from the revolving fund of one institution and give it to another institution. Revolving funds of all of the constituent institutions shall operate as a continuing appropriation under the law creating each such revolving fund which allocates the revenue collected by each such institution to the revolving fund of that institution. None of such institutions shall incur obligations against such revolving fund in excess of the unencumbered balance of surplus cash on hand. Such revolving funds shall be nonfiscal year

appropriations, and shall be disbursed by warrants issued by the State Treasurer.

(g) No expenditure from any of the revolving funds of the various institutions shall be made for any purpose, except that for which said portion of said fund was specifically collected; provided, that when any portion of any of such revolving funds shall not be needed for the purpose for which the same was collected, the State Regents may, upon the request of the Board of Regents of any institution, authorize such Board of Regents to expend such unneeded balance of such revolving fund for any other purpose which, in the opinion of the State Regents, shall be necessary or desirable in the conduct of such institution.

(h) The Director of ~~State Finance~~ the Office of Management and Enterprise Services shall make monthly reports to the institutions and agencies comprising the State System indicating, by classification of funds, the amounts allotted by the State Regents, the cumulative expenditures at the end of each month, the unexpended balances, the encumbrances outstanding, and the unencumbered balances at the end of the month.

(i) The State Regents shall direct the disposition of such funds as the Legislature shall appropriate, which funds shall be allocated to the state educational institutions entitled thereto under the provisions of, and in accordance with, the Enabling Act

and the Constitution of the State of Oklahoma, for the support of such state educational institutions.

SECTION 627. AMENDATORY 70 O.S. 2011, Section 3213, is amended to read as follows:

Section 3213. A. The Oklahoma State Regents for Higher Education shall make educational program resources at institutions in The Oklahoma State System of Higher Education available to the people in the Ardmore area. The State Regents shall draw upon the educational programs of institutions best suited to provide the kind of educational programs needed and shall, in pursuance of Article XIII-A of the Constitution of Oklahoma and appropriate statutes, set the standards of education as they relate to the programs operated to assure that credits earned by students will be fully accepted at institutions of higher education to which the students may transfer the credit to apply toward an educational study objective. The State Regents may establish appropriate funds and accounts, including a revolving fund, in the ~~Office of State Finance~~ Office of Management and Enterprise Services for servicing the fiscal operations of the Ardmore Higher Education Program. Such funds and accounts shall be subject to the direct supervision, management, and control of the board of trustees created by subsection B of this section. The people locally shall provide suitable physical plant accommodations for the program.

B. There is hereby created a board of ten (10) trustees to be appointed by the Governor by and with the consent of the Senate to serve as the administrative agency for the Ardmore Higher Education Program. Such board shall be a body corporate and shall adopt and use an official seal. The board so created shall have the authority to submit a budget annually to the Oklahoma State Regents for Higher Education, administer monies budgeted by the State Regents, negotiate agreements with institutions for courses and programs of study approved by the State Regents, provide educational facilities, recommend courses and programs to be offered by participating institutions, select a chief executive officer whose duties include the general coordination of approved programs and services and the selection of other appropriate nonteaching personnel. The board of trustees is authorized to expend all monies allocated to the Ardmore Higher Education Program as may be necessary to perform the duties and responsibilities imposed upon the board by this section. For purposes of acquiring and taking title to real and personal property from sources other than state appropriations, the board is authorized to enter into contracts and to adopt rules and regulations pertaining to such actions. The initial nine (9) members shall serve their terms for the period to which originally appointed, in numbered positions having dates of expiration identical to the dates of expiration of the original appointments:

Position No. 1. The term of office of one member shall expire on the 30th day of June, 1986, and each nine (9) years thereafter;

Position No. 2. The term of office of one member shall expire on the 30th day of June, 1987, and each nine (9) years thereafter;

Position No. 3. The term of office of one member shall expire on the 30th day of June, 1988, and each nine (9) years thereafter;

Position No. 4. The term of office of one member shall expire on the 30th day of June, 1989, and each nine (9) years thereafter;

Position No. 5. The term of office of one member shall expire on the 30th day of June, 1990, and each nine (9) years thereafter;

Position No. 6. The term of office of one member shall expire on the 30th day of June, 1991, and each nine (9) years thereafter;

Position No. 7. The term of office of one member shall expire on the 30th day of June, 1992, and each nine (9) years thereafter;

Position No. 8. The term of office of one member shall expire on the 30th day of June, 1993, and each nine (9) years thereafter;

Position No. 9. The term of office of one member shall expire on the 30th day of June, 1994, and each nine (9) years thereafter.

The tenth member shall be appointed to Position No. 10, the term of office of which shall expire on the 30th day of June, 1996, and each nine (9) years thereafter.

The board shall organize and elect a chair, vice-chair and secretary annually.

C. The board of trustees may establish and maintain plans for tenure and retirement of its employees and for payment of deferred compensation of such employees and may provide hospital and medical benefits, accident, health and life insurance and annuity contracts for such employees and pay for all or part of the cost thereof with funds available for payment of its operating expenses.

D. The board may establish with the State Treasurer such accounts as are necessary to operate retirement, deferred compensation or benefits plans for its employees. Such accounts shall be revolving funds not subject to fiscal year limitations. Funds deposited in such accounts may be invested in any of the types of instruments in which the State Treasurer is authorized by law to invest.

SECTION 628. AMENDATORY 70 O.S. 2011, Section 3311.3, is amended to read as follows:

Section 3311.3 There is hereby created a petty cash fund not to exceed One Thousand Dollars ($1,000.00) for the Council on Law Enforcement Education and Training to be used as a cash drawer change fund and for the purchase of or reimbursement for expenditures of less than One Hundred Dollars ($100.00) pursuant to the rules and procedures established by the Director of ~~State Finance~~ the Office of Management and Enterprise Services.

SECTION 629. AMENDATORY 70 O.S. 2011, Section 3311.6, is amended to read as follows:

Section 3311.6 There is hereby created in the State Treasury a revolving fund for the Council on Law Enforcement Education and Training to be designated the "C.L.E.E.T. Training Center Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies deposited to the credit of the fund pursuant to subsection D of Section 1313.2 of Title 20 of the Oklahoma Statutes. All monies accruing to the credit of the fund are hereby appropriated and may be budgeted and expended by the Council on Law Enforcement Education and Training for the purpose of acquiring and constructing a statewide law enforcement training center and for operation and maintenance of such center. Expenditures from the fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 630. AMENDATORY 70 O.S. 2011, Section 3311.7, is amended to read as follows:

Section 3311.7 A. There is hereby created in the State Treasury a fund for the Council on Law Enforcement Education and Training to be designated the "Peace Officer Revolving Fund".

B. The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of any monies received from public, private, state or federal sources, grants or award monies, to include any state matching funds required by the federal

government which are not designated for deposit in the C.L.E.E.T. Fund created pursuant to Section 1313.2 of Title 20 of the Oklahoma Statutes.

C. All monies accruing to the credit of said fund are hereby appropriated and may be budgeted and expended by the Council on Law Enforcement Education and Training for the purpose of fulfilling any grant or award provisions, providing special training programs and attendant equipment and supplies, and providing facility construction and furnishings and/or rental of facilities for special training programs.

D. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 631. AMENDATORY 70 O.S. 2011, Section 3311.8, is amended to read as follows:

Section 3311.8 There is hereby created in the State Treasury a revolving fund for the Council on Law Enforcement Education and Training to be designated the "CLEET Cafeteria Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies received by the Council on Law Enforcement Education and Training from cafeteria food sales. All monies accruing to the credit of said fund are hereby appropriated and may be budgeted and expended by the Council on Law

Enforcement Education and Training for the purpose of operating a cafeteria. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 632. AMENDATORY 70 O.S. 2011, Section 3311.13, is amended to read as follows:

Section 3311.13 There is hereby created in the State Treasury a revolving fund for the Council on Law Enforcement Education and Training to be designated the "CLEET Private Security Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies received by the Council on Law Enforcement Education and Training from the issuance of licenses to security guards, security guard agencies, private investigators and private investigative agencies. All monies accruing to the credit of said fund are hereby appropriated and may be budgeted and expended by the Council on Law Enforcement Education and Training for the purpose of fulfilling all statutory obligations pursuant to the provisions of the Oklahoma Security Guard and Private Investigator Act and providing training and education programs for security guards, security guard agencies, private investigators and private investigative agencies. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State~~

~~Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 633. AMENDATORY 70 O.S. 2011, Section 3407.3, is amended to read as follows:

Section 3407.3 A. The following described state property shall be the property of Murray State College:

Four acres of land out of the S1/2 of SW1/4 of NE1/4 of Section 9, Township 4 South, Range 6 East, described as follows, to-wit:

Beginning at a point on the West line of Murray Avenue of Murray College Addition to the Town of Tishomingo, Oklahoma, where said Avenue crosses or intersects the North line of that tract belonging to the State of Oklahoma as the site for the Murray State School of Agriculture, and extending South a distance of 210 feet; thence West 420 feet; thence North 210 feet; thence East 420 feet to the point of beginning, containing 2 acres, more or less.

Also a tract of land described as follows, to-wit: Beginning at a point on the East line of Murray Avenue of Murray College Addition to the Town of Tishomingo, Oklahoma, where said Avenue crosses or intersects the North line of that tract belonging to the State of Oklahoma, as the site for the Murray State School of Agriculture, and extending South a distance of 210 feet; thence East 420 feet; thence North 210 feet; these (thence) West 420 feet to the point of beginning, containing 2 acres, more or less,

and containing 4 acres, more or less, according to the United States survey, in both of said tracts;

together with the two dormitories, the furniture therein and all appurtenances thereunto belonging.

B. The ~~Department of Central Services~~ Office of Management and Enterprise Services shall implement a transfer from the State of Oklahoma to Murray State College of any property described in subsection A of this section that, on the effective date of this act, is not the property of Murray State College.

SECTION 634. AMENDATORY 70 O.S. 2011, Section 3426, is amended to read as follows:

Section 3426. There is hereby created in the State Treasury a revolving fund for the Oklahoma State Regents for Higher Education to be designated the "George Nigh Rehabilitation Institute Revolving Fund". The fund shall be a continuing fund not subject to fiscal year limitations and shall consist of all monies received by the Oklahoma State Regents for Higher Education from any gifts, contributions, bequests, individual reimbursements and other sources of revenue, for the care or support of persons who have been admitted and cared for at the Institute and any other monies directed by law to be placed in the fund. Monies accruing to the fund may be expended by the Oklahoma State Regents for Higher Education for operation, maintenance and capital improvement of the facility. Expenditures from the fund shall be made on warrants

issued by the State Treasurer against claims filed with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 635. AMENDATORY 70 O.S. 2011, Section 3431, is amended to read as follows:

Section 3431. A. On January 1, 2009, there shall be created the Board of Trustees for Langston University-Oklahoma City and Langston University-Tulsa which shall consist of seven members appointed by the Governor and two members of the Board of Regents for the Oklahoma Agricultural and Mechanical Colleges, or their designees, selected by the chair of the Board of Regents, who shall serve as voting, ex officio members. For purposes of serving on the Board of Trustees, the members of the Board of Regents for the Oklahoma Agricultural and Mechanical Colleges who are appointed to the Board of Trustees shall not be subject to the dual-office-holding restrictions in Section 6 of Title 51 of the Oklahoma Statutes. The Governor shall appoint the other members of the Board of Trustees with the advice and consent of the Senate. The members shall be appointed to numbered positions with staggered terms to expire as provided in this section. Successors to the initial board members shall serve seven-year terms that shall expire on June 30 of the seventh year following appointment. Vacancies on the Board shall be filled for the unexpired term by the Governor with the advice and consent of the Senate. One member of the Board of

Regents for the Oklahoma Agricultural and Mechanical Colleges shall hold position number eight on the Board of Trustees. The other member of the Board of Regents for the Oklahoma Agricultural and Mechanical Colleges shall hold position number nine on the Board of Trustees. The numbered positions and terms shall be as follows:

1. Position No. 1: The term of office of one member shall expire on June 30, 2010, and each seven (7) years thereafter;

2. Position No. 2: The term of office of one member shall expire on June 30, 2011, and each seven (7) years thereafter;

3. Position No. 3: The term of office of one member shall expire on June 30, 2012, and each seven (7) years thereafter;

4. Position No. 4: The term of office of one member shall expire on June 30, 2013, and each seven (7) years thereafter;

5. Position No. 5: The term of office of one member shall expire on June 30, 2014, and each seven (7) years thereafter;

6. Position No. 6: The term of office of one member shall expire on June 30, 2015, and each seven (7) years thereafter;

7. Position No. 7: The term of office of one member shall expire on June 30, 2016, and each seven (7) years thereafter;

8. Position No. 8: The term of office shall coincide with the member's term on the Board of Regents for the Oklahoma Agricultural and Mechanical Colleges; and

9. Position No. 9: The term of office shall coincide with the member's term on the Board of Regents for the Oklahoma Agricultural and Mechanical Colleges.

B. The Board of Trustees shall be a body corporate and shall adopt and use an official seal. The Board of Trustees shall elect a chair, vice-chair, and secretary annually, each of whom shall serve for a term of one (1) fiscal year and until a successor is elected and qualified, and who shall perform all duties as directed by the Board of Trustees. The Board of Trustees shall adopt rules which it deems necessary for the operation of the Board and the discharge of its duties and shall cause the minutes of all meetings to be kept. The Board of Trustees shall comply with the Oklahoma Open Meeting Act and the Oklahoma Open Records Act.

C. The Board of Trustees for Langston University-Oklahoma City and Langston University-Tulsa shall advise the president of Langston University and the Board of Regents for the Oklahoma Agricultural and Mechanical Colleges on the supervision and management of the campus of Langston University-Oklahoma City and Langston University-Tulsa and perform other functions as necessary. The Board of Trustees shall promulgate rules and enact policies to govern the processes and procedures of the Board. The Board of Regents for the Oklahoma Agricultural and Mechanical Colleges and the Board of Trustees shall appoint a joint committee of at least two members from each board and at least two members of the staff of each

institution to develop and propose mutually agreed-upon rules and policies to formalize the review and oversight procedures and the relationships between the Board of Regents for the Oklahoma Agricultural and Mechanical Colleges, Langston University, Langston University-Oklahoma City and Langston University-Tulsa. It is the intent of the Legislature that in the interests of immediate responsiveness to the needs of students, employees, and the business community that the decision or approval process be expedited.

D. On or after January 1, 2009, the Board of Regents for the Oklahoma Agricultural and Mechanical Colleges may assign and delineate roles and responsibilities for the Board of Trustees for Langston University-Oklahoma City and Langston University-Tulsa. The responsibilities may include, but are not limited to, student services, facility operations, student financial services, budget preparations, endowed chairs at Langston University-Oklahoma City and Langston University-Tulsa, and administrative operations as specified by the Board of Regents for the Oklahoma Agricultural and Mechanical Colleges.

E. The Board of Trustees shall establish the usual and customary accounts established by higher education institutions within the ~~Office of State Finance~~ Office of Management and Enterprise Services necessary to carry out its duties.

SECTION 636. AMENDATORY 70 O.S. 2011, Section 3509, is amended to read as follows:

Section 3509. The Board of Regents of Oklahoma Colleges created by Article XIII-B of the Constitution of Oklahoma shall be a body corporate, and shall adopt and use an official seal. It shall annually elect a president who shall also be known as chairman, a vice president who shall also be known as vice-chairman, and a secretary, each of whom shall serve for a term of one (1) fiscal year and until his successor is elected and qualified, and who shall perform such duties as the Board directs. The Board shall adopt rules and regulations as it deems necessary for the governing of the Board and the discharge of its duties, and shall cause to be kept the minutes of all meetings and transactions considered at each meeting, in a suitable book to be obtained and kept for such purpose. The Board shall not hold an executive meeting unless the same is ordered by a unanimous vote of the Board. The office of the Board shall be located in quarters provided by the Oklahoma Capitol Improvement Authority for which the Board shall pay an appropriate rental charge. Until such time as space can be provided by the Oklahoma Capitol Improvement Authority the ~~Office of Public Affairs~~ Office of Management and Enterprise Services shall provide quarters for said Board without rental charge.

SECTION 637. AMENDATORY 70 O.S. 2011, Section 3903, is amended to read as follows:

Section 3903. (a) The Oklahoma State System of Higher Education shall operate an allotment system similar to the procedure

set out in the Oklahoma ~~Budget Law of 1947~~ State Finance Act, ~~Sections 41.1~~ Section 34 et seq. of Title 62 of the Oklahoma Statutes, for other agencies of the state except that the State Regents shall be substituted for the Director of ~~State Finance~~ the Office of Management and Enterprise Services in connection with approving allotment requests of the constituent institutions and agencies comprising the State System. The account classification for the State System shall conform as nearly as possible with the classification of accounts recommended by the publications of the National Association of College and University Business Officers. The State Regents shall allocate to each institution and agency in the State System, from the consolidated or lump-sum appropriation made by the Legislature, an amount sufficient to meet the needs and functions of the institution or agency for the entire year. Upon such allocation, monies appropriated for educational and general purposes shall be transferred to the Educational and General Operations Revolving Fund of the institution or agency and monies appropriated for capital improvement purposes shall be transferred to the Capital Improvement Revolving Fund of the institution or agency. The amount allocated to an institution or agency for each fiscal year shall be made in a lump sum without regard to uniform budget or accounting classifications, but shall not be available for expenditure until subsequently allotted by the State Regents.

(b) The State Regents, with the approval of the Director of ~~State Finance~~ the Office of Management and Enterprise Services, may allot money to any such institution or agency to establish and operate a petty cash fund at the institution or agency; said fund shall only be reimbursed upon the filing of claims showing the purposes for which the money was expended. No single expenditure from any petty cash fund so established and operated shall exceed Five Hundred Dollars ($500.00). Splitting of invoices for the purpose of avoiding this limitation is prohibited. Except for payments to sports officials, research participants, refunds to students, competition judges, and temporary farm crews employed at Oklahoma Agricultural Experiment Stations, expenditures from such fund for personal services, travel reimbursement, or professional services are prohibited. Further, the exemption for payments to sports officials and refunds to students is limited to only those institutions which have previously been authorized to participate in both the "Alternate Claims Processing", by the Director of ~~State Finance~~ the Office of Management and Enterprise Services, and "Remote Warrant Printing", by the State Treasurer. The Oklahoma State Regents for Higher Education shall publish uniform guidelines applicable to all institutions of higher education for expenditures from petty cash funds, which shall be strictly adhered to.

(c) Governing boards of control are integral parts of institutions under their respective jurisdiction; therefore, the

expenses of boards in carrying out their respective duties shall be paid from the operating budgets of the institutions and other budget agencies under their jurisdiction. In cases where a board is the governing board for two or more institutions and/or other budget agencies, the board shall prorate its operating expenses among the institutions and/or other budget agencies so governed. Prior to the beginning of the fiscal year, each board shall prepare a budget, setting out in detail its necessary expenses for the entire fiscal year and shall, not later than July 1, file a copy of its budget with the President Pro Tempore of the Senate, the Speaker of the House of Representatives, the Director of ~~State Finance~~ the Office of Management and Enterprise Services and the Legislative Service Bureau. Said budget shall include all full-time-equivalent positions in each activity or division and an itemization of all sources of income used for operations and programs. Each board shall revise its budget, if necessary, and provide said revisions to the President Pro Tempore of the Senate, the Speaker of the House of Representatives, the Director of ~~State Finance~~ the Office of Management and Enterprise Services, and the Legislative Service Bureau not later than January 1 of each year. In cases where a board has jurisdiction over two or more institutions or budget agencies, it shall, not later than July 1, notify the President of each institution as to the amount of its pro rata share of the

board's expense budget that will be assessed against the institution and/or other budget agency during the fiscal year.

(d) Prior to the beginning of the fiscal year, the coordinating board of the Oklahoma State Regents for Higher Education shall prepare a budget setting out in detail its necessary expenses for the entire fiscal year, and, not later than July 1, shall file a copy of its budget with the Director of ~~State Finance~~ the Office of Management and Enterprise Services and the Legislative Service Bureau. The State Regents shall allocate the money required to fund its budget prior to making distribution of appropriated monies to the various institutions of The Oklahoma State System of Higher Education.

(e) The Division of Central Accounting and Reporting shall make cash allocations of revenue in accordance with Section 23 of Article X of the Oklahoma Constitution, to each institution and agency, considering the total allocation made by the State Regents from the lump-sum legislative appropriation as the total appropriation for the institution or agency, in lieu of legislative appropriations. All income available to an institution or agency for educational and general purposes, as defined in the uniform budget and accounting classifications recommended by the publications of the National Association of College and University Business Officers, and including income defined by law as revolving fund income, shall operate as a continuing nonfiscal appropriation which may be

expended for any educational and general purpose for which appropriated funds may be expended, if allocated and allotted in accordance with the Oklahoma ~~Budget Law of 1947~~ State Finance Act, as provided in this section; provided that no obligation shall be incurred in excess of the unencumbered balance of cash on hand.

(f) At least thirty (30) days prior to the beginning of each fiscal year, each of the constituent institutions and agencies shall file with the State Regents its request for appropriation allotments for each of the purposes for which expenditures are to be made. Such requests shall be in conformity with the uniform budget or accounting classifications recommended by the publications of the National Association of College and University Business Officers. Each request for appropriation allotments shall show the amount required to finance each item of the request for the entire year and for each quarter or each six-month period within the fiscal year, as required by the Director of ~~State Finance~~ the Office of Management and Enterprise Services. The State Regents, or their designated official or employee who has been authorized to approve itemized allotment requests, shall consider the allotment requests for the purpose of making a determination that: (1) the current financial requirements of the institution or agency concerned justify the allotment to be made; (2) the accounting classification is sufficient to reflect the purpose for which expenditures are to be made and that such classification is in accordance with the budget

classifications adopted by the Director of ~~State Finance~~ the Office of Management and Enterprise Services and the State Regents, which shall conform as nearly as possible to the account classification recommended by the publications of the National Association of College and University Business Officers; and (3) the realization of estimated revenues determined by the Director of ~~State Finance~~ the Office of Management and Enterprise Services is sufficient to allow the commitments to be made. In allotting appropriations and other funds, and approving subsequent allotments, which may be required by each institution and agency the State Regents shall follow the same general procedure as other agencies of the state not under the control of the State Regents, except as otherwise provided in this section. All forms and account classifications shall be mutually agreed upon by the Director of ~~State Finance~~ the Office of Management and Enterprise Services and the State Regents. The State Regents shall file approved requests of constituent institutions and agencies with the Division of Central Accounting and Reporting. The State Regents and the Director of ~~State Finance~~ the Office of Management and Enterprise Services shall approve any request from the administrative head of a constituent institution or agency for amendment of the approved schedule of positions and salaries or transfers between items, so long as the currently approved allotment for such purposes is not exceeded and each such amendment shall be filed with the Director of ~~State Finance~~ the Office of Management

and Enterprise Services, in such detail as he may require, prior to the date on which the first payroll or other disbursement affected by such amendments is submitted for payment. In the event that the realization of estimated revenues at any time during the fiscal year indicates that the total revenue from that fiscal year to any state fund will be insufficient at the end of the fiscal year to meet the total appropriations from that fund, the Director of ~~State Finance~~ the Office of Management and Enterprise Services shall notify the State Regents as to the amount of reduction necessary against the consolidated, or lump-sum appropriation, made to the State Regents.

(g) The State Regents in making itemized allotments during the fiscal year, may reserve an amount sufficient to meet a reasonable failure of revenue until receipt of notice from the Director of ~~State Finance~~ the Office of Management and Enterprise Services that the realization of estimated revenues indicates that the total appropriations may be allotted for expenditure. Upon receipt of notice from the Director of ~~State Finance~~ the Office of Management and Enterprise Services of a necessary reduction in the consolidated, or lump-sum appropriation, to meet a failure in revenue, the State Regents shall immediately take action to control the approval of subsequent allotment requests sufficient to make the aggregate reduction in allotments of all constituent institutions under their control equal the amount of reduction ordered against the lump-sum appropriation made by the Legislature. Such reductions

against the lump-sum appropriation shall not exceed the percentage reduction ordered against other agencies of the state, in accordance with Section 23 of Article X of the Oklahoma Constitution.

SECTION 638. AMENDATORY 70 O.S. 2011, Section 3905, is amended to read as follows:

Section 3905. Institutions, agencies, and boards in The Oklahoma State System of Higher Education may withhold from the compensation payable for the employee's services, with the consent of the employee, amounts necessary for participation in the Oklahoma Teachers' Retirement System, hospital and medical benefits, accident, health and life insurance, annuities, United States Savings Bonds and other programs authorized by such institutions, agencies, and boards; and it shall be the duty of the Director of ~~State Finance~~ the Office of Management and Enterprise Services and the State Treasurer to process amounts so withheld in accordance with existing laws.

SECTION 639. AMENDATORY 70 O.S. 2011, Section 3953.1, is amended to read as follows:

Section 3953.1 A. There is hereby created a trust fund to be known as the "Oklahoma Higher Learning Access Trust Fund". The Oklahoma State Regents for Higher Education shall be the trustees of said Trust Fund.

B. The State Regents shall utilize said Trust Fund to implement the provisions of Sections 2601 through ~~2604~~ 2605 of this title.

C. The Trust Fund principal shall consist of monies the Legislature appropriates or transfers to the Oklahoma State Regents for Higher Education for the Trust Fund and any monies or assets contributed to the Trust Fund from any other source, public or private. All monies accruing to the credit of said fund are hereby appropriated and may be budgeted and expended by the State Regents. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

D. Notwithstanding other provisions of law, income and investment return on Trust Fund principal shall accrue to the Trust Fund for use as provided by authorization of the trustees for the purposes provided in Sections 2601 through ~~2604~~ 2605 of this title. The State Regents may also utilize the Trust Fund principal for the purposes provided in Sections 2601 through ~~2604~~ 2605 of this title. Except as otherwise provided by law, no such income or investment return or principal shall be used for administrative expenses; expenses incurred by the State Regents in the administration of the Trust Fund and of the Oklahoma Higher Learning Access Program established by the Oklahoma Higher Learning Access Act shall be paid from monies appropriated to the State Regents coordinating board for their general operating budget.

E. The Regents shall adopt rules for accomplishing transfer of funds from the Oklahoma Higher Learning Access Trust Fund to the appropriate institutional Educational and General Operations Revolving Funds, as provided in Section 3901 of this title, to private institutions, and to the appropriate technology center school district to cover general enrollment fees or tuition for eligible students pursuant to the Oklahoma Higher Learning Access Act. Allocations from the Trust Fund may be made only for the purpose of covering the general enrollment fees or tuition of eligible students. No portion of the Trust Fund may be used or allocated for administrative or operating expenses of any higher education institution or technology center school.

SECTION 640. AMENDATORY 70 O.S. 2011, Section 4452, is amended to read as follows:

Section 4452. A. Effective January 1, 2002, the properties defined as Quartz Mountain in Section ~~1~~ 4450 of this ~~act~~ title are hereby transferred from the Oklahoma Tourism and Recreation Commission and the Oklahoma Tourism and Recreation Department to the board of trustees for the Quartz Mountain Arts and Conference Center and Nature Park.

B. All Department personnel, in both the classified and unclassified service of the State Merit System of Personnel Administration, who are assigned as of January 1, 2002, to Quartz Mountain, including related liabilities for sick leave, annual

leave, holidays, unemployment benefits and workers' compensation benefits accruing prior to January 1, 2002, to such personnel shall be transferred as of January 1, 2002, to the board. It is the intent of the Legislature that, to the extent possible, the board shall ensure that the employees retain pay and benefits, as much as possible, including longevity, dependent insurance benefits, seniority, rights and other privileges and benefits. Notwithstanding the provisions of the Oklahoma Personnel Act, Department employees assigned to Quartz Mountain on January 1, 2002, shall have the right, at the effective date of January 1, 2002, and not thereafter, to fill a budgeted vacancy in the classified service of the Parks Division in the Department or to fill a budgeted vacancy in the unclassified service in the Golf or Resorts Divisions of the Department, if such employee is qualified. Additionally, filling of vacancies shall be based on seniority order with the State of Oklahoma.

C. Appropriate conveyances and other documents shall be executed by January 1, 2002, to effectuate the transfer of Quartz Mountain.

D. The State Auditor and Inspector shall determine the amount of funds from available budgetary resources for Quartz Mountain, including any appropriated funds, revolving funds, or sinking funds, that should be transferred on January 1, 2002, from the Department and Commission to the State Regents to continue operation of the

Center for the fiscal year ending June 30, 2002, and shall determine the amount that should be reserved to the Department for payment of obligations incurred prior to January 1, 2002. The State Auditor shall consider relevant funding and expenditure history and projected expenditures and expenses related to Quartz Mountain and available budgetary resources for Quartz Mountain in determining the amount to be transferred. The Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services is authorized and directed to coordinate and administer the funds transfer. The funds transferred to the State Regents shall not be subject to any budgetary limits that may have attached to the funds when the funds were appropriated to the Department. From July 1, 2001, through December 31, 2001, the Department shall not spend or encumber more than the funds budgeted for that period for Quartz Mountain without approval of the State Auditor and Inspector. Any extraordinary costs incurred by the State Auditor in performing the review may be subtracted from the amount transferred on January 1, 2002, to the State Regents and paid to the State Auditor.

E. The State Regents may establish appropriate funds and accounts, including a revolving fund in the ~~Office of State Finance~~ Office of Management and Enterprise Services for servicing the fiscal operations of the Center. Such funds and accounts shall be subject to the direct supervision, management and control of the board of trustees for the Center created in this act.

F. 1. An employee transferred pursuant to the provisions of this act who is a member of the Oklahoma Public Employees Retirement System or the Oklahoma Law Enforcement Retirement System may elect to remain a member of the applicable system or may elect to become a member of the Teachers' Retirement System of Oklahoma. The employee shall file an election on a form prescribed for that purpose with the applicable system not later than January 15, 2002.

2. If an employee files an election to remain in the Oklahoma Public Employees Retirement System or the Oklahoma Law Enforcement Retirement System, the board of trustees shall pay the required employer contributions applicable to the participating employers pursuant to Section 920 of Title 74 of the Oklahoma Statutes or Section 2-304 of Title 47 of the Oklahoma Statutes. The employee shall continue to pay employee contributions as required by law.

3. If the employee fails to file an election by January 15, 2002, the employee shall become a member of the Teachers' Retirement System of Oklahoma.

4. Employees who become members of the Teachers' Retirement System of Oklahoma shall acquire service credit in the Teachers' Retirement System pursuant to the provisions of subsection Q of Section 17-116.2 of ~~Title 70 of the Oklahoma Statutes~~ this title and shall have all service credit with the Oklahoma Public Employees Retirement System canceled. The board of trustees shall make required contributions pursuant to Section 17-108.1 of ~~Title 70 of~~

~~the Oklahoma Statutes~~ this title and the employee shall make required contributions imposed pursuant to Section 17-116.2 of ~~Title 70 of the Oklahoma Statutes~~ this title. The board of trustees and the employees shall be subject to all requirements of the provisions of Sections 17-101 et seq. of ~~Title 70 of the Oklahoma Statutes~~ this title governing the Teachers' Retirement System of Oklahoma.

5. Any employee who is employed by the board after January 1, 2002, and who is otherwise eligible for membership in the Oklahoma Teacher's Retirement System or the Oklahoma Law Enforcement Retirement System shall be enrolled during employment by the board of trustees in the Oklahoma Teacher's Retirement System or the Oklahoma Law Enforcement Retirement System, as appropriate.

G. The board shall not be responsible for any claims arising under The Governmental Tort Claims Act accrued prior to January 1, 2002, claims arising from any other actions accrued prior to January 1, 2002, or tort claims arising prior to January 1, 2002, for which no claim has accrued upon the date of transfer. The board shall not be responsible for any claims arising out of construction begun before January 1, 2002, at Quartz Mountain.

H. 1. The board shall succeed to any contractual rights and responsibilities the Department or the Commission has incurred on behalf of Quartz Mountain, except as provided in subsection G of this section.

2. The board may enter into one or more contracts for management services of the Center. The duties and benefits arising under any contract for management services of any part of Quartz Mountain entered into by the Commission that is in effect on January 1, 2002, shall be assigned to the board. The contract may be renewable at the option of the board but not to exceed a cumulative period of fifty (50) years.

3. The Department and the Commission shall execute all necessary documents to memorialize the assignment to the board all rights, responsibilities, and obligations under any and all contracts the Department or the Commission has entered into relating to operation of any part of Quartz Mountain, including the golf course, as provided in this section. The board shall execute any documents necessary to memorialize acceptance of such assignment. In the absence of memorializing documents or conveyances, the transfers including all the assignments shall occur by operation of law.

I. The rules of the Commission relating to the operation of Quartz Mountain, such as traffic, fees, and other like matters, that are in effect on January 1, 2002, shall be enforceable by the board until the board establishes rules or until January 1, 2003, whichever occurs earlier. The board shall be exempt from the provisions of Articles I and II of the Administrative Procedures Act.

SECTION 641. AMENDATORY 70 O.S. 2011, Section 4663, is amended to read as follows:

Section 4663. A. On January 1, 1999, there shall be created the Board of Trustees for Oklahoma State University/Tulsa which shall consist of seven members who reside in Tulsa County or contiguous counties and two members of the Board of Regents for the Oklahoma Agricultural and Mechanical Colleges (A&M Board) who shall serve as voting, ex officio members, one of whom shall reside in the First Congressional District. The second member from the A&M Board shall be appointed by the A&M Board. For purposes of serving on the Board of Trustees, the members of the A&M Board who are appointed to the Board of Trustees shall not be subject to the dual office holding restrictions in Section 6 of Title 51 of the Oklahoma Statutes. The Governor shall appoint the other members of the Board of Trustees with the advice and consent of the Senate. The members shall be appointed to numbered positions with staggered terms to expire as provided in this section. Successors to the initial board members shall serve seven-year terms that shall expire on June 30 of the seventh year following appointment. Vacancies on the Board shall be filled for the unexpired term by the Governor with the advice and consent of the Senate. Four of the nine members on the initial Board of Trustees shall be appointed by the Governor with the advice and consent of the Senate from the members of the Board of Regents of Rogers University who are residents of Tulsa and are

serving on the effective date of this act. The four members appointed from the Board of Regents of Rogers University shall be appointed to the positions numbered one through four. The remaining three members appointed by the Governor shall be appointed to positions five through seven. The member of the A&M Board who resides in the First Congressional District shall hold position number eight. The second member of the A&M Board shall hold position number nine. The numbered positions and terms shall be as follows:

1. Position No. 1: The term of office of one member shall expire on the 30th day of June, 2000, and each seven (7) years thereafter;

2. Position No. 2: The term of office of one member shall expire on the 30th day of June, 2001, and each seven (7) years thereafter;

3. Position No. 3: The term of office of one member shall expire on the 30th day of June, 2002, and each seven (7) years thereafter;

4. Position No. 4: The term of office of one member shall expire on the 30th day of June, 2003, and each seven (7) years thereafter;

5. Position No. 5: The term of office of one member shall expire on the 30th day of June, 2004, and each seven (7) years thereafter;

6. Position No. 6: The term of office of one member shall expire on the 30th day of June, 2005, and each seven (7) years thereafter;

7. Position No. 7: The term of office of one member shall expire on the 30th day of June, 2006, and each seven (7) years thereafter;

8. Position No. 8: The term of office shall coincide with the member's term on the A&M Board; and

9. Position No. 9: The term of office shall coincide with the member's term on the A&M Board.

B. The Board of Trustees shall be a body corporate and shall adopt and use an official seal. The Board shall elect a chair, vice-chair, and secretary annually, each of whom shall serve for a term of one fiscal year and until a successor is elected and qualified, and who shall perform such duties as the Board directs. The Board shall adopt rules which it deems necessary for the operation of the Board and the discharge of its duties and shall cause the minutes of all meetings to be kept. The Board shall comply with the Oklahoma Open Meeting Act and the Oklahoma Open Records Act.

C. The Board of Trustees for Oklahoma State University/Tulsa may be authorized by the A&M Board to supervise and manage the campus of Oklahoma State University/Tulsa and perform other functions as necessary. The Board of Trustees shall promulgate

rules and enact policies to govern the processes and procedures of the Board. The policies of the Board of Regents of Rogers University, including but not limited to policies on personnel and student participation, that are in effect on the date that the Board of Regents of Rogers University is dissolved shall be deemed adopted by the Board of Trustees unless specifically amended or repealed by the A&M Board. The A&M Board and the Board of Trustees shall appoint a joint committee of at least two members from each board and at least two members of the staff of each institution to develop and propose mutually agreed upon rules and policies to formalize the review and oversight procedures and the relationships between the A&M Board, the Board of Trustees, Oklahoma State University in Stillwater, and Oklahoma State University/Tulsa. It is the intent of the Legislature that in the interests of immediate responsiveness to the needs of students, employees, and the business community that the decision or approval process be expedited.

D. Subject to the oversight of the Board of Regents for the Oklahoma Agricultural and Mechanical Colleges, the Board of Trustees of Oklahoma State University/Tulsa shall set the compensation of the president of Oklahoma State University/Tulsa. On or after January 1, 1999, the A&M Board may assign and delineate roles and responsibilities for the Board of Trustees for Oklahoma State University/Tulsa. Such responsibilities may include, but are not limited to, student services, facility operations, student financial

services, budget preparations, endowed chairs at Oklahoma State University/Tulsa, and administrative operations as specified by the A&M Board.

E. The Board of Trustees shall establish the usual and customary accounts established by higher education institutions within the ~~Office of State Finance~~ Office of Management and Enterprise Services necessary to carry out its duties.

F. Until July 1, 2001, during the transition and development of Oklahoma State University/Tulsa, acting on behalf of the Board of Trustees for Oklahoma State University/Tulsa, Oklahoma State University is authorized and directed to negotiate contracts with institutions for courses and degree programs of study approved by the Oklahoma State Regents for Higher Education, as necessary to meet the higher education needs for the Tulsa metropolitan area. The number of degree programs offered by Northeastern State University and Langston University shall not be diminished or duplicated.

G. The president of Oklahoma State University/Tulsa shall be selected by the Board of Regents for the Oklahoma Agricultural and Mechanical Colleges after completion of a search process as set forth in this subsection. The A&M Board shall appoint at least two of its members, one of whom must reside in the First Congressional District, and the Board of Trustees shall appoint at least two of its members to a search committee. The president of Oklahoma State

University may appoint other representatives of faculty, staff, and students to the search committee. The president of Oklahoma State University shall recommend a candidate in consultation with the search committee to the Board of Trustees and the A&M Board.

SECTION 642. AMENDATORY 70 O.S. 2011, Section 4713, is amended to read as follows:

Section 4713. There is hereby created in the State Treasury a revolving fund for the Office of the State Regents for Higher Education to be designated the "Funds for Excellence Fund". The fund shall be a continuing fund, not subject to fiscal year limitations and shall consist of all monies received by the Office of the State Regents for Higher Education from all funds appropriated for that purpose by the Legislature and allocated thereto by the State Regents and all private contributions, grants, and donations of monies made for the purposes of Sections ~~16~~ 4712 through ~~19~~ 4715 of this ~~act~~ title. All monies accruing to the credit of said fund are hereby appropriated and may be budgeted and expended by the Office of the State Regents for Higher Education for the purposes specified in Sections ~~16~~ 4712 through ~~19~~ 4715 of this ~~act~~ title and for administering the provisions of Sections ~~16~~ 4712 through ~~19~~ 4715 of this ~~act~~ title; however, such monies expended for such administrative costs shall not exceed five percent (5%) of the total amount of monies in said fund. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against

claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 643. AMENDATORY 71 O.S. 2011, Section 1-601, is amended to read as follows:

Section 1-601. A. The Administrator shall administer this act.

B. There are hereby created the Oklahoma Securities Commission and the Department of Securities. The Commission shall be the policy making and governing authority of the Department, shall appoint the Administrator and shall be responsible for the enforcement of this act.

C. 1. The Commission shall consist of four (4) members to be appointed by the Governor by and with the advice and consent of the Senate. One member will be a member of the Oklahoma Bar Association appointed from a list of five nominees submitted by the Oklahoma Bar Association; one member shall be an active officer of a bank or trust company operating in the State of Oklahoma appointed from a list of five nominees submitted by the Oklahoma Bankers Association; and one member shall be a certified public accountant appointed from a list of five nominees submitted by the Oklahoma Society of Certified Public Accountants; and one member shall be engaged in the securities industry and shall be appointed for a six-year initial term from a list of five nominees submitted by the Oklahoma Securities Industry Association; provided, that the State Bank

Commissioner of Oklahoma shall be and he is hereby made an ex officio member of said Commission.

2. Except for appointment of the member engaged in the securities industry as provided for in subsection C of this section, no person may be appointed to or by the Commission while he is registered as a broker-dealer, agent, investment adviser, or investment adviser representative under this act, or while he is an officer, director, or partner of any person so registered, or while he is an officer, director, or partner of an issuer which has a registration statement effective under this act, or while he is occupying a similar status or performing similar functions.

3. It is unlawful for any member of the Commission, the Administrator, or any other officer or employee of the Department to use for personal benefit any information which is filed with or obtained by the Administrator and which is not made public. No provision of this act authorizes any member of the Commission, the Administrator or any other officer or employee of the Department to disclose any such information except among themselves or when necessary or appropriate in a proceeding or investigation under this act or in connection with a proceeding or investigation conducted by any state, federal or foreign law enforcement agency, securities agency or self-regulatory organization. No provision of this act either creates or derogates from any privilege which exists at common law or otherwise when documentary or other evidence is sought

under a subpoena directed to any member of the Commission, the Administrator or any other officer or employee of the Department.

4. Except on proof of corruption, no Commissioner shall for his acts or his failure to act be civilly liable to any investor, applicant for registration, or any other person.

D. The Governor shall biennially appoint Commission members to serve for a staggered term of six (6) years. Upon the expiration of initial terms, the term of each member shall be six (6) years from the date of his appointment and qualification, and until his successor shall qualify. Vacancies shall be filled by the Governor for the unexpired term. Members shall be eligible for reappointment.

E. The Commission shall select a chair and is hereby authorized to adopt rules for conducting its proceedings. Any three members shall constitute a quorum for transacting Commission business. The Commission shall meet bimonthly on such date as it may designate and may meet at such other times as it may deem necessary, or when called by the chair or by any two members. Complete minutes of each meeting shall be kept and filed in the Department and shall be available for public inspection during reasonable office hours. The Commission shall report annually to the Governor, to the Speaker of the House of Representatives and to the President Pro Tempore of the Senate. The report shall contain the minutes of each meeting held during the year, legislative recommendations, a summary of

violations of this act and action taken thereon, a list of securities registered under this act and such other data and information as may be deemed necessary or appropriate. The Commission is hereby authorized to publish such report, and the Administrator may sell copies of such report at such price as is reasonably sufficient to defray the expenses of the Department in preparing, publishing, and disseminating the same. Each member of the Commission shall have unrestricted access to all offices and records under the jurisdiction of the Department. The Commission, or a majority thereof, may exercise any power or perform any act authorized for the Administrator under the provisions of this act.

F. The Commission shall appoint a full-time Administrator, who shall serve at the pleasure of the Commission. He shall administer the act under the supervision of the Commission and in accordance with its policies.

G. The Administrator shall be a person of good moral character, at least thirty (30) years of age, a resident taxpayer of Oklahoma, and thoroughly familiar with corporate organization, investment banking, investment trusts, the sale of securities, and the statistical details of the manufacturing industries and commerce of this state. In addition, the Administrator shall:

1. Be a graduate of an accredited law school and a member of the Oklahoma Bar Association, or shall have had ten (10) years' experience as a certified public accountant; and

2. Have at least three (3) years' work experience involving some aspect of the securities industry. The Commission may also require additional qualifications. The salary of the Administrator shall be fixed by the Commission.

H. The Administrator, with the approval of the Commission, may designate a Deputy Securities Administrator, who shall possess the same qualifications, including bond, required for the Administrator and who shall perform all the duties required to be performed by the Administrator when the Administrator is absent or unable to act for any reason.

I. Before assuming office, the Administrator shall give a bond in the sum of Fifty Thousand Dollars ($50,000.00) payable to the State of Oklahoma, to be approved by the Attorney General of the State of Oklahoma, conditioned that he will faithfully execute the duties of his office. The Administrator may by rule or order require any employee of the Department to be bonded on the same condition and in the same or such lesser amount as he determines. The expense of all such bonds shall be paid from funds available to the Department.

J. 1. The internal administrative organization of the Department shall be determined by the Commission in such manner as to promote the efficient and effective enforcement of this act. The Department shall include, but not be limited to, divisions relating to:

a. registration of broker-dealers, agents, investment advisers, and investment adviser representatives,

b. registration of securities,

c. investigation and enforcement, and

d. investor education.

2. Within the division of investor education, the Department may provide the following services at the discretion of the Administrator:

a. informing investors of all rights and remedies available under this act,

b. informing investors of the availability of private dispute resolution, including arbitration and mediation, as an alternative to other courses of action,

c. acting as a liaison between investors and the other divisions of the Department, and

d. acting as a liaison between investors and issuers of securities, broker-dealers or investment advisers subject to the jurisdiction of the Department under this act.

Nothing in this subsection shall authorize any employee of the Department to represent the interests of, or to serve as counsel for, investors in any proceeding or action to include an administrative or civil proceeding brought by the Department or the

Securities and Exchange Commission, a proceeding brought by the National Association of Securities Dealers, Inc., or an arbitration or mediation proceeding. Further, no employee of the Department may advise any person about the value of securities or as to the advisability of investing in, purchasing or selling securities, or as to the value or merits of pursuing a particular course of action.

3. Employees of the division of investor education shall not be exempt from the provisions of the Open Records Act and Section ~~45~~ 1-607 of this ~~act~~ title.

K. The Administrator shall prepare in writing a manual of necessary employee positions for the Department, including job classifications, personnel qualifications, duties, maximum and minimum salary schedules, and other personnel information, which shall be approved by the Commission. The Administrator may select, appoint, and employ such accountants, auditors, examiners, clerks, stenographers, and other personnel as he deems necessary for the proper administration of this act, and may fix their compensation and the salary of the Deputy Administrator. The Deputy Administrator and other employees of the Department shall serve at the pleasure of the Administrator.

L. The Commission and the Securities Department shall be assigned offices in Oklahoma City, Oklahoma, by the ~~Department of Central Services~~ Office of Management and Enterprise Services, and all records of the Commission and Department shall be kept in those

offices, unless and until transferred to the Records Management Division of the Oklahoma Department of Libraries.

M. The Department of Securities' attorney, paralegal, legal secretary, accountant, investigator, examiner, chief financial officer, network administrator, business manager, and investor education coordinator positions shall be in the unclassified service and are in no way subject to any of the provisions of the Merit System of Personnel Administration or of the rules promulgated by the ~~Office of Personnel Management~~ Office of Management and Enterprise Services except those relating to leave regulations.

N. 1. Neither the Administrator nor any employee of the Department, during their respective terms of employment, shall serve as a director, officer, shareholder, member, partner, agent or employee of any person who, during the period of such Administrator's or employee's employment with the Department:

a. was licensed or applied for registration as a broker-dealer, agent, investment adviser or investment adviser representative under this act, or

b. applied for or secured the registration of securities under this act.

2. Nothing in paragraph 1 of this subsection shall prohibit the holding, purchasing or selling of any securities by the Administrator or any employee of the Department in accordance with

regulations adopted by the Commission for the purpose of protecting the public interest and avoiding conflicts of interest.

3. Nothing contained in paragraph 1 of this subsection shall prohibit the holding, purchasing or selling of any securities of any issuer described in subparagraph b of paragraph 1 of this subsection of this section by the Administrator if either:

a. the Administrator together with his or her spouse, or minor children, owns less than one percent (1%) of any class of outstanding securities of any such issuer so long as such securities are not purchased in an initial public offering, or

b. such securities are held or purchased through a management account or trust administered by a bank or trust company authorized to do business in this state that has sole investment discretion regarding the holding, purchasing or selling of such securities and the Administrator or employee did not, directly or indirectly, advise, counsel or command the holding, purchasing or selling of any securities or furnish any information relating to any such securities to such bank or trust company and further, such account or trust does not at any time have more than ten percent (10%) of its total assets invested in the securities of any one issuer or hold more than five percent (5%)

of the outstanding securities of any class of securities of any one issuer.

O. This act does not create or diminish a privilege or exemption that exists at common law, by statute or rule, or otherwise.

P. The Administrator may develop and implement investor education initiatives to inform the public about investing in securities, with particular emphasis on the prevention and detection of securities fraud. In developing and implementing these initiatives, the Administrator may collaborate with public and nonprofit organizations with an interest in investor education. The Administrator may accept a grant or donation from a person that is not affiliated with the securities industry or from a nonprofit organization, regardless of whether the organization is affiliated with the securities industry, to develop and implement investor education initiatives. This subsection does not authorize the Administrator to require participation or monetary contributions of a registrant in an investor education program.

SECTION 644. AMENDATORY 71 O.S. 2011, Section 1-612, is amended to read as follows:

Section 1-612. A. Unless otherwise provided for by law, the following shall be the fees charged pursuant to the provisions of this act:

1. Broker-dealer registration fee or renewal fee.....$300.00
2. Broker-dealer or issuer agent or broker-dealer principal registration fee or renewal fee.....$50.00
3. Broker-dealer agent on an inactive basis, renewal fee.....$10.00
4. Investment adviser registration fee or renewal fee.....$300.00
5. Investment adviser annual notice filing fee.....$300.00
6. Investment adviser representative registration fee or renewal fee.....$50.00
7. Mass transfer fee.....$10.00 per transferee
8. Mailing list fee.....$30.00 per year
9. Review of sales literature package.....$50.00
10. Broker-dealer or investment adviser financial or operating reports.....$50.00
11. Issuer sales reports.....$50.00
12. Notice of exemption filing or request for order of exemption.....$250.00
13. Interpretive opinion or no-action request.....$250.00

14. Affidavit request.....$10.00

15. Service of process upon the Administrator.....$10.00

16. Amendments to registration statements or notice filings pursuant to Section ~~11~~ 1-302 of this ~~act~~ title involving changes to the issuer's application or notice filing form:

a. examination fee.....$50.00, and

b. a filing fee computed in the same manner as the filing fee required pursuant to of subsection B of this section for any additional securities being registered.

17. Copying fee.

a. 8 1/2" by 14" or smaller.....$.25 per page

b. Larger than 8 1/2" by 14".....$1.00 per page

c. Certified copy 8 1/2" by 14" or smaller.....$1.00 per page

d. Certified copy larger than 8 1/2" by 14".....$2.00 per page

18. Document search fee for commercial purpose.....$20.00 per hour

19. Notice filing fee for a federal covered security under Section 18 (b)(4) of the Securities Act of 1933.....$250.00

B. For the purpose of registering securities under this act, any person filing a registration statement shall pay an examination fee of Two Hundred Dollars ($200.00) and a filing fee computed upon the aggregate offering price of the securities sought to be registered in Oklahoma as follows:

a fee equal to one-tenth of one percent (1/10 of 1%) of said price; provided, in no event shall the filing fee be less than Two Hundred Dollars ($200.00) or more than Two Thousand Five Hundred Dollars ($2,500.00).

C. Any person making a notice filing pursuant to subsection A of Section 1-302 of this title, or renewing such a filing, shall pay a filing fee of Five Hundred Dollars ($500.00) with each such notice or renewal filed.

D. A person required to pay a filing or notice fee under this section may transmit the fee through or to a person designated by rule adopted or order issued under this act. All fees and other charges collected by the Administrator shall be deposited in the General Revenue Fund with the State Treasurer, except for the fees deposited in the Oklahoma Department of Securities Revolving Fund

and the amounts deposited in the Oklahoma Department of Securities Investor Education Revolving Fund.

E. There is hereby created in the State Treasury a revolving fund for the Oklahoma Department of Securities to be designated the "Oklahoma Department of Securities Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of fees and other charges collected by the Administrator as follows:

1. The fees collected pursuant to paragraphs 1, 4, 5, 8, 14, 15, 17 and 18 of subsection A of this section;

2. The fees collected pursuant to the provisions of Section 1-504 of this title as provided in paragraph 9 of subsection A of this section;

3. The examination fees designated in paragraph 16 of subsection A and in subsection B of this section;

4. The amounts collected pursuant to subsection D of Section 1-605 of this title set forth in paragraph 13 of subsection A of this section; and

5. One Hundred Fifty Dollars ($150.00) of each filing fee collected pursuant to subsection C of this section.

The Oklahoma Department of Securities Revolving Fund shall be a continuing fund, not subject to fiscal year limitations. Expenditures from the Oklahoma Department of Securities Revolving Fund shall be made pursuant to the laws of this state and the

statutes relating to the Oklahoma Department of Securities, and without legislative appropriation. Expenditures from the Oklahoma Department of Securities Revolving Fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

F. There is hereby created in the State Treasury a revolving fund for the Oklahoma Department of Securities to be designated the "Oklahoma Department of Securities Investor Education Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all amounts collected pursuant to court order or judgment in actions brought by the Administrator, and amounts received in multistate settlements participated in by the Department, and interest attributable to the investment of the fund that shall be deposited in the Oklahoma Department of Securities Investor Education Revolving Fund. The Fund may be invested in any investment instrument allowed by Oklahoma Statutes to the State Treasurer for the investment of state funds. Any amounts received from any court settlement in excess of One Million Dollars ($1,000,000.00) shall be transferred to the General Fund. The Administrator shall use the moneys in this fund exclusively for the specific purposes of research for education and education of Oklahoma residents in matters concerning securities laws and general investor protection. The Oklahoma Department of

Securities Investor Education Revolving Fund shall be a continuing fund, not subject to fiscal year limitations. Expenditures from the Oklahoma Department of Securities Investor Education Revolving Fund shall be made pursuant to the laws of this state and the statutes relating to the Oklahoma Department of Securities, and without legislative appropriation. Expenditures from the Oklahoma Department of Securities Investor Education Revolving Fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

G. There is hereby created a petty cash fund for the Oklahoma Department of Securities. The Director of ~~State Finance~~ the Office of Management and Enterprise Services and the Administrator are hereby authorized and it shall be their duty to fix the maximum amount of the petty cash fund, not to exceed Five Hundred Dollars ($500.00). The Director of ~~State Finance~~ the Office of Management and Enterprise Services shall prescribe all forms, systems, and procedures for administering the petty cash fund. The fund shall be used solely to pay:

1. Examination, investigation and litigation expenses of the Department, including, but not limited to, court costs, filing fees, copying fees, and witness fees; and

2. Incidental operating expenses of the Department not to exceed One Hundred Dollars ($100.00) per transaction.

H. Once paid, fees shall be nonrefundable.

I. Section 211 of Title 62 of the Oklahoma Statutes shall not apply to the Oklahoma Department of Securities or the Oklahoma Securities Commission.

SECTION 645. AMENDATORY 72 O.S. 2011, Section 48, is amended to read as follows:

Section 48. All officers and employees of the state or a political subdivision thereof who are members, either officers or enlisted, of the National Guard or any branch of the United States Military or its reserve components, shall, when ordered by the proper authority to active or inactive duty or service, be entitled to a leave of absence from such civilian employment for the period of such service without loss of status or seniority. During the first thirty (30) calendar days for employees of political subdivisions or the first thirty (30) regularly scheduled work days for state employees of such leave of absence in any federal fiscal year, the officers or employees shall receive their full regular pay from the employing state agency or political subdivision. During the remainder of such leave of absence in any federal fiscal year, the employing state agency or political subdivision may elect to pay the officer or employee an amount equal to the difference between their full regular pay from the employing state agency or political

subdivision and their military pay, except that state officers and employees shall receive the difference between their full regular pay and their Reserve Components pay when they are ordered by proper authority to active or inactive service retroactive to the date that the officer or employee reported to active service on or after September 11, 2001, during the period that Operation Enduring Freedom is in effect. The durational limit of protected military service as provided for in this section shall not be less than that provided by federal law. If it is necessary in the public interest to provide for the performance of the duties of their positions during such absence, the authority having power to fill a vacancy in the positions may appoint substitutes, to be known as acting incumbents, who shall qualify as required for the regular incumbents and shall receive the same pay, including benefits and pay adjustments as fixed by law, if any, or otherwise such pay, including benefits and pay adjustments, as may be fixed by proper authority.

The ~~Office of Personnel Management~~ Office of Management and Enterprise Services shall promulgate rules as necessary to implement the provisions of this section that relate to state employees.

SECTION 646. AMENDATORY 72 O.S. 2011, Section 63.11a, is amended to read as follows:

Section 63.11a A. The ~~Department of Central Services~~ Office of Management and Enterprise Services shall, from the effective date of

this act, furnish an Oklahoma state flag to any member of the United States Armed Forces, including the National Guard or Armed Forces reserve, who is either killed in the line of duty in a combat zone or dies of wounds inflicted in a combat zone and who, at the time of death, was a resident of this state or whose surviving spouse, or parents, if no surviving spouse, are residents of this state.

B. The Governor's office shall alert the ~~Department of Central Services~~ Office of Management and Enterprise Services upon the death of any Oklahoma member of the United States Armed Forces. Prior to sending the flag to the deceased's spouse or parents, the ~~Department of Central Services~~ Office of Management and Enterprise Services shall alert the deceased's member of the State Senate and House of Representatives so that a letter of condolence may be sent with the flag. The Oklahoma flag shall be mailed to the surviving spouse, or parents if no surviving spouse, by the ~~Department of Central Services~~ Office of Management and Enterprise Services.

C. All United States flags and all Oklahoma flags purchased by the state or political subdivisions shall be manufactured in the United States.

SECTION 647. AMENDATORY 72 O.S. 2011, Section 63.16, is amended to read as follows:

Section 63.16 A. The Oklahoma Department of Veterans Affairs shall not, either in conjunction with the War Veterans Commission of Oklahoma or any other state agency, board or commission or in

conjunction with any public trust, issue or cause to be issued by a public trust any bond or other evidence of indebtedness after July 1, 2008.

B. Except as required for purposes of refinancing or refunding an existing issue of indebtedness, from and after July 1, 2008, neither the Oklahoma Department of Veterans Affairs nor the War Veterans Commission of Oklahoma shall be authorized to enter into agreements with public trusts in connection with an issuance of evidence of indebtedness by such public trusts.

C. No provision of this section shall affect the obligations incurred or agreements entered into by the Oklahoma Department of Veterans Affairs or the War Veterans Commission of Oklahoma with any public trust if such obligations were incurred or agreements were entered into or are year to year continuations of agreements or leases entered into prior to June 25, 1986. No provision of this section shall be construed as a limitation on the authority of the Oklahoma Department of Veterans Affairs or the War Veterans Commission of Oklahoma to enter into other agreements not prohibited by this section.

D. There is hereby created in the State Treasury a trust fund for the Oklahoma Department of Veterans Affairs to be designated the "Department of Veterans Affairs Trust Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies authorized for expenditure as provided by this

section. All monies accruing to the credit of said fund are hereby appropriated and may be budgeted and expended by the Oklahoma Department of Veterans Affairs for the purpose of retiring indebtedness evidenced by bonds, whether such bonds are part of an original issue or part of a refunding issue, in the manner prescribed by this section. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

E. The Oklahoma Department of Veterans Affairs shall make deposits into the Department of Veterans Affairs Trust Fund established by this section from the Department of Veterans Affairs Revolving Fund, and from such other monies as may be lawfully expended for the purposes specified by this section.

F. For all fiscal years in which an outstanding balance of bonded indebtedness exists which the Oklahoma Department of Veterans Affairs has caused to be issued through agreements with public trusts, the Oklahoma Department of Veterans Affairs shall at or prior to the end of each fiscal year quarter make money deposits in the Department of Veterans Affairs Trust Fund in amounts sufficient to meet three (3) months' debt service on any public trust bonded indebtedness which the Department has caused to be issued. The Department of Veterans Affairs Trust Fund deposits required by this

subsection shall be from any funds available to the Oklahoma Department of Veterans Affairs which may be legally expended for the purposes specified by this section. However, a minimum of an amount equal to one percent (1%) of the Department of Veterans Affairs Budget Work Program for the applicable fiscal year must be transferred from the Oklahoma Department of Veterans Affairs Revolving Fund and included in the total deposits required in each fiscal year.

G. Payments from the fund established pursuant to subsection D of this section shall be made by the Oklahoma Department of Veterans Affairs only upon the authorization of the Director of ~~State Finance~~ the Office of Management and Enterprise Services and the War Veterans Commission of Oklahoma.

H. The Oklahoma Department of Veterans Affairs is hereby authorized to deposit in the fund created in subsection D of this section all federal grant monies which it receives in conjunction with projects which it has caused to be financed through revenue bonds issued by public trusts.

SECTION 648. AMENDATORY 72 O.S. 2011, Section 63.19, is amended to read as follows:

Section 63.19 A. The Oklahoma Tax Commission shall include on each state individual income tax return form for tax years beginning after December 31, 2001, and each state corporate tax return form for tax years beginning after December 31, 2001, an opportunity for

the taxpayer to donate from a tax refund for the benefit of the Oklahoma Department of Veterans Affairs Equipment and Capital Improvement Program.

B. The monies generated from donations made pursuant to subsection A of this section shall be used by the Oklahoma Department of Veterans Affairs to purchase equipment and develop capital improvement projects and to acquire properties for expanding or improving existing projects, or for future projects to include site acquisition, architectural plan development and construction.

C. Except as otherwise provided for in this section, all monies generated pursuant to subsection A of this section shall be paid to the State Treasurer and placed to the credit of the Capital Improvement Program Revolving Fund.

D. There is hereby created in the State Treasury a revolving fund for the Oklahoma Department of Veterans Affairs to be designated "Capital Improvement Program Revolving Fund~~.~~". The fund shall be a continuing fund not subject to fiscal year limitations and shall consist of all monies received pursuant to the provisions of this section. The Oklahoma Department of Veterans Affairs is hereby authorized to invest all or part of the monies of the fund in securities and any interest or dividends accruing from the investments and any monies generated at the time of redemption of the investments shall be deposited in the Capital Improvement Program Revolving Fund. All monies accruing to the credit of the

fund are hereby appropriated and may be budgeted and expended by the Oklahoma Department of Veterans Affairs for the purposes stated in subsection B of this section. Any monies withdrawn from the fund by the Oklahoma Department of Veterans Affairs for investment pursuant to this section shall be deemed to be for the purpose of equipment purchases or enhancing the veterans capital improvement programs of the State of Oklahoma. Expenditures from the fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

E. If a taxpayer makes a donation pursuant to subsection A of this section in error, the taxpayer may file a claim for refund at any time within three (3) years from the due date of the tax return. Such claims shall be filed pursuant to the provisions of Section 2373 of Title 68 of the Oklahoma Statutes and, if allowed, shall be paid pursuant to the provisions of said section. Prior to the apportionment set forth in subsection C of this section, an amount equal to the total amount of refunds made pursuant to this subsection during any one (1) year shall be deducted during the following year, and the amount deducted shall be paid to the State Treasurer and placed to the credit of the Income Tax Withholding Refund Account.

SECTION 649. AMENDATORY 72 O.S. 2011, Section 65.1, is amended to read as follows:

Section 65.1 A. The Oklahoma Department of Veterans Affairs shall be required to proceed with construction projects at veterans centers under the control of the War Veterans Commission of Oklahoma from funds designated for these purposes.

B. Projects shall be constructed in the order designated by United States Department of Veterans Affairs priorities.

C. Federal matching funds received for these projects shall continue to be deposited in the federal matching fund designated for the Oklahoma Department of Veterans Affairs by the Director of ~~State Finance~~ the Office of Management and Enterprise Services and shall be considered as available funds for projects, unless otherwise encumbered.

SECTION 650. AMENDATORY 72 O.S. 2011, Section 67.13, is amended to read as follows:

Section 67.13 The War Veterans Commission of Oklahoma shall have authority to make expenditures or loans from the W.V.C. Revolving Fund for emergency financial aid in the maintenance or support of honorably discharged war veterans or their spouses or surviving spouses who have been legal residents of this state for a period of one (1) year next preceding application for these benefits. Payments may be made from this fund by the War Veterans Commission upon warrants drawn by the State Treasurer on claims approved by the Director of the Oklahoma Department of Veterans Affairs pursuant to the guidelines of the ~~Office of State Finance~~

Office of Management and Enterprise Services. At the time of approval of claims, the Director shall certify that such payments meet criteria established by regulations promulgated by the War Veterans Commission of Oklahoma.

SECTION 651. AMENDATORY 72 O.S. 2011, Section 164, is amended to read as follows:

Section 164. All property, including buildings, grounds, equipment, furniture, fixtures, and other property owned by this state as a part of the Union Soldiers' Home, and heretofore subject to the supervision and management of the Board of Trustees, is hereby transferred to the control, supervision, and management of the ~~Office of Public Affairs~~ Office of Management and Enterprise Services for the use and benefit of this state.

SECTION 652. AMENDATORY 72 O.S. 2011, Section 221.5, is amended to read as follows:

Section 221.5 For the determination of compliance with limits set forth in The Oklahoma Central Purchasing Act, each division of the Oklahoma Department of Veterans Affairs that operates a Veterans Center shall, if the division has a Certified Procurement Officer and makes purchases in compliance with internal purchasing procedures of the Department of Veterans Affairs that are approved by the ~~Department of Central Services~~ Office of Management and Enterprise Services, be regarded as an individual purchasing entity.

SECTION 653. AMENDATORY 72 O.S. 2011, Section 222, is amended to read as follows:

Section 222. A. There is hereby created in the State Treasury a revolving fund for the Oklahoma Department of Veterans Affairs to be known as the Oklahoma Department of Veterans Affairs Revolving Fund. The revolving fund shall consist of all funds and monies received by the Oklahoma Department of Veterans Affairs, its constituent institutions, and/or, the War Veterans Commission of Oklahoma, from any gifts, contributions, bequests, individual reimbursements except as otherwise provided by law, and other sources of revenue, for the care or support of war veterans discharged other than under dishonorable conditions, who have been admitted and cared for at the Oklahoma Department of Veterans Affairs Centers, at Ardmore, Claremore, Clinton, Lawton/Ft. Sill, Norman, Sulphur or Talihina. Provided no grants-in-aid, reimbursements, or other revenue from the United States government or any instrumentality of the United States government shall be deposited in the fund. Provided further, nothing contained herein prohibits the establishment and utilization of special agency accounts by the Oklahoma Department of Veterans Affairs and its constituent institutions, as may be approved by the Special Agency Account Board, for receipt and disbursement of the personal funds of Veteran Center patients and members and/or for receipt and

disbursement of charitable contributions and donations for use by and for patients and members.

B. The revolving fund herein created shall be used by the Oklahoma Department of Veterans Affairs to pay for the care of war veterans discharged other than under dishonorable conditions, in Veterans Centers, to pay the general operating expenses of the Veterans Centers, including the payment of salaries and wages of officials and employees, to pay for the employee safety programs and incentive awards provided for in Section 63.10a of this title, and to remodel, repair, construct, build additions, modernize, or add improvements of domiciliary or hospital buildings necessary for the care of veterans, including tuberculosis, mentally ill or neuropsychiatric patients, but not excluding others; and architectural plans, specifications, or other costs pertinent thereto.

C. The Oklahoma Department of Veterans Affairs may transfer monies from the revolving fund created in this section to the W.V.C. Revolving Fund in the State Treasury.

D. All expenditures from said revolving fund shall be made upon warrants issued by the State Treasurer based upon claims approved by the Oklahoma Department of Veterans Affairs, as provided by law, and filed with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 654. AMENDATORY 72 O.S. 2011, Section 223, is amended to read as follows:

Section 223. A. The State of Oklahoma accepts the provisions of the Act of Congress of August 27, 1888, as amended, 1934 Edition U.S. Code, Title 24, Section 134, and of any other federal law or Act of Congress providing for the payment of funds to states for the care of, or support of, disabled soldiers and sailors in state homes, and it shall be the duty of the War Veterans Commission of Oklahoma to obtain such federal aid and assistance as is available under the aforenamed Act of Congress, or otherwise. All such funds received from the United States or any federal agency, for such care, shall be deposited in a federal fund created by the ~~Office of State Finance~~ Office of Management and Enterprise Services as provided by law.

B. All Oklahoma veterans nursing facilities shall participate in the state veterans homes per diem grant program administered by the United States Department of Veterans Affairs. Upon approval by the United States Department of Veterans Affairs of a nursing facility to participate in the per diem program, the Oklahoma War Veterans Commission shall issue a license to operate such facility as an Oklahoma veterans home.

SECTION 655. AMENDATORY 72 O.S. 2011, Section 240, is amended to read as follows:

Section 240. There is hereby created a petty cash fund at the Oklahoma Department of Veterans Affairs, at the Oklahoma Veterans Center, Ardmore, Oklahoma, at the Oklahoma Veterans Center, Clinton, Oklahoma, at the Oklahoma Veterans Center, Sulphur, Oklahoma, at the Oklahoma Veterans Center, Talihina, Oklahoma, at the Oklahoma Veterans Center, Norman, Oklahoma, at the Oklahoma Veterans Center, Claremore, Oklahoma, and at the Oklahoma Veterans Center, Lawton/Ft. Sill, Oklahoma. The Director of ~~State Finance~~ the Office of Management and Enterprise Services and the Director of the Oklahoma Department of Veterans Affairs are authorized to fix the maximum amount of these petty cash funds and the Director of ~~State Finance~~ the Office of Management and Enterprise Services shall prescribe the rules and procedures for the administration of these petty cash funds.

SECTION 656. AMENDATORY 72 O.S. 2011, Section 403, is amended to read as follows:

Section 403. A. Oklahoma state agencies are hereby authorized to employ special disabled veterans who are legal residents of the state in competitive and noncompetitive jobs. Such veterans shall be exempt from entrance examinations and hiring procedures administered by the ~~Office of Personnel Management~~ Office of Management and Enterprise Services pursuant to Sections ~~840.19~~ 840-4.12 and ~~840.20~~ 840-4.13 of Title 74 of the Oklahoma Statutes.

B. Special disabled veterans hired pursuant to subsection A of this section shall be appointed for a probationary period of one (1) year, except that the appointing authority may waive in writing the remainder of the probationary period at any time after a probationary employee has served six (6) months; provided, however, that the disabled veteran and the ~~Administrator~~ Director of the ~~Office of Personnel Management~~ Office of Management and Enterprise Services shall be notified in writing as to such action and the reason therefor. At the end of the probationary period and if the work of said veterans is satisfactorily performed, the veterans shall acquire permanent status.

C. Upon acquiring permanent status, special disabled veterans shall be subject to the rules and regulations of the ~~Office of Personnel Management~~ Office of Management and Enterprise Services.

SECTION 657. AMENDATORY 72 O.S. 2011, Section 404, is amended to read as follows:

Section 404. Names of special disabled veterans employed by state agencies pursuant to this act shall be reported to the ~~Office of Personnel Management~~ Office of Management and Enterprise Services who shall record the names and report the total number of such veterans so employed in the annual report for the ~~Office of Personnel Management~~ Office of Management and Enterprise Services required by Section 840-1.6A of Title 74 of the Oklahoma Statutes.

SECTION 658. AMENDATORY 73 O.S. 2011, Section 15, is amended to read as follows:

Section 15. Except as otherwise provided by law, the custody, supervision, and control of all work or material required in and about the Capitol building and the grounds and appurtenances thereof shall be exercised by the ~~Department of Central Services~~ Office of Management and Enterprise Services which shall make all requisitions for supplies, repairs, or material required in the heating, lighting, plumbing, ventilation, and operation of the Capitol building and grounds.

SECTION 659. AMENDATORY 73 O.S. 2011, Section 15.1, is amended to read as follows:

Section 15.1 A. The Legislature shall have management and control of the following space in the State Capitol Building:

1. The space on the third, fourth, fifth and sixth floors;

2. The space in the basement that is occupied by the Legislature on June 1, 1995;

3. Approximately six thousand nine hundred thirty-nine (6,939) square feet of space in the west wing of the first floor that is occupied by the Department of Libraries on June 1, 1995;

4. Approximately six thousand six hundred ninety-one (6,691) square feet of space in the west wing of the basement that is occupied by the Department of Libraries and the ~~Department of~~

~~Central Services~~ Office of Management and Enterprise Services on June 1, 1995;

5. Approximately three thousand seven hundred seventy (3,770) square feet of space in the west wing of the basement that is occupied by the ~~Department of Central Services~~ Office of Management and Enterprise Services on June 1, 1995;

6. Approximately two thousand one hundred (2,100) square feet of space in the center of the basement that is occupied by the ~~Department of Central Services and the Office of State Finance~~ Office of Management and Enterprise Services on June 1, 1995;

7. Approximately six hundred (600) square feet of space in the center of the basement that is occupied by the ~~Department of Central Services~~ Office of Management and Enterprise Services on June 1, 1995;

8. Approximately two thousand three hundred one (2,301) square feet of space in the center of the basement that is occupied by the ~~Department of Central Services~~ Office of Management and Enterprise Services on June 1, 1995;

9. Approximately twelve thousand five hundred sixty (12,560) square feet of space in the west wing of the first floor that is occupied by the Office of the Attorney General on June 1, 2001; provided, upon the Office of the Attorney General vacating such space, any renovations thereto shall be made in such a manner as to

ensure preservation and maintenance of the cultural and historic integrity of the Capitol; and

10. Upon completion of the project authorized in Section 332 of this title, all space in the west wing of the second floor that is occupied by the Supreme Court, all space in the north wing of the second floor that is occupied by the Court of Criminal Appeals and any other space in the State Capitol Building that is occupied by the appellate courts prior to relocation to the Wiley Post Historical Building; provided, the Supreme Court shall continue to have exclusive management and control of the Supreme Court courtroom and designated robing room located in the west wing of the second floor and the Court of Criminal Appeals shall continue to have access to the courtroom and designated robing room located in the north wing of the second floor upon such occasions as the Presiding Judge of the Court of Criminal Appeals deems necessary and appropriate.

B. The authority of the Legislature to allot space may be delegated to the President Pro Tempore of the Senate and the Speaker of the House of Representatives. Each House of the State Legislature shall have the exclusive charge of the purchase, use, allotment, and disposition of its respective chambers, committee rooms, fixtures, furniture, supplies, and apparatus, and shall be responsible for the use and preservation of same. The provisions of this section shall not prohibit the Legislature from allowing

agencies of the executive or judicial departments to use space within the State Capitol Building that is under its management and control.

SECTION 660. AMENDATORY 73 O.S. 2011, Section 15.2, is amended to read as follows:

Section 15.2 A. In order to implement the authority of the Legislature to allot the space specified in paragraphs 3 through 8 of subsection A of Section ~~2~~ 15.1 of this ~~act~~ title, the following schedule shall be adhered to:

1. The space specified in paragraphs 3 and 4 of subsection A of Section ~~2~~ 15.1 of this ~~act~~ title shall be vacated by the Department of Libraries and ~~Department of Central Services~~ the Office of Management and Enterprise Services by not later than February 29, 1996;

2. The space specified in paragraph 5 of subsection A of Section ~~2~~ 15.1 of this ~~act~~ title shall be vacated by the ~~Department of Central Services~~ Office of Management and Enterprise Services by not later than February 29, 1996;

3. The space specified in paragraph 6 of subsection A of Section ~~2~~ 15.1 of this ~~act~~ title shall be vacated by the ~~Department of Central Services and the Office of State Finance~~ Office of Management and Enterprise Services by not later than April 30, 1996;

4. The space specified in paragraph 7 of subsection A of Section ~~2~~ 15.1 of this ~~act~~ title shall be vacated by the ~~Department~~

~~of Central Services~~ Office of Management and Enterprise Services by not later than April 30, 1996; and

5. The space specified in paragraph 8 of subsection A of Section ~~2~~ 15.1 of this ~~act~~ title shall be vacated by the ~~Department of Central Services~~ Office of Management and Enterprise Services by not later than September 30, 1996.

B. The space vacated pursuant to subsection A of this section shall be allotted as follows:

1. The space vacated pursuant to paragraph 1 of subsection A of this section shall be occupied by the House of Representatives;

2. The space vacated pursuant to paragraph 2 of subsection A of this section shall be occupied by the Senate;

3. The space vacated pursuant to paragraph 3 of subsection A of this section shall be occupied by the Legislative Service Bureau and the Doctor and Nurse of the Day;

4. The space vacated pursuant to paragraph 4 of subsection A of this section shall be occupied by the House of Representatives; and

5. The space vacated pursuant to paragraph 5 of subsection A of this section shall be occupied by the House of Representatives.

C. In addition to the provisions of subsections A and B of this section, the ~~Department of Central Services~~ Office of Management and Enterprise Services shall vacate approximately thirteen thousand sixty-two (13,062) square feet of space in the east wing of the basement of the State Capitol Building by not later than February

29, 1996. The Jan Eric Cartwright Memorial Library shall occupy the space vacated by the ~~Department of Central Services~~ Office of Management and Enterprise Services pursuant to this subsection.

D. The Director of the ~~Department of Central Services~~ Office of Management and Enterprise Services shall ensure the orderly and timely vacating of the space within the charge and control of the ~~Department of Central Services~~ Office of Management and Enterprise Services as provided in this section.

SECTION 661. AMENDATORY 73 O.S. 2011, Section 15.4, is amended to read as follows:

Section 15.4 A. There is hereby authorized the creation of a not-for-profit corporation to be known as "Friends of the Capitol" to raise funds and to assist in the preservation and enhancement of the Oklahoma Capitol and surrounding areas as defined in Section 1 of this title.

B. The board of directors of the corporation authorized in subsection A of this section shall choose its own chairperson.

C. After proper incorporation, the not-for-profit corporation is authorized and directed to apply for tax-exempt status under Section 501(c)(3) of the Internal Revenue Code (26 U.S.C., Section 501(c)(3)).

D. In addition to funds received from the general public or other public and private sources, the not-for-profit corporation may receive funds from state agencies at such times and in such amounts

as may be appropriated by the Legislature for the Oklahoma Capitol or made available to the corporation from state agencies from their sources of revenue.

E. Costs to underwrite activities related to the preservation and enhancement of the Oklahoma Capitol may be borne from revenues of the not-for-profit corporation.

F. Upon the incorporation, the not-for-profit corporation shall be authorized to hire staff and name advisory groups or steering committees as necessary to assist in the preservation and enhancement of the Oklahoma Capitol.

G. The corporation shall coordinate preservation and enhancement projects in conjunction with and the consent of the Capitol Preservation Commission and the ~~Department of Central Services~~ Office of Management and Enterprise Services.

SECTION 662. AMENDATORY 73 O.S. 2011, Section 15.5, is amended to read as follows:

Section 15.5 A. The ~~Department of Central Services~~ Office of Management and Enterprise Services is hereby directed to:

1. Provide for the renovation of approximately three thousand two hundred twenty (3,220) square feet of space in the south wing of the first floor in the State Capitol Building so that such space is available to be used as a visitors' center;

2. Provide for the renovation of approximately one thousand one hundred (1,100) square feet of space in the northwest corner of the

south wing of the first floor in the State Capitol Building so that such space is available to be used as an orientation theater; and

3. Provide for the renovation of the central area of the west wing of the first floor in the State Capitol so that such space is available to be used as a gallery in the same manner that corresponding space in the east wing of the first floor is used on the effective date of this act.

It is the intent of the Legislature that such visitors' center, orientation theater and gallery be open to the public not later than November 16, 2007. The Department is directed to cooperate with the Capitol Architect and Curator for the design of such renovations, which shall be made in such a manner as to ensure preservation and maintenance of the cultural and historic integrity of the State Capitol Building.

B. The ~~Department of~~ Oklahoma Tourism and Recreation Department is hereby directed to provide for the operation and maintenance of the visitors' center and orientation theater.

C. Interest earned on construction funds with respect to completed projects funded by the Oklahoma Capitol Improvement Authority Series 1999A Bonds to pay for additional land acquisition and other costs associated with the Lincoln Boulevard Renaissance Project shall be used for the purposes specified in subsection A of this section and for the purpose of acquiring additional land, demolition, landscaping, environmental remediation and other costs

associated with the Lincoln Boulevard Renaissance Project. The Director of ~~State Finance~~ the Office of Management and Enterprise Services is hereby directed to transfer funds as needed to accomplish the intent of this section.

SECTION 663. AMENDATORY 73 O.S. 2011, Section 22, is amended to read as follows:

Section 22. No driving of nails, boring of holes, marking of walls, or other defacement of the State Capitol Building shall be permissible without having the approval of the State Mechanical Engineer, or the engineer designated by the ~~Office of Public Affairs~~ Office of Management and Enterprise Services for such purpose, and the ~~Office of Public Affairs~~ Office of Management and Enterprise Services.

SECTION 664. AMENDATORY 73 O.S. 2011, Section 24, is amended to read as follows:

Section 24. The ~~Department of Central Services~~ Office of Management and Enterprise Services shall display the current flag of the United States of America, an Oklahoma state flag adopted by the Oklahoma Legislature, the American Ex-Prisoner of War flag, a flag to commemorate the centennial of the State of Oklahoma, or a combination thereof at the discretion of the Governor on the fourteen flag poles located at the south plaza entrance to the State Capitol Building in the area bounded by the south Capitol Building steps on the north and by Northeast 22nd Street on the south. The

flags shall be displayed in a dignified manner every day except when the weather is inclement.

SECTION 665. AMENDATORY 73 O.S. 2011, Section 26, is amended to read as follows:

Section 26. The ~~Department of Central Services~~ Office of Management and Enterprise Services shall cause to be displayed in an appropriate and dignified manner north of the State Capitol Building the current flags, standards, or banners of all federally recognized Native American tribal governments located within the boundaries of the State of Oklahoma. The flags shall be displayed every day except when the weather is inclement.

SECTION 666. AMENDATORY 73 O.S. 2011, Section 62.2, is amended to read as follows:

Section 62.2 The Director of ~~Public Affairs~~ the Office of Management and Enterprise Services is hereby authorized to enter into a written agreement with the Post Office Department of the United States permitting said Department to occupy and use adequate quarters in the State Capitol for a post office free of cost to the United States. If additional space is needed, the Director of ~~Public Affairs~~ the Office of Management and Enterprise Services is hereby authorized to enter into written agreements providing such additional space in the State Capitol. The Office of ~~Public Affairs~~ Management and Enterprise Services shall also be authorized to agree to furnish light, heat, water, janitor service for said post office,

and a safe receptacle in which to keep property of the United States.

SECTION 667. AMENDATORY 73 O.S. 2011, Section 83.1, is amended to read as follows:

Section 83.1 A. There is hereby re-created to continue until July 1, 2013, in accordance with the Oklahoma Sunset Law, Section 3901 et seq. of Title 74, a Capitol-Medical Center Improvement and Zoning Commission to exercise the functions and perform the duties hereinafter prescribed.

B. The Commission shall be composed of eleven (11) members as follows:

1. The Director of the ~~Department of Central Services~~ Office of Management and Enterprise Services or his or her designee, who shall be ex officio chair of the Capitol-Medical Center Improvement and Zoning Commission;

2. The Director of the Transportation Commission or his or her designee;

3. The President of the University of Oklahoma or his or her designee;

4. Two members appointed by the President Pro Tempore of the Senate;

5. Two members appointed by the Speaker of the House of Representatives; and

6. The Chairman of the Planning Commission of Oklahoma City or his or her designee. The remaining three members of the Commission shall be appointed by the Governor, with the advice and consent of the State Senate, for three-year staggered terms with one term expiring on January 31 of each year.

C. One of the three members shall be appointed upon the recommendation of the Citizens' Advisory Committee. The Commission is authorized to appoint and hire a Director, who shall serve as the chief administrative officer of the Commission, and other necessary personnel. The Attorney General of the State of Oklahoma shall be the legal advisor to said Commission in the same capacity as he or she is to other boards and commissions.

D. At least one of the members appointed by the President Pro Tempore of the Senate and the Speaker of the House of Representatives shall be a resident within the boundaries of the Capitol-Medical Center Improvement and Zoning District as set forth in Section 83 of this title.

SECTION 668. AMENDATORY 73 O.S. 2011, Section 83.10, is amended to read as follows:

Section 83.10 All expenses of the Capitol-Medical Center Improvement and Zoning Commission shall be paid from appropriations made to the ~~Office of Public Affairs~~ <u>Office of Management and Enterprise Services</u>.

SECTION 669. AMENDATORY 73 O.S. 2011, Section 83.14, is amended to read as follows:

Section 83.14 A. Complaints for violation of any regulations promulgated by the Capitol-Medical Center Improvement and Zoning Commission shall be filed with the municipal court of the City of Oklahoma City, which shall exercise jurisdiction over the complaint. Any person found guilty by the court of violating any of the regulations shall be punished by a fine in a sum not to exceed Seventy-five Dollars ($75.00) inclusive of costs. Each violation shall constitute a separate and distinct offense. Appeals may be taken in the same manner as appeals from the court in cases involving violations of city ordinances. In such cases the City of Oklahoma City shall receive One Dollar ($1.00) as costs and one-half (1/2) of the fine. The remaining one-half (1/2) of the fine shall be paid to the State Treasurer and shall be placed in a fund which shall be used by the ~~Department of Central Services~~ Office of Management and Enterprise Services for the ongoing operation of the Commission.

B. Any person who violates any of the provisions of Sections 82.1 through 83.12 of this title or who violates any order or determination of the Commission promulgated pursuant to Section 83.13 of this title shall be guilty of a misdemeanor and in addition thereto may be enjoined from continuing such violation. Each day

upon which such violation occurs shall constitute a separate violation.

C. The Attorney General, on the request of the Commission, shall bring an action against any person violating any of the provisions of Sections 82.1 through 83.12 of this title or violating any order or determination of the Board.

SECTION 670. AMENDATORY 73 O.S. 2011, Section 92, is amended to read as follows:

Section 92. The ~~Office of Public Affairs~~ Office of Management and Enterprise Services shall pay off and discharge any liens against any lots or land known as capitol building lands owned by this state out of funds appropriated by the Legislature for said purpose.

SECTION 671. AMENDATORY 73 O.S. 2011, Section 96, is amended to read as follows:

Section 96. The Director of the ~~Department of Central Services~~ Office of Management and Enterprise Services is hereby authorized to regulate parking of vehicles on the streets in the vicinity of the State Capitol, the state office building, the State Historical Building, the State Armory, and other public buildings on the State Capitol grounds. Copies of such regulations, including amendments thereto, shall be filed in the Office of the Secretary of State and in the office of the city clerk of the City of Oklahoma City, and copies thereof shall be transmitted to each officer, board or

commission having offices in said buildings. A reasonable amount of parking space shall be reserved on the streets immediately adjacent to each of said buildings for citizens, not officers or employees of the state, having business to transact in such buildings. Parking space on the streets and on the public grounds may also be reserved for officers and employees. Such regulations may provide for diagonal or parallel parking of vehicles, the time limit for parking in spaces reserved, when such regulations shall be applicable, the placing of appropriate signs and other markings as to the availability of parking space, the issuance of appropriate stickers identifying vehicles, reservation of space for bus stops, and such other reasonable regulations as are deemed necessary to an orderly system to prevent congestion of traffic and the abuse of parking privileges on said streets. The Attorney General shall assist the Director of the ~~Department of Central Services~~ Office of Management and Enterprise Services in the preparation of said regulations. Such regulations shall be enforced by the Highway Patrol Division of the Department of Public Safety and by the police of the City of Oklahoma City or other peace officers. The authority of the City of Oklahoma City to regulate parking on the streets in the vicinity of the above referred to buildings is hereby withdrawn, and the Director of the ~~Department of Central Services~~ Office of Management and Enterprise Services and the city manager of the City of Oklahoma City shall cooperate to the extent necessary in specifically

defining the boundary or territorial limits of the respective jurisdictions in respect to the subject matter of this section and Section 97 of this title.

SECTION 672. AMENDATORY 73 O.S. 2011, Section 97, is amended to read as follows:

Section 97. Complaints for the violation of any of said regulations promulgated by the Director of ~~Public Affairs~~ the Office of Management and Enterprise Services shall be filed with the municipal court of the City of Oklahoma City, and said court shall exercise jurisdiction over the same. Any person found guilty by said court of violating any of said regulations shall be punished by a fine in a sum not exceeding Twenty Dollars ($20.00), inclusive of costs. Each violation shall constitute a separate and distinct offense. Appeals may be taken in the same manner as appeals from said court in cases involving violations of city ordinances. In such cases the City of Oklahoma City shall receive One Dollar ($1.00) as costs, and one-half (1/2) of the fine collected. The remaining one-half (1/2) of the fine shall be paid to the State Treasurer and shall be placed in a fund which shall be used by the Office of ~~Public Affairs~~ Management and Enterprise Services in the maintenance and upkeep of the Capitol grounds.

SECTION 673. AMENDATORY 73 O.S. 2011, Section 98.5, is amended to read as follows:

Section 98.5 There is hereby created in the State Treasury a revolving fund for the Oklahoma Capitol Complex and Centennial Commemoration Commission to be designated the "Oklahoma Capitol Complex and Centennial Commemoration Commission Revolving Fund". The fund shall consist of all monies that are received by the Commission from activities and donations as permitted under the Oklahoma Centennial Act. The revolving fund shall be a continuing fund not subject to fiscal year limitations. Expenditures from the fund shall be for expenses relating to any authorized activity of the Commission pursuant to the Oklahoma Centennial Act and shall be made pursuant to law and without legislative appropriation. Warrants for expenditures from this fund shall be issued by the State Treasurer against claims signed by an authorized employee of the Commission and approved for payment by the Director of ~~State Finance~~ the Office of Management and Enterprise Services.

SECTION 674. AMENDATORY 73 O.S. 2011, Section 99.6, is amended to read as follows:

Section 99.6 A. There is hereby created in the State Treasury a revolving fund for the Oklahoma Capitol Complex and Centennial Commemoration Commission to be designated as the "Oklahoma Centennial County Courthouses Preservation Act Revolving Fund".

B. The fund shall consist of all monies that are received by the Commission from appropriations or donations for historic county courthouse projects pursuant to this act.

C. The fund shall be a continuing fund not subject to fiscal year limitations. Expenditures from the fund shall be for expenses related to any authorized activity of the Commission pursuant to this act and shall be made pursuant to law and without legislative appropriation. Warrants for the expenditures from the fund shall be issued by the State Treasurer against claims signed by an authorized employee of the Commission and approved for payment by the Director of ~~State Finance~~ the Office of Management and Enterprise Services.

D. The Commission may use monies in the Fund to provide matching grants to counties that own a historic county courthouse for a historic courthouse project or to provide the State Historic Preservation Officer, created by Section 354 of Title 53 of the Oklahoma Statutes, funds to assist the Commission in administering the program.

SECTION 675. AMENDATORY 73 O.S. 2011, Section 99.15, is amended to read as follows:

Section 99.15 A. There is hereby created in the State Treasury a revolving fund for the Oklahoma Capitol Complex and Centennial Commemoration Commission to be designated as the "Oklahoma Historic Capitols Preservation Act Revolving Fund".

B. The fund shall consist of all monies that are received by the Commission from appropriations or donations for historic capitol building projects pursuant to the Oklahoma Historic Capitols Preservation Act.

C. The fund shall be a continuing fund not subject to fiscal year limitations. Expenditures from the fund shall be for expenses related to any authorized activity of the Commission pursuant to the Oklahoma Historic Capitols Preservation Act and shall be made pursuant to law and without legislative appropriation. Warrants for the expenditures from the fund shall be issued by the State Treasurer against claims signed by an authorized employee of the Commission and approved for payment by the Director of ~~State Finance~~ the Office of Management and Enterprise Services.

D. The Commission may use monies in the fund to provide matching grants to applicants that have jurisdiction over an historic capitol building for an historic capitol building project or to provide the State Historic Preservation Officer, created by Section 354 of Title 53 of the Oklahoma Statutes, funds to assist the Commission in administering the program.

SECTION 676. AMENDATORY 73 O.S. 2011, Section 163, is amended to read as follows:

Section 163. In order to prevent any defaults or threatened defaults in the payment of said bonds, the Authority is hereby authorized and empowered, in cooperation with the ~~Office of Public Affairs~~ Office of Management and Enterprise Services, to require state departments and agencies to be housed in a building and to pay rent for the use and occupancy of said building. Rents paid by state departments and agencies and all other revenues received by

the Authority shall be placed in the Oklahoma Capitol Improvement Authority Fund for the purpose of maintenance of said buildings and retiring said bonds. When all bonds issued for the construction of any building constructed pursuant to Sections 151 through 214 of this title have been paid in full, the building shall become the property of the State of Oklahoma and shall thereafter be under the full and exclusive supervision of the ~~Office of Public Affairs~~ Office of Management and Enterprise Services.

SECTION 677. AMENDATORY 73 O.S. 2011, Section 163.3, is amended to read as follows:

Section 163.3 A. State agencies and institutions whose facilities are proposed to be financed by the Oklahoma Capitol Improvement Authority shall be required to obtain predesign services and consultation from the ~~Department of Central Services~~ Office of Management and Enterprise Services, Construction and Properties Division, for assistance in planning the construction or acquisition of such facilities and estimating the cost thereof as a condition to consideration by the Authority of such financing.

B. State agencies and institutions may apply to the Authority for reimbursement of predesign costs required in subsection A of this section subsequent to the bond issuance associated with the predesign services.

SECTION 678. AMENDATORY 73 O.S. 2011, Section 168.7, is amended to read as follows:

Section 168.7 A. The Oklahoma Capitol Improvement Authority is authorized to acquire the real property located at 6600 North Harvey, Building No. 6, Oklahoma City, Oklahoma County, Oklahoma, together with improvements located thereon, or other suitable property in Oklahoma City, Oklahoma, for purposes of providing office space to the Oklahoma State Bureau of Investigation for headquarters and central Oklahoma operations. The Authority may hold title to the real property and improvements until such time as any obligations issued for this purpose are retired or defeased and may lease the real property and improvements to the Oklahoma State Bureau of Investigation. Upon final redemption or defeasance of the obligations created pursuant to this section, title to the real property and improvements shall be transferred from the Oklahoma Capitol Improvement Authority, to the Oklahoma State Bureau of Investigation.

B. For the purpose of paying the costs for acquisition of the real property and improvements authorized in subsection A of this section, and for the purpose authorized in subsection C of this section, the Authority is hereby authorized to borrow monies on the credit of the income and revenues to be derived from the leasing of such real property and improvements and, in anticipation of the collection of such income and revenues, to issue negotiable obligations in an amount not to exceed Five Million Dollars ($5,000,000.00). It is the intent of the Legislature to appropriate

to the Oklahoma State Bureau of Investigation sufficient monies to make rental payments for the purposes of retiring the obligations created pursuant to this section. The costs for acquisition of the real property and improvements authorized in subsection A of this section shall not exceed Four Million Dollars ($4,000,000.00) if the property located at 6600 N. Harvey, Building No. 6 in Oklahoma City, Oklahoma, is acquired or Five Million Dollars ($5,000,000.00) if other suitable property is acquired. The costs for acquisition of the real property and improvements authorized in subsection A of this section shall not exceed the fair market value of the property as determined by the ~~Department of Central Services~~ Office of Management and Enterprise Services. In determining the fair market value of such property the ~~Department of Central Services~~ Office of Management and Enterprise Services may consider factors such as relocation costs. The ~~Department of Central Services~~ Office of Management and Enterprise Services is authorized to conduct an appraisal of any property which may be acquired pursuant to this section or to contract with others for such appraisal or appraisals as may be necessary. In the event the Authority leases any part of the real property acquired pursuant to subsection A of this section to any entity other than the Bureau, the Authority shall require such lease to comply with such security restrictions as may be requested by the Bureau.

C. To the extent funds are available from the proceeds of the borrowing authorized by subsection B of this section, the Oklahoma Capitol Improvement Authority shall provide for the payment of professional fees and associated costs approved by the Oklahoma State Bureau of Investigation. The Bureau shall reimburse the ~~Department of Central Services~~ Office of Management and Enterprise Services for all costs incurred by the Department in determining the fair market value of any property pursuant to this section.

D. The Authority may issue obligations in one or more series and in conjunction with other issues of the Authority. The Authority is authorized to hire bond counsel, financial consultants, and such other professionals as it may deem necessary to provide for the efficient sale of the obligations and may utilize a portion of the proceeds of any borrowing to create such reserves as may be deemed necessary and to pay costs associated with the issuance and administration of such obligations.

E. The obligations authorized under this section may be sold at either competitive or negotiated sale, as determined by the Authority, and in such form and at such prices as may be authorized by the Authority. The Authority may enter into agreements with such credit enhancers and liquidity providers as may be determined necessary to efficiently market the obligations. The obligations may mature and have such provisions for redemption as shall be determined by the Authority, but in no event shall the final

maturity of such obligations occur later than thirty (30) years from the first principal maturity date.

F. Any interest earnings on funds or accounts created for the purposes of this section may be utilized as partial payment of the annual debt service or for the purposes directed by the Authority.

G. The obligations issued under this section, the transfer thereof and the interest earned on such obligations, including any profit derived from the sale thereof, shall not be subject to taxation of any kind by the State of Oklahoma, or by any county, municipality or political subdivision therein.

H. The Authority may direct the investment of all monies in any funds or accounts created in connection with the offering of the obligations authorized under this section. Such investments shall be made in a manner consistent with the investment guidelines of the State Treasurer. The Authority may place additional restrictions on the investment of such monies if necessary to enhance the marketability of the obligations.

SECTION 679. AMENDATORY 73 O.S. 2011, Section 168.8, is amended to read as follows:

Section 168.8 A. The Oklahoma Capitol Improvement Authority is authorized to acquire real property located in Durant, Bryan County, Oklahoma, in McAlester, Pittsburg County, Oklahoma, in Lawton, Comanche County, Oklahoma, and in Oklahoma County, Oklahoma, together with improvements located thereon, for purposes of

providing space to the Oklahoma State Bureau of Investigation for laboratory or investigative office services or both laboratory and investigative office services. The Authority may hold title to the real and personal property, including equipment, furnishings, and improvements until such time as any obligations issued for this purpose are retired or defeased and may lease the real and personal property, including equipment, furnishings, and improvements to the Oklahoma State Bureau of Investigation. Upon final redemption or defeasance of the obligations created pursuant to this section, title to the real and personal property, including equipment, furnishings, and improvements shall be transferred from the Oklahoma Capitol Improvement Authority to the Oklahoma State Bureau of Investigation.

B. For the purpose of paying the costs for acquisition of the real and personal property, including equipment, furnishings, and improvements authorized in subsection A of this section and for the purpose authorized in subsection C of this section, the Authority is hereby authorized to borrow monies on the credit of the income and revenues to be derived from the leasing of such real and personal property, including equipment, furnishings, and improvements and, in anticipation of the collection of such income and revenues, to issue negotiable obligations in an amount necessary to generate net proceeds of Twenty-eight Million Three Hundred Thousand Dollars ($28,300,000.00). It is the intent of the Legislature to

appropriate to the Oklahoma State Bureau of Investigation sufficient monies to make rental payments and to authorize the use of monies accruing to the credit of the Forensic Science Improvement Revolving Fund established in Section 150.35 of Title 74 of the Oklahoma Statutes for the purposes of retiring the obligations created pursuant to this section. The costs for acquisition of the real and personal property, including equipment, furnishings, and improvements authorized in subsection A of this section shall not exceed Five Hundred Thousand Dollars ($500,000.00) for property located in Durant, Oklahoma, Five Hundred Thousand Dollars ($500,000.00) for property located in McAlester, Oklahoma, Five Hundred Thousand Dollars ($500,000.00) for property located in Lawton, Oklahoma, and Twenty-six Million Three Hundred Thousand Dollars ($26,300,000.00) for property located in Oklahoma County. The costs for acquisition of the real and personal property, including equipment, furnishings, and improvements authorized in subsection A of this section shall not exceed the fair market value of the property as determined by the ~~Department of Central Services~~ Office of Management and Enterprise Services. In determining the fair market value of such property, the ~~Department of Central Services~~ Office of Management and Enterprise Services may consider factors such as relocation costs. The ~~Department of Central Services~~ Office of Management and Enterprise Services is authorized to conduct an appraisal of any property which may be acquired

pursuant to this section or to contract with others for such appraisal or appraisals as may be necessary. In the event the Authority leases any part of the real and personal property acquired pursuant to subsection A of this section to any entity other than the Bureau, the Authority shall require such lease to comply with such security restrictions as may be requested by the Bureau.

C. To the extent funds are available from the proceeds of the borrowing authorized by subsection B of this section, the Oklahoma Capitol Improvement Authority shall provide for the payment of professional fees and associated costs approved by the Oklahoma State Bureau of Investigation. The Bureau shall reimburse the ~~Department of Central Services~~ Office of Management and Enterprise Services for all costs incurred by the Department in determining the fair market value of any property pursuant to this section.

D. The Authority may issue obligations in one or more series and in conjunction with other issues of the Authority. The Authority is authorized to hire bond counsel, financial consultants, and such other professionals as it may deem necessary to provide for the efficient sale of the obligations and may utilize a portion of the proceeds of any borrowing to create such reserves as may be deemed necessary and to pay costs associated with the issuance and administration of such obligations.

E. The obligations authorized under this section may be sold at either competitive or negotiated sale, as determined by the

Authority, and in such form and at such prices as may be authorized by the Authority. The Authority may enter into agreements with such credit enhancers and liquidity providers as may be determined necessary to efficiently market the obligations. The obligations may mature and have such provisions for redemption as shall be determined by the Authority, but in no event shall the final maturity of such obligations occur later than thirty (30) years from the first principal maturity date.

F. Any interest earnings on funds or accounts created for the purposes of this section may be utilized as partial payment of the annual debt service or for the purposes directed by the Authority. Any interest earnings on funds or accounts created for the purposes of this section may be utilized for the purchase of personal property, including equipment, furnishings and improvements to real property.

G. The obligations issued under this section, the transfer thereof and the interest earned on such obligations, including any profit derived from the sale thereof, shall not be subject to taxation of any kind by the State of Oklahoma, or by any county, municipality or political subdivision therein.

H. The Authority may direct the investment of all monies in any funds or accounts created in connection with the offering of the obligations authorized under this section. Such investments shall be made in a manner consistent with the investment guidelines of the

State Treasurer. The Authority may place additional restrictions on the investment of such monies if necessary to enhance the marketability of the obligations.

I. The construction of new facilities or the acquisition of existing properties pursuant to this section shall be exempt from the ~~Department of Central Services~~ Office of Management and Enterprise Services procedures for leasing and space standards.

SECTION 680. AMENDATORY 73 O.S. 2011, Section 173, is amended to read as follows:

Section 173. A. The Oklahoma Capitol Improvement Authority may contract with the ~~Department of Central Services~~ Office of Management and Enterprise Services to maintain grounds and for housekeeping, maintenance and repair of properties under the jurisdiction of the Authority.

B. The Oklahoma Capitol Improvement Authority and the ~~Department of Central Services~~ Office of Management and Enterprise Services shall contract with the Department of Public Safety for security and law enforcement services in all facilities under the jurisdiction of the Authority or Department within "State Capitol Park" in Oklahoma City and the J. Howard Edmondson Office Building, Robert S. Kerr Office Building and appurtenances thereto in Tulsa.

C. The Oklahoma Capitol Improvement Authority shall provide office and operations space for ~~Department of Central Services'~~ Office of Management and Enterprise Services' functions.

D. The ~~Office of State Finance~~ Office of Management and Enterprise Services shall establish accounts for the ~~Department of Central Services~~ Office of Management and Enterprise Services, by building or other improvement, as the Director of ~~Central Services~~ the Office of Management and Enterprise Services considers necessary to properly account and identify receipts and expenditures related to construction, repair, maintenance, insurance and other operating expenses of buildings and improvements owned, used or occupied by or on behalf of the Oklahoma Capitol Improvement Authority, where the services are carried out by contract with the Authority.

SECTION 681. AMENDATORY 73 O.S. 2011, Section 176, is amended to read as follows:

Section 176. A. There shall be established a permanent legislative liaison committee, composed of three (3) members from each house, appointed by the President Pro Tempore and Speaker, respectively. The legislative liaison committee will keep the Legislature properly advised as to the activities of the Oklahoma Capitol Improvement Authority and the ~~Office of Public Affairs~~ Office of Management and Enterprise Services by making such reports as they deem necessary to the appropriate committees and leadership of both houses. All legislative studies concerning the responsibilities or activities of the Oklahoma Capitol Improvement Authority or the ~~Office of Public Affairs~~ Office of Management and Enterprise Services and all studies of activities or projects

relating to the Oklahoma State Capitol Complex shall be considered by the liaison committee created by this section. The Oklahoma Capitol Improvement Authority and the ~~Office of Public Affairs~~ Office of Management and Enterprise Services shall notify the membership of the legislative liaison committee in advance of any meeting in which official or formal action is to be taken by furnishing the proposed agenda in writing at least twenty-four (24) hours in advance of such meeting.

B. The Oklahoma Capitol Improvement Authority and the ~~Office of Public Affairs~~ Office of Management and Enterprise Services shall provide such information, records, testimony, or recommendations as the committee may require.

SECTION 682. AMENDATORY 73 O.S. 2011, Section 179, is amended to read as follows:

Section 179. A. There is hereby created in the State Treasury a revolving fund for the Oklahoma Tourism and Recreation Department, to be designated the "1995 Tourism Bond Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all revenues generated pursuant to the provisions of Section 178 of this title, which are not otherwise committed for other lawful purposes. All monies accruing to the credit of the fund are hereby appropriated and may be budgeted and expended by the Oklahoma Tourism and Recreation Department for purposes of retiring the debt created pursuant to Section 178 of

this title. Expenditures from the fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

B. Any revenues generated pursuant to Section 178 of this title, and not expended for purposes of meeting the requirements of subsection A of this section, may be expended for paying the operations and maintenance expenses for facilities created pursuant to Section 178 of this title.

C. The Oklahoma Tourism and Recreation Department shall submit an annual report to the President Pro Tempore of the Senate, the Speaker of the House of Representatives, and the Governor detailing the revenues generated and detailing the operating and maintenance expenses in the previous fiscal year which are attributable to the repairs, refurbishments and improvements to Oklahoma Tourism and Recreation Department properties pursuant to Section 178 of this title. Such report shall be submitted before August 1 of each year.

SECTION 683. AMENDATORY 73 O.S. 2011, Section 180, is amended to read as follows:

Section 180. A. The Oklahoma Capitol Improvement Authority may provide for the funding for asbestos abatement, repairs, refurbishments, renovation, rewiring, and such other costs as deemed necessary by the Authority to properties and facilities located in the Oklahoma State Capitol Complex, including the State Capitol

Building, the Will Rogers Memorial Office Building, the Sequoyah Memorial Office Building and the Historical Society Building, and may hold title to or a leasehold interest in the facilities until such time as the indebtedness created pursuant to this section shall be retired or defeased. Upon the retirement of the indebtedness created pursuant to this section, the title to the facilities and improvements thereon shall be transferred from the Oklahoma Capitol Improvement Authority to the ~~Department of Central Services~~ Office of Management and Enterprise Services.

B. For the purpose of paying the costs of the projects authorized in subsection A of this section, the Authority is hereby authorized to borrow monies on the credit of the income and revenues to be derived from such projects and, in anticipation of the collection of such income and revenues, to issue negotiable or competitive bonds not to exceed the sum of Sixteen Million Dollars ($16,000,000.00) as may be determined by the Authority. It is the intent of the Legislature to appropriate to the ~~Department~~ Office and respective agencies of the state sufficient monies to make rental payments to the Authority for purposes of retiring the debt created pursuant to this section.

C. The Authority may issue the bonds in one or more series and in conjunction with other issues of the Authority.

D. Insofar as they are not in conflict with the provisions of this section, the provisions of Section 151 et seq. of ~~Title 73 of the Oklahoma Statutes~~ this title shall apply to this section.

E. All interest earned on any reserve funds created by such bonds held by the State Treasurer, as collected, shall be paid into the General Revenue Fund.

SECTION 684. AMENDATORY 73 O.S. 2011, Section 181, is amended to read as follows:

Section 181. A. The Department of Human Services shall conduct a study to determine the feasibility of constructing an office building in Carter County to house state agencies located in that county.

B. In the event the ~~Department of Central Services~~ Office of Management and Enterprise Services determines that it is feasible to construct such office building, the following actions are hereby authorized:

1. The Oklahoma Capitol Improvement Authority shall provide the funding for the construction of an office building in Carter County to house state agencies located in that county, and may hold title to or a leasehold interest in the facilities until such time as the indebtedness created pursuant to this section shall be retired or defeased and shall lease such facilities to the ~~Department of Central Services~~ Office of Management and Enterprise Services, with the Department of Human Services as the lead tenant. Upon the

retirement of the indebtedness created pursuant to this section, the title to the land and improvements thereon shall be transferred from the Oklahoma Capitol Improvement Authority to the ~~Department of Central Services~~ Office of Management and Enterprise Services;

2. For the purpose of paying the costs of construction authorized by this section, the Authority is hereby authorized to borrow monies on the credit of the income and revenues to be derived from the leasing of the building and, in anticipation of collection of such income and revenues, to issue negotiable or competitive bonds not to exceed the sum of Four Million Dollars ($4,000,000.00). The maximum term for such bonds shall be twenty (20) years. It is the intent of the Legislature to appropriate to the respective agencies of the state who are tenants of the office building sufficient monies to make rental payments to the Authority for purposes of retiring the debt created pursuant to this section.

SECTION 685. AMENDATORY 73 O.S. 2011, Section 184, is amended to read as follows:

Section 184. The Oklahoma Capitol Improvement Authority, in cooperation with the State Treasurer, is hereby authorized to create and administer a state agency equipment leasing and finance program. The Authority may issue notes or other obligations, the proceeds of which may be used to acquire equipment required by state agencies. The Authority may lease the equipment to state agencies and pledge the revenues from the leases to secure the notes or obligations.

The notes or obligations shall not be debts of the State of Oklahoma but shall be payable solely from the revenue derived from the leases. Provided, the Authority is further authorized to notify the ~~Office of State Finance~~ Office of Management and Enterprise Services of any default by an agency leasing equipment under the program. If the ~~Office of State Finance~~ Office of Management and Enterprise Services determines that the defaulting agency has funds lawfully available to pay the defaulted lease payment, the ~~Office of State Finance~~ Office of Management and Enterprise Services is authorized and directed to generate the payment to the Authority and reduce the spending authority of the defaulting agency by a corresponding amount. The State Treasurer is authorized to purchase the notes or obligations from the Authority as an investment at rates comparable with other state investments. The Attorney General shall review and approve all documentation necessary to carry out the program. The Authority may authorize a total maximum authorized amount of notes and obligations to be used for the program on a fiscal year basis, and it shall not be necessary to adopt a resolution for each individual note or obligation secured by a state agency lease. Not more than Five Million Dollars ($5,000,000.00) of such notes or obligations for this purpose may be issued in any single fiscal year.

SECTION 686. AMENDATORY 73 O.S. 2011, Section 206, is amended to read as follows:

Section 206. The ~~Office of Public Affairs~~ Office of Management and Enterprise Services is hereby authorized and directed to provide plaques and to take other appropriate procedures for the identification of said buildings referred to in Sections 204 and 205 of this title.

SECTION 687. AMENDATORY 73 O.S. 2011, Section 209, is amended to read as follows:

Section 209. The ~~Office of Public Affairs~~ Office of Management and Enterprise Services is hereby directed to make provision for suitable plaque and to take other appropriate procedures for identification of the name "Robert R. Lester" in the construction and furnishing of the building referred to in Section 208 of this title.

SECTION 688. AMENDATORY 73 O.S. 2011, Section 301, is amended to read as follows:

Section 301. A. The Oklahoma Capitol Improvement Authority is authorized to acquire real property, together with improvements located thereon, and personal property, to construct buildings and other improvements to real property and to provide funding for repairs, refurbishments and improvements to real and personal property and for funding for the following capital projects in the following amounts:

1. Capital projects at institutions of higher education which are part of The Oklahoma State System of Higher Education in a total

amount not to exceed Forty-five Million Dollars ($45,000,000.00) with debt retirement payments to be made by the Oklahoma State Regents for Higher Education;

2. Construction of a History Center for the Oklahoma Historical Society in a total amount not to exceed Thirty-two Million Dollars ($32,000,000.00) with debt retirement payments to be made by the Oklahoma Historical Society. Of such total amount, the sum of Four Million One Hundred Thousand Dollars ($4,100,000.00) shall be transferred to the Capital Improvement Revolving Fund as reimbursement for improvements and renovations to the property made in preparation for the construction of the History Center;

3. Renovation of the Wiley Post Historical Building for occupancy by appellate courts in a total amount not to exceed Ten Million Dollars ($10,000,000.00) with debt retirement payments to be made by the Oklahoma Supreme Court;

4. Land acquisition, demolition, landscaping, environmental remediation and other costs associated with the Lincoln Boulevard Renaissance Project in a total amount not to exceed Thirteen Million Eight Hundred Thousand Dollars ($13,800,000.00) with debt retirement payments to be made by the ~~Department of Central Services~~ Office of Management and Enterprise Services;

5. Construction of a new building for the J.D. McCarty Center for Children with Developmental Disabilities in a total amount not to exceed Ten Million Three Hundred Thousand Dollars

($10,300,000.00) with debt retirement payments to be made by the J.D. McCarty Center for Children with Developmental Disabilities;

6. Funding for capital costs of a Technology Incubator Program for the University Hospitals Authority in a total amount not to exceed Two Million Dollars ($2,000,000.00) with debt retirement payments to be made by the University Hospitals Authority;

7. Funding for capital costs for the Native American Cultural and Educational Authority of Oklahoma in a total amount not to exceed Five Million Dollars ($5,000,000.00) with debt retirement payments to be made by the Native American Cultural and Educational Authority of Oklahoma;

8. Funding for capital costs for systemwide equipment for the Oklahoma Department of Career and Technology Education in a total amount not to exceed Five Million Dollars ($5,000,000.00) with debt retirement payments to be made by the Oklahoma Department of Career and Technology Education;

9. Capital projects for the Oklahoma School for the Deaf in a total amount not to exceed Six Million Seven Hundred Fifty Thousand Dollars ($6,750,000.00) with debt retirement payments to be made by the State Department of Rehabilitation Services;

10. Capital projects for the Oklahoma School for the Blind in a total amount not to exceed Six Million Seven Hundred Fifty Thousand Dollars ($6,750,000.00) with debt retirement payments to be made by the State Department of Rehabilitation Services;

11. Construction of a new Veterans Center in Lawton, Oklahoma, in a total amount not to exceed Twelve Million Dollars ($12,000,000.00) with debt retirement payments to be made by the Oklahoma Department of Veterans Affairs;

12. Capital costs for financial management information systems in a total amount not to exceed One Million Dollars ($1,000,000.00) with debt retirement payments to be made by the ~~Office of State Finance~~ Office of Management and Enterprise Services;

13. Funding for the purchase of computer hardware and software for the Central Purchasing Division of the ~~Department of Central Services~~ Office of Management and Enterprise Services in a total amount not to exceed Two Million Dollars ($2,000,000.00) with debt retirement payments to be made by the ~~Department of Central Services~~ Office of Management and Enterprise Services;

14. Funding for implementation of the Boll Weevil Eradication Act in a total amount not to exceed Three Million Dollars ($3,000,000.00) with debt retirement payments to be made by the State Department of Agriculture;

15. Funding for construction and other capital costs at Quartz Mountain Lodge and Arts and Conference Center in a total amount not to exceed Three Million Five Hundred Thousand Dollars ($3,500,000.00) with debt retirement payments to be made by the Oklahoma Tourism and Recreation Department. Of such total amount appropriated pursuant to this section, the sum of Three Million Five

Hundred Thousand Dollars ($3,500,000.00) shall be transferred to the Capital Improvement Revolving Fund as reimbursement for the construction and other capital costs at the Quartz Mountain Lodge and Arts and Conference Center; and

16. The following capital projects to be funded by the obligations authorized herein in the amounts to be allocated and expended by the following entities and in the following amounts:

a.	the Oklahoma Aeronautics Commission	$2,990,000.00
b.	the State Department of Agriculture	$5,044,194.00
c.	the Oklahoma State Bureau of Investigation	$300,000.00
d.	the Oklahoma Capitol Complex and Centennial Commission	$5,470,101.00
e.	the ~~Department of Central Services~~ Office of Management and Enterprise Services	$975,000.00
f.	the Oklahoma Department of Commerce	$1,250,000.00
g.	the Oklahoma Conservation Commission	$100,000.00
h.	the Oklahoma Department of Corrections	$260,101.00
i.	the State Department of Education	$700,000.00
j.	the Oklahoma Educational Television Authority	$250,000.00
k.	the Grand River Dam Authority	$220,000.00
l.	the State Department of Health	$735,000.00

m. the Oklahoma State Regents for Higher Education $30,617,909.00

n. the Oklahoma Historical Society $10,456,303.00

o. the Oklahoma House of Representatives $46,434.00

p. the Department of Human Services $2,010,101.00

q. the J.D. McCarty Center for Children with Developmental Disabilities $485,101.00

r. the Office of Juvenile Affairs $1,227,601.00

s. the Oklahoma Department of Mental Health and Substance Abuse Services $2,075,000.00

t. the Oklahoma Military Department $5,700,101.00

u. the Department of Public Safety $1,194,000.00

v. the Oklahoma Department of Tourism and Recreation $10,565,005.00

w. the Oklahoma Department of Transportation $5,241,412.00

x. the Oklahoma Department of Veterans Affairs $1,450,000.00

y. the Oklahoma Department of Career and Technology Education $13,845,303.00

z. the Oklahoma Water Resources Board $1,850,000.00

aa. the Oklahoma Department of Wildlife Conservation $608,000.00

bb. the ~~Department of Central Services~~

Office of Management and Enterprise Services $51,833,333.00

GRAND TOTAL $157,499,999.00

The funds allocated in subparagraph bb of this paragraph shall be spent for capital projects which are important to the furtherance of state functions, as directed by the Governor.

B. The Authority may hold title to the real and personal property and improvements until such time as any obligations issued for this purpose are retired or defeated and may lease the real property and improvements to the agencies indicated herein. Upon final redemption or defeasance of the obligations created pursuant to this section, title to the real and personal property and improvements shall be transferred from the Oklahoma Capitol Improvement Authority, to the agencies indicated herein.

C. For the purpose of paying the costs for acquisition and construction of the real property and improvements and personal property and making the repairs, refurbishments, and improvements to real and personal property, and providing funding for the projects authorized in subsection A of this section, and for the purpose authorized in subsection D of this section, the Authority is hereby authorized to borrow monies on the credit of the income and revenues to be derived from the leasing of such real and personal property and improvements and, in anticipation of the collection of such

income and revenues, to issue negotiable obligations in a total amount not to exceed Three Hundred Twenty-five Million Dollars ($325,000,000.00) whether issued in one or more series. The ~~Department of Central Services~~ Office of Management and Enterprise Services is authorized and directed to expend funds from the Capital Improvement Revolving Fund in amounts sufficient to make required payments pursuant to such obligations during the fiscal year ending June 30, 1999. For subsequent fiscal years, it is the intent of the Legislature to appropriate to the indicated state agencies sufficient monies to make rental payments for the purposes of retiring the obligations created pursuant to this section. Provided, the Authority shall not issue any obligations pursuant to this section for the purpose of providing funding for the projects authorized in paragraph 16 of subsection A of this section prior to January 1, 2001. For the fiscal year ending June 30, 2002, and thereafter, it is the intent of the Legislature to appropriate to the agencies administering the projects sufficient monies to make rental payments for the purpose of retiring the obligations created pursuant to this section.

D. To the extent funds are available from the proceeds of the borrowing authorized by subsection C of this section, the Oklahoma Capitol Improvement Authority shall provide for the payment of professional fees and associated costs related to the projects authorized in subsection A of this section.

E. The Authority may issue obligations in one or more series and in conjunction with other issues of the Authority. The Authority is authorized to hire bond counsel, financial consultants, and such other professionals as it may deem necessary to provide for the efficient sale of the obligations and may utilize a portion of the proceeds of any borrowing to create such reserves as may be deemed necessary and to pay costs associated with the issuance and administration of such obligations.

F. The obligations authorized under this section may be sold at either competitive or negotiated sale, as determined by the Authority, and in such form and at such prices as may be authorized by the Authority. The Authority may enter into agreements with such credit enhancers and liquidity providers as may be determined necessary to efficiently market the obligations. The obligations may mature and have such provisions for redemption as shall be determined by the Authority, but in no event shall the final maturity of such obligations occur later than thirty (30) years from the first principal maturity date.

G. Any interest earnings on funds or accounts created for the purposes of this section may be utilized as partial payment of the annual debt service or for the purposes directed by the Authority.

H. The obligations issued under this section, the transfer thereof and the interest earned on such obligations, including any profit derived from the sale thereof, shall not be subject to

taxation of any kind by the State of Oklahoma, or by any county, municipality or political subdivision therein.

I. The Authority may direct the investment of all monies in any funds or accounts created in connection with the offering of the obligations authorized under this section. Such investments shall be made in a manner consistent with the investment guidelines of the State Treasurer. The Authority may place additional restrictions on the investment of such monies if necessary to enhance the marketability of the obligations.

J. Insofar as they are not in conflict with the provisions of this section, the provisions of Section 151 et seq. of this title shall apply to this section.

K. To the extent that the provisions of paragraph 3 of subsection K of Section 85.4 of Title 74 of the Oklahoma Statutes would otherwise be applicable, such provisions shall be inapplicable to assets acquired, for ownership or for use, through the proceeds from the obligations authorized by paragraph 16 of subsection A of this section.

L. The Legislature finds that several functions of state government are properly performed through the delivery of state services by use of political subdivisions. In order to facilitate the delivery of essential state services and in furtherance of state governmental functions by the construction, acquisition or improvement of assets which may be located within the corporate

limits of a municipality of the State of Oklahoma or which may be located in unincorporated areas of the state and subject to the jurisdiction of a board of county commissioners, but which nonetheless serve an important function of state government, the State of Oklahoma finds that the use of the proceeds from the issuance of obligations pursuant to this section effectuates the performance of essential state governmental functions, including, but not limited to:

1. Fire protection services;

2. Roads, bridges and highways located either partially within or completely within the corporate limits of a municipality or in an unincorporated area of the state;

3. Historic preservation;

4. Recreational facilities;

5. Air transportation infrastructure;

6. Facilities for the housing and care of the elderly;

7. Juvenile delinquency prevention and treatment facilities;

8. Agricultural and horticultural event facilities;

9. Health care facilities, including, but not limited to facilities the primary purpose of which is the treatment or prevention of communicable diseases or illness;

10. Promotion of tourism;

11. Promotion of economic development and business site selection; and

12. Public safety.

M. Notwithstanding any other provision of law to the contrary, each and every agency, board, commission, department or other entity of state government as identified in paragraph 16 of subsection A of this section shall have the authority to acquire or to transfer such property, whether real or personal, tangible or intangible, as may be required to fully fund the projects and to acquire or improve the assets for which the proceeds from the obligations authorized by this section are available.

SECTION 689. AMENDATORY 73 O.S. 2011, Section 301.1, is amended to read as follows:

Section 301.1 The Oklahoma Capitol Improvement Authority is hereby authorized to sell parcels of real property associated with the Lincoln Boulevard Renaissance Project in Oklahoma City, whether acquired from the proceeds of bonds issued pursuant to the provisions of paragraph 4 of subsection A of Section 301 of ~~Title 73 of the Oklahoma Statutes~~ this title or from other sources; provided:

1. The Director of the ~~Department of Central Services~~ Office of Management and Enterprise Services, with advice from the Construction and Properties Division of the ~~Department~~ Office, determines the parcel or parcels of land to be not useful for construction of a state office building because of lot size, location or other applicable factors;

2. The sale of the parcel or parcels is approved by the Oklahoma Capitol Improvement Authority;

3. Restrictions are placed on the use of any such parcel sold to assure it will not conflict with or be detrimental to the development of the remainder of the Lincoln Boulevard Renaissance Project;

4. The parcel or parcels are sold in compliance with procedures for sale of state land set forth in Section 129.4 of Title 74 of the Oklahoma Statutes; and

5. In the opinion of the State Bond Advisor, the sale of such land will not adversely affect the tax-exempt status of the Oklahoma Capitol Improvement Authority State Facilities Revenue Bonds, Series 1999A or any other bond issue, the proceeds of which were used to purchase or acquire such land.

SECTION 690. AMENDATORY 73 O.S. 2011, Section 310, is amended to read as follows:

Section 310. A. There is hereby re-created the State Facility Capital Needs Committee to consist of those persons appointed to the State Facility Capital Needs Committee pursuant to Section 6 ~~of Enrolled Senate Bill No. 175 of the 1st Session of the 46th Oklahoma Legislature~~, Chapter 417, O.S.L. 1997.

B. The Committee shall:

1. Establish a plan for meeting maintenance needs of state facilities;

2. Review recommendations of the Long-Range Capital Planning Commission;

3. Identify capital projects that will enhance the functioning of state government and the use of state facilities and will be prudent investments by the state;

4. Make recommendations of funding for maintenance needs and capital projects in a report to the Legislature and the Governor; and

5. Determine funding allocations to address the capital needs for the agencies under the purview of the subcommittees of the General Conference Committee on Appropriations.

C. The President Pro Tempore of the Senate and the Speaker of the House of Representatives shall appoint a member of the Senate and a member of the House of Representatives, respectively, to serve as cochairs of the Committee. A majority of the members of the Committee shall constitute a quorum. A quorum shall be required for official action of the Committee.

D. The Committee shall be subject to the Oklahoma Open Meeting Act and the Oklahoma Open Records Act.

E. The ~~Department of Central Services and the~~ State Bond Advisor <u>and the Office of Management and Enterprise Services</u> shall provide staff support for the Committee.

F. Legislators serving on the Committee shall be reimbursed pursuant to the provisions of Section 456 of Title 74 of the

Oklahoma Statutes. Other members of the Committee shall be reimbursed pursuant to the provisions of the State Travel Reimbursement Act by the appointing authority.

SECTION 691. AMENDATORY 73 O.S. 2011, Section 321, is amended to read as follows:

Section 321. A. The Oklahoma Capitol Improvement Authority is authorized to construct improvements to real property and to provide funding for repairs, refurbishments and improvements to real and personal property and for funding for renovation, repair, remodeling and furnishing the Samuel Layton Building, also known as the Power Plant, and for construction, landscaping and improvements on state-owned property located adjacent to such building for parking and office space for the Office of the Attorney General including necessary repairs and remediation to the tunnel connecting the Samuel Layton Building to the State Capitol Building.

B. The Authority may hold title to the real and personal property and improvements until such time as any obligations issued for this purpose are retired or defeased and may lease the real property and improvements to the Office of the Attorney General. Upon final redemption or defeasance of the obligations created pursuant to this section, title to the real and personal property and improvements shall be transferred from the Oklahoma Capitol Improvement Authority, to the ~~Department of Central Services~~ Office of Management and Enterprise Services.

C. For the purpose of paying the costs for acquisition and construction of the real property and improvements and personal property and making the repairs, refurbishments, and improvements to real and personal property, and providing funding for the project authorized in subsection A of this section, and for the purpose authorized in subsection E of this section, the Authority is hereby authorized to borrow monies on the credit of the income and revenues to be derived from the leasing of such real and personal property and improvements and, in anticipation of the collection of such income and revenues, to issue negotiable obligations in a total amount not to exceed Fifteen Million Six Hundred Thousand Dollars ($15,600,000.00) whether issued in one or more series. Provided, the Authority shall not issue any obligations pursuant to this section prior to January 1, 2002.

D. The Office of the Attorney General is authorized to lease office space in the buildings authorized by this section and to use funds available in the Attorney General's Evidence Fund to make rental payments for such office space. In the event sufficient funds are not available in the Attorney General's Evidence Fund to make rental payments necessary to retire the obligations created pursuant to this section, it is the intent of the Legislature to appropriate sufficient funds to the Attorney General's Evidence Fund for such purpose.

E. To the extent funds are available from the proceeds of the borrowing authorized by subsection C of this section, the Oklahoma Capitol Improvement Authority shall provide for the payment of professional fees and associated costs related to the projects authorized in subsection A of this section.

F. The Authority may issue obligations in one or more series and in conjunction with other issues of the Authority. The Authority is authorized to hire bond counsel, financial consultants, and such other professionals as it may deem necessary to provide for the efficient sale of the obligations and may utilize a portion of the proceeds of any borrowing to create such reserves as may be deemed necessary and to pay costs associated with the issuance and administration of such obligations.

G. The obligations authorized under this section may be sold at either competitive or negotiated sale, as determined by the Authority, and in such form and at such prices as may be authorized by the Authority. The Authority may enter into agreements with such credit enhancers and liquidity providers as may be determined necessary to efficiently market the obligations. The obligations may mature and have such provisions for redemption as shall be determined by the Authority, but in no event shall the final maturity of such obligations occur later than twenty (20) years from the first principal maturity date.

H. Any interest earnings on funds or accounts created for the purposes of this section may be utilized as partial payment of the annual debt service or for the purposes directed by the Authority.

I. The obligations issued under this section, the transfer thereof and the interest earned on such obligations, including any profit derived from the sale thereof, shall not be subject to taxation of any kind by the State of Oklahoma, or by any county, municipality or political subdivision therein.

J. The Authority may direct the investment of all monies in any funds or accounts created in connection with the offering of the obligations authorized under this section. Such investments shall be made in a manner consistent with the investment guidelines of the State Treasurer. The Authority may place additional restrictions on the investment of such monies if necessary to enhance the marketability of the obligations.

K. Insofar as they are not in conflict with the provisions of this section, the provisions of Section 151 et seq. of this title shall apply to this section.

SECTION 692. AMENDATORY 73 O.S. 2011, Section 336, is amended to read as follows:

Section 336. A. The Oklahoma Capitol Improvement Authority (OCIA) is authorized to acquire real property, together with improvements located thereon, and personal property for purposes of construction of Zink Dam improvements, stream bank stabilization and

construction of two additional low-water dams on the Arkansas River in Tulsa County. The project will be coordinated with representatives of the City of Tulsa, Tulsa County and surrounding communities, the Indian Nations Council of Governments and the United States Army Corps of Engineers. The said projects herein described are hereby determined to be in the best interests of the State of Oklahoma and will accomplish an important public purpose. The OCIA may acquire and hold title to the real property and improvements, or any interest therein, until such time as any obligations issued for this purpose are retired or defeased and may lease the real property and improvements to the River Parks Authority, a public trust in Tulsa County. Upon final redemption or defeasance of the obligations created pursuant to this section, title to the real property and improvements shall be transferred from the Oklahoma Capitol Improvement Authority to the River Parks Authority.

B. For the purpose of paying the costs for acquisition of the real property and improvements and personal property authorized in subsection A of this section, and for the purpose authorized in subsection C of this section, the OCIA is hereby authorized to borrow monies on the credit of the income and revenues to be derived from the leasing of such real property and improvements and, in anticipation of the collection of such income and revenues, to issue negotiable obligations, in one or more series, in an amount

sufficient to generate net proceeds of Twenty-five Million Dollars ($25,000,000.00) after providing for costs of issuance, credit enhancement, reserves and other associated expenses related to the financing. It is the intent of the Legislature to appropriate to the ~~Department of Central Services~~ Office of Management and Enterprise Services sufficient monies to make rental payments for the purposes of retiring the obligations created pursuant to this section.

C. To the extent funds are available from the proceeds of the borrowing authorized by subsection B of this section, the OCIA shall provide for the payment of professional fees and associated costs approved by the OCIA.

D. The OCIA may issue obligations in one or more series and in conjunction with other issues of the OCIA. The OCIA is authorized to hire bond counsel, financial consultants, and such other professionals as it may deem necessary to provide for the efficient sale of the obligations and may utilize a portion of the proceeds of any borrowing to create such reserves as may be deemed necessary and to pay costs associated with the issuance and administration of such obligations.

E. The obligations authorized under this section may be sold at either competitive or negotiated sale, as determined by the OCIA, and in such form and at such prices as may be authorized by the OCIA. The OCIA may enter into agreements with such credit enhancers

and liquidity providers as may be determined necessary to efficiently market the obligations. The obligations may mature and have such provisions for redemption as shall be determined by the OCIA, but in no event shall the final maturity of such obligations occur later than fifteen (15) years from the first principal maturity date.

F. Any interest earnings on funds or accounts created for the purposes of this section may be utilized as partial payment of the annual debt service or for the purposes directed by the OCIA.

G. The obligations issued under this section, the transfer thereof and the interest earned on such obligations, including any profit derived from the sale thereof, shall not be subject to taxation of any kind by the State of Oklahoma, or by any county, municipality or political subdivision therein.

H. The OCIA may direct the investment of all monies in any funds or accounts created in connection with the offering of the obligations authorized under this section. Such investments shall be made in a manner consistent with the investment guidelines of the State Treasurer. The OCIA may place additional restrictions on the investment of such monies if necessary to enhance the marketability of the obligations.

SECTION 693. AMENDATORY 74 O.S. 2011, Section 9.33, is amended to read as follows:

Section 9.33 There is created in the State Treasury a revolving fund for the Office of Disability Concerns to be designated as the "Office of Disability Concerns Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all nonfederal monies received by the Office of Disability Concerns, including receipts, from any state agency or institution, gifts, contributions, donations and bequests. All monies accruing to the credit of said fund are hereby appropriated and may be budgeted and expended by the Office of Disability Concerns to perform duties as prescribed by law. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 694. AMENDATORY 74 O.S. 2011, Section 10.3, is amended to read as follows:

Section 10.3 A. Within forty-five (45) days of assuming office, each Governor may create a cabinet system for the executive branch of state government. The cabinet system may be an organizational framework created by executive order which includes all executive agencies, boards, commissions, or institutions and their assignments to specific cabinet areas. The cabinet system shall consist of no more than fifteen cabinet areas and each cabinet area shall consist of executive agencies, boards, commissions, or

institutions with similar programmatic or administrative objectives. One cabinet area shall consist of the Oklahoma Department of Veterans Affairs, its institutions and other executive agencies, boards, commissions and institutions which are related to veterans. One cabinet area shall consist of the Information Services Division of the ~~Office of State Finance~~ Office of Management and Enterprise Services and all the functions of all executive agencies, boards, commissions and institutions related to information technology and telecommunications. The Governor's cabinet shall be in effect until the Legislature supersedes each cabinet area by providing by law for specific cabinet areas or departments, or removes by law the authority of the Governor to create a cabinet area.

B. The Governor shall appoint, with the advice and consent of the Senate, a Secretary to head each cabinet area. The Secretary appointee for the cabinet area consisting of the Oklahoma Department of Veterans Affairs and other related veterans entities shall be an honorably discharged veteran and be eligible to receive benefits from the United States Department of Veterans Affairs. The Secretary for the cabinet area consisting of the Information Services Division of the ~~Office of State Finance~~ Office of Management and Enterprise Services and all related information technology and telecommunications functions of state government shall be the Chief Information Officer who shall be appointed pursuant to Section ~~2~~ 34.11.1 of ~~this act~~ Title 62 of the Oklahoma

Statutes. A cabinet Secretary may be appointed as a position funded by the Office of the Governor from funds available to that office, or appointed as a cabinet Secretary from among the agency heads within the cabinet area. The cabinet Secretaries shall:

1. Advise the Governor of any policy changes or problems within the area they represent;

2. Advise the entities represented of any policy changes or problems as directed by the Governor; and

3. Coordinate information gathering for the Legislature as requested.

C. The cabinet Secretaries shall serve at the pleasure of the Governor, however, the appointment or removal of a cabinet Secretary who is also an agency head shall not otherwise affect the status of the other duties of the agency head. Whenever a Secretary position becomes vacant, the Governor shall appoint a successor within thirty (30) calendar days pursuant to the provisions of subsection B of this section. If the Legislature is not in session at the time of appointment it shall be subject to the advice and consent of the Senate upon convening of the next regular session of the Legislature.

SECTION 695. AMENDATORY 74 O.S. 2011, Section 18c, is amended to read as follows:

Section 18c. A. 1. Except as otherwise provided by this subsection, no state officer, board or commission shall have

authority to employ or appoint attorneys to advise or represent said officer, board or commission in any matter.

2. The provisions of this subsection shall not apply to the Corporation Commission, the Council on Law Enforcement Education and Training, the Consumer Credit Commission, the Board of Managers of the State Insurance Fund, the Oklahoma Tax Commission, the Commissioners of the Land Office, the Oklahoma Public Welfare Commission also known as the Commission for Human Services, the State Board of Corrections, the Oklahoma Health Care Authority, the Department of Public Safety, the Oklahoma State Bureau of Narcotics and Dangerous Drugs Control, the Alcoholic Beverage Laws Enforcement Commission, the Transportation Commission, the Oklahoma Energy Resources Board, ~~the Department of Central Services,~~ the Oklahoma Merit Protection Commission, the ~~Office of Personnel Management~~ Office of Management and Enterprise Services, the Oklahoma Water Resources Board, the Department of Labor, the Department of Agriculture, Food, and Forestry, the Northeast Oklahoma Public Facilities Authority, the Oklahoma Firefighters Pension and Retirement System, the Oklahoma Public Employees Retirement System, the Uniform Retirement System for Justices and Judges, the Oklahoma Conservation Commission, the Office of Juvenile Affairs, and the State Board of Pharmacy.

3. The provisions of paragraph 2 of this subsection shall not be construed to authorize the Office of Juvenile Affairs to employ any attorneys that are not specifically authorized by law.

4. All the legal duties of such officer, board or commission shall devolve upon and are hereby vested in the Attorney General; provided that:

a. the Governor shall have authority to employ special counsel to protect the rights or interest of the state as provided in Section 6 of this title, and

b. liquidation agents of banks shall have the authority to employ local counsel, with the consent of the Bank Commissioner and the Attorney General and the approval of the district court.

B. At the request of any state officer, board or commission, except the Corporation Commission, the Board of Managers of the CompSource Oklahoma, Oklahoma Tax Commission and the Commissioners of the Land Office, the Grand River Dam Authority, the Oklahoma State Bureau of Narcotics and Dangerous Drugs Control, the Alcoholic Beverage Laws Enforcement Commission, the Oklahoma Firefighters Pension and Retirement System, the Oklahoma Public Employees Retirement System, the Uniform Retirement System for Justices and Judges and the Interstate Oil and Gas Compact Commission, the Attorney General shall defend any action in which they may be sued in their official capacity. At the request of any such state

officer, board or commission, the Attorney General shall have authority to institute suits in the name of the State of Oklahoma on their relation, if after investigation the Attorney General is convinced there is sufficient legal merit to justify the action.

C. Any officer, board, or commission which has the authority to employ or appoint attorneys may request that the Attorney General defend any action arising pursuant to the provisions of The Governmental Tort Claims Act.

D. Nothing in this section shall be construed to repeal or affect the provisions of the statutes of this state pertaining to attorneys and legal advisors of the several commissions and departments of state specified in subsection B of this section, and all acts and parts of acts pertaining thereto shall be and remain in full force and effect.

SECTION 696. AMENDATORY 74 O.S. 2011, Section 18*l*, is amended to read as follows:

Section 18*l*. The Office of the Attorney General may levy and collect a reasonable fee from the Department of Consumer Credit, the ~~Office of Personnel Management~~ Office of Management and Enterprise Services, the Teachers' Retirement System of Oklahoma, the Oklahoma Public Employees Retirement System, the Oklahoma Development Finance Authority, the Oklahoma Industrial Finance Authority, the Oklahoma Student Loan Authority, the Department of Mental Health and Substance Abuse Services, the Oklahoma Health Care Authority, the

Board of Regents of Oklahoma Colleges, the Oklahoma State Regents for Higher Education, the Oklahoma Department of Career and Technology Education, the Oklahoma Department of Veterans Affairs, the State Fire Marshal Commission, the Commission on Children and Youth, the ~~State~~ Oklahoma Department of Agriculture, Food, and Forestry, the Oklahoma Human Rights Commission, the Oklahoma Law Enforcement Retirement System, the Oklahoma Police Pension and Retirement System, the Oklahoma Tourism and Recreation Department, and the Department of Rehabilitation Services for the purpose of providing legal services requested by such entities. All fees collected in accordance with the provisions of this section shall be deposited in the Attorney General's Revolving Fund created pursuant to Section 20 of this title.

SECTION 697. AMENDATORY 74 O.S. 2011, Section 19.1, is amended to read as follows:

Section 19.1 There is hereby created in the State Treasury a revolving fund for the Office of the Attorney General to be designated the "Attorney General's Law Enforcement Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of any monies received from the sale of confiscated property, the seizure and forfeiture of confiscated monies, property, gifts, bequests, revises or contributions, public or private, including federal funds unless otherwise provided by federal law or regulation. All monies accruing to the credit of

said fund are hereby appropriated and may be budgeted and expended by the Attorney General for the purposes of investigation, enforcement and prosecution of cases involving criminal and forfeiture laws of this state and the United States of America or to match federal grants. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 698. AMENDATORY 74 O.S. 2011, Section 19.3, is amended to read as follows:

Section 19.3 There is hereby created in the State Treasury a revolving fund for the Office of the Attorney General, to be designated the "Attorney General's Insurance Fraud Unit Revolving Fund". The fund shall be a continuing fund, not subject to fiscal limitations, and shall consist of any monies designated to the fund by law. All monies accruing to the credit of said fund are hereby appropriated and may be budgeted and expended by the Attorney General for the purposes of investigation, civil action, criminal action, or referral to the district attorney in cases involving suspected insurance fraud. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 699. AMENDATORY 74 O.S. 2011, Section 20, is amended to read as follows:

Section 20. A. The Attorney General shall annually publish all of the written opinions which he promulgates in connection with the interpretation of the laws of the State of Oklahoma. One copy of the bound volume shall be sent to each state officer, the chairman of each board or commission, and the county law library in each county in the state where the same shall be available to the public and an electronic copy shall be sent to the Publications Clearinghouse of the Oklahoma Department of Libraries. A copy of each annual volume is to be placed on file in the Secretary of State's Office and shall be available for public inspection.

B. The Attorney General is hereby authorized to sell any surplus bound volumes and requested individual copies of opinions to help cover the cost of the publication, postal charges and other necessary expenses and proceeds of such sales shall be deposited into the fund herein established.

C. There is hereby created in the State Treasury a revolving fund for the Attorney General, to be designated the Attorney General's Revolving Fund. The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies received from the sale of copies of surplus bound volumes and requested individual copies of opinions and such other monies as are provided for by law. Expenditures from said fund shall be made upon

warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of the Office of ~~State Finance~~ Management and Enterprise Services for approval and payment.

SECTION 700. AMENDATORY 74 O.S. 2011, Section 51.1a, is amended to read as follows:

Section 51.1a A. In addition to the powers and duties as defined elsewhere in statute, the Oklahoma Office of Homeland Security has the duty and responsibility for interoperable public safety communications planning within the State of Oklahoma. As part of this duty the Oklahoma Office of Homeland Security shall:

1. Annually develop and report to the Governor, President Pro Tempore of the Senate and Speaker of the House of Representatives, the Statewide Communications Interoperability Plan;

2. Coordinate statewide planning for public safety communication needs of state government and state emergency responders, including a migration plan for state agency use of public safety communications technologies and rendering of aid between state government and its political subdivisions for organizing and use of disparate public safety communications systems;

3. Serve as a focal point for all state-level projects involving public safety communications vendors where the focus of such authority can substantially enhance the state communications plan or savings;

4. Apply for, receive, and hold, or assist state agencies in applying for, receiving, or holding such authorizations, licenses, and allocations of channels and frequencies to carry out the purposes of this section;

5. Establish minimum standards and protocols for acquisition, development, or enhancement of public safety communications technologies. These standards shall be utilized by the Information Services Division of the ~~Office of State Finance~~ Office of Management and Enterprise Services pursuant to the provisions of Section ~~41.5i~~ 34.20 of Title 62 of the Oklahoma Statutes; and

6. Accomplish such other purposes as may be necessary or incidental to the administration of its authority or functions pursuant to law.

B. It is the intent of the Legislature that all state public entities comply with the provisions of the Statewide Communications Interoperability Plan issued by the Oklahoma Office of Homeland Security. All state agencies are required to review the provisions of the Statewide Communications Interoperability Plan and the public safety communications standards issued by the Oklahoma Office of Homeland Security prior to the purchase, acquisition, development, or enhancement of any public safety communications system. Local public safety agencies and political subdivisions of the state are encouraged, but not required, to review the provisions of the Statewide Communications Interoperability Plan and the public safety

communications standards issued by the Oklahoma Office of Homeland Security prior to the purchase, acquisition, development, or enhancement of any public safety communications system to assist the local public safety agency or political subdivision in purchasing decisions.

C. No state agency shall use state funds or enter into any agreement for the acquisition, development, or enhancement of a public safety communication system unless the request is consistent with the Statewide Communications Interoperability Plan and the public safety communications standards issued by the Oklahoma Office of Homeland Security.

SECTION 701. AMENDATORY 74 O.S. 2011, Section 51.2, is amended to read as follows:

Section 51.2 A. There is hereby created in the State Treasury a revolving fund for the Oklahoma Office of Homeland Security to be designated the "Oklahoma Homeland Security Revolving Fund". The Oklahoma Homeland Security Revolving Fund shall be a continuing fund, not subject to fiscal year limitations and shall consist of monies received by the Oklahoma Office of Homeland Security or the Department of Public Safety from:

1. Reimbursements from responsible parties for reasonable actions taken and costs incurred by a regional team in response to an incident or event involving a dangerous substance;

2. Reimbursements, grants, or other monies received from other state agencies and entities of state government;

3. Reimbursements, grants, or other monies received by the Oklahoma Office of Homeland Security or the Department of Public Safety from the United States government or pursuant to proceedings in district court to enforce claims initiated pursuant to the Oklahoma Homeland Security Act or the Oklahoma Emergency Response Act;

4. Gifts, donations, and bequests;

5. Monies appropriated or apportioned by the state; and

6. Receipts from other ancillary services related to incidents or events related to dangerous substances, not otherwise provided by law.

B. All monies accruing to the credit of the Oklahoma Homeland Security Revolving Fund are hereby appropriated and may be budgeted and expended by the Oklahoma Office of Homeland Security for:

1. Operating expenses;

2. Administrative duties; and

3. Education and reimbursement for expenses of regional teams, including maintenance of equipment.

C. Expenditures from the Oklahoma Homeland Security Revolving Fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State~~

~~Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 702. AMENDATORY 74 O.S. 2011, Section 51.2c, is amended to read as follows:

Section 51.2c A. There is hereby created in the State Treasury a revolving fund for the Oklahoma Office of Homeland Security to be designated the "Oklahoma School Security Revolving Fund". The Oklahoma School Security Revolving Fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of monies received by the Oklahoma Office of Homeland Security from:

1. Reimbursements, grants, or other monies received from other state agencies and entities of state government for school security;

2. Reimbursements, grants, or other monies received by the Oklahoma Office of Homeland Security from the United States government obligated to school security projects;

3. Gifts, donations, and bequests; and

4. Monies appropriated or apportioned by the state.

B. All monies accruing to the credit of the Oklahoma School Security Revolving Fund are hereby appropriated and may be budgeted and expended by the Oklahoma Office of Homeland Security for the administration of the Oklahoma School Security Grant Program. Contingent upon the availability of funding, the Oklahoma Office of Homeland Security may make grants each year to institutions of

higher learning, technology center schools, public schools, and private schools as provided in Section ~~2~~ 51.26 of this ~~act~~ title.

C. Expenditures from the Oklahoma School Security Revolving Fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 703. AMENDATORY 74 O.S. 2011, Section 61.3, is amended to read as follows:

Section 61.3 The Director of ~~Public Affairs~~ the Office of Management and Enterprise Services, with the approval of the Governor, shall employ and make the appointment of such experts and assistants as may be necessary in the performance of ~~his~~ the Director's duties as required by law. No appointments to positions shall be made in excess of the positions authorized by act of the Legislature for the Office of ~~Public Affairs~~ Management and Enterprise Services.

SECTION 704. AMENDATORY 74 O.S. 2011, Section 61.4, is amended to read as follows:

Section 61.4 The Director of ~~Central Services~~ the Office of Management and Enterprise Services shall employ an attorney and one assistant attorney to serve as legal counsel for the ~~Department of Central Services~~ Office of Management and Enterprise Services. The attorney and one assistant attorney shall be authorized to appear

for and represent the ~~Department of Central Services~~ Office of Management and Enterprise Services in all litigation that may arise from the discharge of its duties, except as otherwise provided in this section, and shall advise it upon all legal matters pertaining to the ~~Department of Central Services~~ Office of Management and Enterprise Services. The salary for the attorney and the assistant attorney shall be fixed by the Director. Any litigation concerning the Comprehensive Professional Risk Management Program of the ~~Department of Central Services~~ Office of Management and Enterprise Services shall be handled by the Attorney General of the State of Oklahoma; provided, the Director of ~~Central Services~~ the Office of Management and Enterprise Services may employ private attorneys to handle any litigation which involves entities covered by the Comprehensive Professional Risk Management Program which are not state agencies. The attorney, the assistant attorney and, in addition, the Attorney General, are further authorized to appear for and represent officers and employees of the ~~Department of Central Services~~ Office of Management and Enterprise Services in any civil suits brought against such officers and employees in their individual capacities upon alleged causes of action which arose from acts or omissions of such officers and employees within the scope of their official duties.

SECTION 705. AMENDATORY 74 O.S. 2011, Section 61.7, is amended to read as follows:

Section 61.7 A. There is hereby established the Oklahoma State Government Asset Reduction and Cost Savings Program.

B. No later than December 31 each year the Director of ~~Central Services~~ the Office of Management and Enterprise Services shall publish a comprehensive report detailing state-owned properties.

C. The report mandated in accordance with the provisions of this section shall list the five percent (5%) most underutilized state-owned properties. The report shall describe the value of properties falling within the description in this subsection, assess the potential for purchase should the properties be offered for sale and describe the impact on local-level tax rolls in the event the properties are purchased by a nongovernmental entity.

D. The Director of ~~Central Services~~ the Office of Management and Enterprise Services shall promulgate rules establishing procedures by which each state agency, board, commission and public trust having the State of Oklahoma as a beneficiary shall submit the necessary data to the ~~Department of Central Services~~ Office of Management and Enterprise Services for the development of this report.

E. State agencies, boards, commissions and public trusts having the State of Oklahoma as a beneficiary shall comply with procedures promulgated pursuant to the terms of this section.

F. The report and data collected pursuant to this section shall be published as a data feed on the "*data.ok.gov*" website.

SECTION 706. AMENDATORY 74 O.S. 2011, Section 62.2, is amended to read as follows:

Section 62.2 For purposes of the Oklahoma Surplus Property Act:

1. "Authorized entity" means a political subdivision, school, a multipurpose senior citizen center, as such term is defined in the federal Older Americans Act of 1965, group or organization eligible to acquire surplus property from a surplus property program;

2. "Surplus property" means items, commodities, materials, supplies or equipment a state agency owns and determines to be excess, obsolete, antiquated, unused or not needed;

3. "State agency" means any state board, bureau, commission, department, authority, public trust, interstate commission, the Judiciary, the Legislature, and the Office of the Governor;

4. "~~Department~~ Office" means the ~~Department of Central Services~~ Office of Management and Enterprise Services;

5. "Director" means the Director of the ~~Department of Central Services~~ Office of Management and Enterprise Services;

6. "Surplus property program" means programs the Director establishes for the purchase, sale and disposal of surplus property;

7. "Sale" means methods the Director uses to dispose of surplus property; and

8. "Minimal value" or "no value" means surplus property that has less value than the costs the ~~Department~~ Office may incur to sell, trade or dispose of the surplus property.

SECTION 707. AMENDATORY 74 O.S. 2011, Section 62.3, is amended to read as follows:

Section 62.3 A. The Director of the ~~Department of Central Services~~ Office of Management and Enterprise Services shall promulgate rules for use by state agencies and the ~~Department of Central Services~~ Office of Management and Enterprise Services to dispose of surplus property. The rules shall include standards for recordkeeping, methods for removal or disposal of surplus property, and acquisition by state agencies and authorized entities of surplus property, and for ~~Department~~ Office management of surplus property programs.

B. A state agency selling, trading, redistributing or otherwise disposing of surplus property shall comply with the rules promulgated by the Director.

C. The ~~Department~~ Office shall make surplus property available to state agencies and authorized entities, which shall include political subdivisions, school districts, and nonprofit entities of this state.

D. The provisions of the Oklahoma Surplus Property Act shall not apply to institutions of higher education in this state, or the Northeast Oklahoma Public Facilities Authority. The Grand River Dam Authority shall be exempt from the provisions of the Oklahoma Surplus Property Act for any surplus property disposed of prior to November 1, 2006. CompSource Oklahoma shall be exempt from the

provisions of the Oklahoma Surplus Property Act if CompSource Oklahoma is operating pursuant to a pilot program authorized by Sections ~~1~~ 3316 and ~~2~~ 3317 of this ~~act~~ title.

E. Notwithstanding the provisions of the Oklahoma Surplus Property Act, the Oklahoma State Bureau of Investigation may, pursuant to rules promulgated by the Oklahoma State Bureau of Investigation Commission for that purpose, donate any surplus property, as defined in Section 62.2 of this title, to any law enforcement agency of any political subdivision of the State of Oklahoma. The use of such donated equipment shall be limited to valid and authorized law enforcement efforts by the receiving agency.

SECTION 708. AMENDATORY 74 O.S. 2011, Section 62.6, is amended to read as follows:

Section 62.6 A. 1. Each chief administrative officer of a state agency, except as otherwise provided by subsection B of this section, shall maintain a current list of all surplus property held and disposed of by that state agency.

2. Except as otherwise provided in paragraph 3 of this subsection, such list shall include the location where surplus property is maintained, purchase price, when sold and selling price, if transferred to which state agency or authorized entity, and if otherwise disposed of, what manner of disposal.

3. If any surplus property having minimal or no value is transferred to the ~~Department of Central Services~~ Office of Management and Enterprise Services, any such list shall reflect that the surplus property had minimal or no value and was transferred to the ~~Department~~ Office for disposal.

B. The ~~Department~~ Office is authorized to sell, trade or redistribute any surplus property having minimal or no value separately or in bulk or may properly dispose of such property as provided by law. Any costs incurred by the ~~Department~~ Office in the sale, trade, distribution or disposal of any surplus property having minimal or no value in excess of any monies received for such surplus property may be chargeable against the state agency transferring the surplus property to the ~~Department~~ Office.

C. The lists shall be available upon request to the ~~Department~~ Office, the State Auditor and Inspector, the Governor or any member of the Legislature.

SECTION 709. AMENDATORY 74 O.S. 2011, Section 62.7, is amended to read as follows:

Section 62.7 A. When the Department of Transportation determines that any equipment or vehicle becomes excess, obsolete, antiquated, unused or otherwise surplus, the Department shall notify the ~~Department of Central Services~~ Office of Management and Enterprise Services in writing that such equipment or vehicle is surplus. The notice shall identify:

1. The type, brand or make, and country of manufacture of the equipment or vehicle;

2. The age of the equipment or vehicle including, but not limited to, mileage;

3. Whether the equipment or vehicle is in good working condition or not;

4. If the equipment or vehicle is not in good working condition, whether it is in repairable condition at reasonable cost;

5. Original cost of the equipment or vehicle; and

6. Present value of the equipment or vehicle, if known.

B. The ~~Department of Central Services~~ Office of Management and Enterprise Services, with any other notice of surplus property, shall notify the eligible individuals or entities as provided in subsection C of this section of the availability of the surplus property of the Department of Transportation.

C. Prior to any advertised public auction or advertised sealed bids to all individuals and entities eligible for participation in the surplus program, the ~~Department~~ Office, thirty (30) days prior to the advertised auction date, shall offer, at fair market value, the equipment or vehicles to the individuals or entities, in the following order of priority:

1. Other state agencies;

2. Political subdivisions of the state;

3. Rural fire departments located in this state;

4. Rural water districts located in this state; and

5. Multipurpose senior citizen centers located in this state.

D. Any equipment or vehicles purchased pursuant to this section shall be made available to the purchaser on the date of purchase.

SECTION 710. AMENDATORY 74 O.S. 2011, Section 63, is amended to read as follows:

Section 63. A. The ~~Department of Central Services~~ Office of Management and Enterprise Services shall have power to promulgate rules not inconsistent with the laws of this state.

B. The ~~Department of Central Services~~ Office of Management and Enterprise Services shall have charge of the construction, repair, maintenance, insurance, and operation of all buildings owned, used, or occupied by or on behalf of the state including buildings owned by the Oklahoma Capitol Improvement Authority where such services are carried out by contract with the Authority, except as otherwise provided by law. Whenever feasible, the ~~Department of Central Services~~ Office of Management and Enterprise Services may utilize the Construction Division of the Department of Corrections for the construction and repair of buildings for the Department of Corrections.

C. The Director of the ~~Department of Central Services~~ Office of Management and Enterprise Services shall have authority to purchase all material and perform all other duties necessary in the construction, repair, and maintenance of all buildings under its

management or control, shall make all necessary contracts by or on behalf of the state for any buildings or rooms rented for the use of the state or any of the officers thereof, and shall have charge of the arrangement and allotment of space in such buildings among the different state officers except as otherwise provided by law.

D. The ~~Department of Central Services~~ Office of Management and Enterprise Services shall not have any authority or responsibility for buildings, rooms or space under the management or control of the University Hospitals Authority.

E. The ~~Department of Central Services~~ Office of Management and Enterprise Services shall have the custody and control of all state property, and all other property managed or used by the state, except military stores and such property under the control of the State Banking Department and the two houses of the State Legislature, shall procure all necessary insurance thereon against loss and shall allot the use of the property to the several offices of the state, and prescribe where the property shall be kept for public use.

F. The ~~Department of Central Services~~ Office of Management and Enterprise Services shall keep an accurate account of all property purchased for the state or any of the departments or officers thereof, except that purchased for and by the two houses of the State Legislature. The two houses shall have the exclusive use, care, and custody of their respective chambers, committee rooms,

furniture, and property, and shall keep their respective records of said furniture and property.

G. The ~~Department of Central Services~~ Office of Management and Enterprise Services shall not have any authority or responsibility for property purchased for or under the management or control of the University Hospitals Authority except as expressly provided by law.

H. The ~~Department of Central Services~~ Office of Management and Enterprise Services shall not have any authority or responsibility for property purchased for or under the management or control of CompSource Oklahoma if CompSource Oklahoma is operating pursuant to a pilot program authorized by Sections ~~1~~ 3316 and ~~2~~ 3317 of this ~~act~~ title.

SECTION 711. AMENDATORY 74 O.S. 2011, Section 63.1, is amended to read as follows:

Section 63.1 There is hereby created in the State Treasury, a revolving fund for the ~~Department of Central Services~~ Office of Management and Enterprise Services to be designated the "Building and Facility Revolving Fund". The fund shall be a continuing fund not subject to fiscal year limitations and shall consist of all operation and maintenance charges paid to the ~~Department~~ Office by occupying agencies of the buildings operated and maintained by the ~~Department~~ Office. Monies accruing to the fund may be expended by the ~~Department of Central Services~~ Office of Management and Enterprise Services for operation and maintenance of the facilities

and expenses the ~~Department~~ Office incurs to support building and facilities operations. Expenditures from the fund shall be made on warrants issued by the State Treasurer against claims filed with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 712. AMENDATORY 74 O.S. 2011, Section 63.1a, is amended to read as follows:

Section 63.1a There is hereby created a petty cash fund for the Office of ~~Public Affairs~~ Management and Enterprise Services. Said fund shall be used as an imprest cash fund for the Building Management Division.

The amount of the Building Management petty cash fund shall not exceed Two Hundred Fifty Dollars ($250.00) and the initial amount shall be drawn by warrant from the Building and Facility Fund. The Director of ~~State Finance~~ the Office of Management and Enterprise Services is authorized to prescribe forms, systems and procedures for the administration of the Building Management petty cash fund.

SECTION 713. AMENDATORY 74 O.S. 2011, Section 63.2, is amended to read as follows:

Section 63.2 There is hereby created in the State Treasury a revolving fund for the Office of ~~Public Affairs~~ Management and Enterprise Services, to be designated the "Asbestos Abatement Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of any monies paid to

the Office of ~~Public Affairs~~ Management and Enterprise Services for reimbursement of expenses for abatement of asbestos hazards. All monies accruing to the credit of said fund are hereby appropriated and may be budgeted and expended by the Office of ~~Public Affairs~~ Management and Enterprise Services to perform the duties of the Asbestos Abatement Division of the Office of ~~Public Affairs~~ Management and Enterprise Services. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 714. AMENDATORY 74 O.S. 2011, Section 63.3, is amended to read as follows:

Section 63.3 A. The ~~Office of Public Affairs~~ Office of Management and Enterprise Services shall establish and maintain adequate records and information on all underground storage tank systems owned and operated by the state or any agency of the state, including but not limited to school districts or any agency thereof and institutions of higher learning.

B. Upon the effective date of this act, every state agency and school district and institution of higher education owning or operating an underground storage tank system shall furnish and deliver to the ~~Office of Public Affairs~~ Office of Management and Enterprise Services a report of the underground tanks owned and

operated by the agency, district or institution detailing location of the tank, the age, condition of any such tank and installation methods, if known.

C. Prior to the report, each agency, district or institution shall:

1. Make a visual assessment of the tanks owned and operated by them to determine whether evidence of leakage from the tank has occurred;

2. An examination of fuel records during the past year to determine if input equals output; and

3. Determine based upon visible assessment and upon information the condition of the tank, expected life of the tank, present and future need for the tank.

D. Based on the information received from the agencies, districts and institutions, the ~~Office of Public Affairs~~ Office of Management and Enterprise Services shall establish and maintain a priority list on state owned and operated underground storage tank systems with the tanks needing removal or repair due to leakage given the greatest priority.

E. Upon establishment of the priority list, as funds become available for such purposes, the ~~Office of Public Affairs~~ Office of Management and Enterprise Services shall provide for the upgrade, repair or removal of tanks owned and operated by said state agencies, districts or institutions so as to meet the federal

protection standards for underground storage tank systems by 1999. When possible an internal assessment of the tanks shall be made and as a preference over removal except in cases of economics or extent of deterioration of the tank, or future need of the tank, and when needed the tank shall be upgraded pursuant to the most current edition of the National Leak Prevention Association Standard No. 631.

F. Except in an emergency situation no tank shall be removed without the approval of the ~~Office of Public Affairs~~ Office of Management and Enterprise Services after determination that removal would be more cost effective than repairing or upgrading the tank.

G. By January 15 of each year, the ~~Office of Public Affairs~~ Office of Management and Enterprise Services shall make a written report to the Speaker of the House of Representatives and the President Pro Tempore of the Senate listing:

1. The number of tanks owned and operated by state agencies, districts and institutions; and

2. How many tanks were removed and replaced or removed, or upgraded and an estimated cost of bringing the tanks into compliance with federal law requirements by 1999.

SECTION 715. AMENDATORY 74 O.S. 2011, Section 63.4, is amended to read as follows:

Section 63.4 There is hereby created a petty cash fund for the ~~Department of Central Services~~ Office of Management and Enterprise

Services to be used for the State Surplus Auctions in the Property Reutilization Division.

The amount of the State Surplus Auction petty cash fund shall not exceed Two Hundred Fifty Dollars ($250.00), and the initial amount shall be drawn by warrant from the State Surplus Property Revolving Fund. The Director of ~~State Finance~~ the Office of Management and Enterprise Services is authorized to prescribe forms, systems and procedures for the administration of the State Surplus Auction petty cash fund.

SECTION 716. AMENDATORY 74 O.S. 2011, Section 66, is amended to read as follows:

Section 66. The Director of ~~Public Affairs~~ the Office of Management and Enterprise Services is prohibited from engaging in any other business for compensation for personal services during the time of service as Director. No contract shall be entered into by said Director with any firm or corporation in which said Director shall have any interest or shall be a stockholder, nor with any relative of said Director either by blood or marriage within the third degree.

SECTION 717. AMENDATORY 74 O.S. 2011, Section 71, is amended to read as follows:

Section 71. The taking or receiving by any officer of said ~~Department of Central Services~~ Office of Management and Enterprise Services of any rebate, percentage of contract, money, or any other

thing of value from any person, firm, or corporation offering, bidding for, or in the open market and seeking to make sales to said ~~Department~~ Office, shall be a felony. Any officer of said ~~Department~~ Office convicted under this section shall be punished by a fine not to exceed Five Thousand Dollars ($5,000.00) and by imprisonment in the ~~State Penitentiary~~ custody of the Department of Corrections not less than five (5) years nor more than ten (10) years. Such fine shall be in addition to other punishment provided by law and shall not be imposed in lieu of other punishment.

SECTION 718. AMENDATORY 74 O.S. 2011, Section 72, is amended to read as follows:

Section 72. The Director of ~~Public Affairs~~ the Office of Management and Enterprise Services and the Warden of the State Reformatory are authorized and directed to furnish to the said Oklahoma Historical Society and associated organizations such monuments and markers of granite as may be desired and ordered or requisitioned for the purposes pursuant to the provisions of this section at prices not exceeding the cost of production and delivery, which includes: Quarrying, squaring, facing, lettering prescribed inscriptions, crating, and delivering to the railway or other carrier.

SECTION 719. AMENDATORY 74 O.S. 2011, Section 74.1, is amended to read as follows:

Section 74.1 The ~~State Office of Public Affairs~~ Office of Management and Enterprise Services shall assist any state agency authorized to establish and maintain regional service offices in obtaining adequate and suitable quarters, office space or facilities for any such regional service offices. Priority for obtaining adequate quarters, office space or facilities shall be given in the following order: State-owned buildings, county or municipal-owned buildings, public trust or building authority-owned buildings or private vendor-owned buildings. The ~~Office of Public Affairs~~ Office of Management and Enterprise Services shall also facilitate the transfer or transporting of any necessary records and documents between any agency's regional service offices.

SECTION 720. AMENDATORY 74 O.S. 2011, Section 75, is amended to read as follows:

Section 75. The Office of ~~Public Affairs~~ Management and Enterprise Services is hereby authorized to establish a revolving fund to be designated as the "Capitol Cafeteria Revolving Fund". The said fund may be used for the operation of cafeterias and other food service in state buildings in the State Capitol area and for acquisition of new equipment and furnishings and for maintenance, repair, and replacement of existing equipment and furnishings used in connection with the operation of such Capitol Cafeterias or food service. Said revolving fund shall consist of all revenues accruing through the operation of said cafeterias or food service or paid as

rental to the Office of ~~Public Affairs~~ Management and Enterprise Services by any operator-lessee of such Capitol Cafeterias or food service facilities. Expenditures from said revolving fund shall be made pursuant to general laws for the purposes set forth in this section. Warrants for said expenditures shall be drawn by the State Treasurer, based on claims signed by the Director of the Office of ~~Public Affairs~~ Management and Enterprise Services or his designee and approved for payment by the Director of ~~State Finance~~ the Office of Management and Enterprise Services.

SECTION 721. AMENDATORY 74 O.S. 2011, Section 75a, is amended to read as follows:

Section 75a. A. All cash on hand or available in the Capitol cafeterias on the effective date of this act shall be deposited to the Capitol Cafeteria Revolving Fund.

B. There is hereby created a petty cash fund for the Office of ~~Public Affairs~~ Management and Enterprise Services. Said fund shall be used as a cash drawer change fund for the Capitol cafeterias.

C. The amount of the Capitol cafeteria's petty cash fund shall not exceed Two Thousand Dollars ($2,000.00) and the initial amount shall be drawn by warrant from the Capitol Cafeteria Revolving Fund. Any adjustment to the amount retained in the Capitol cafeteria's petty cash fund shall be by withdrawal and deposit to the Capitol Cafeteria Revolving Fund. Purchases from the Capitol cafeteria's petty cash fund are prohibited. The Director of ~~State Finance~~ the

Office of Management and Enterprise Services is authorized to prescribe forms, systems and procedures for the administration of the Capitol cafeteria's petty cash fund.

SECTION 722. AMENDATORY 74 O.S. 2011, Section 76, is amended to read as follows:

Section 76. The Office of ~~Public Affairs~~ Management and Enterprise Services is authorized to initiate and operate a mailing service for the agencies and departments of the state located in Oklahoma City. The Director of ~~Public Affairs~~ the Office of Management and Enterprise Services shall promulgate and adopt such reasonable rules and regulations as may be necessary for the efficient and economical operation of a clearinghouse for interagency communications and for the deposit of the state's mail with the United States Post Office. The Office shall have the authority to employ such personnel and to purchase and acquire such equipment, materials, and supplies as may be necessary to carry out the provisions of Sections 76 through 76b of this title. Every agency and department of the state located in Oklahoma City shall be required to participate in the mailing service, except the Department of Human Services, the ~~Oklahoma~~ Commission for Human Services, the Oklahoma Tax Commission, the University of Oklahoma Medical Center, the Oklahoma Employment Security Commission, the Oklahoma Legislature, the Oklahoma Medical Center, and the ~~Oklahoma~~

State Department of Health located in the Oklahoma Health Sciences Center.

SECTION 723. AMENDATORY 74 O.S. 2011, Section 76a, is amended to read as follows:

Section 76a. Appropriations made to the ~~Office of Public Affairs~~ Office of Management and Enterprise Services for the mailing service shall be used for the acquisition, purchase, lease, repair, and replacement of equipment needed in the operation of the mailing service, and may be used for the payment of salaries, and in the purchase of necessary postage, materials and supplies, and in the payments of the administrative expenses of the ~~Office of Public Affairs~~ Office of Management and Enterprise Services in connection with the operation of the mailing service. At the end of each month the Office shall furnish a statement, on such reasonable basis of pieces of mail and communications handled, as shall be established by the Office, to all state agencies and departments to which the mailing service has been furnished. All amounts collected shall be deposited pursuant to Sections 76 through 76b of this title to the credit of the General Revenue Fund of the State Treasury. Any proceeds from the sale or disposition of any equipment or property used by the Office in the operation of the mailing service shall be deposited to the credit of the State Treasury.

SECTION 724. AMENDATORY 74 O.S. 2011, Section 76b, is amended to read as follows:

Section 76b. The Director of ~~Public Affairs~~ the Office of Management and Enterprise Services shall furnish to the Governor and the Legislature at the close of each fiscal year a statement showing the financial condition of the mailing service, and such other information regarding the mailing service as may be necessary for a proper understanding thereof.

SECTION 725. AMENDATORY 74 O.S. 2011, Section 76c, is amended to read as follows:

Section 76c. There is hereby created in the State Treasury a revolving fund for the ~~Department of Central Services~~ Office of Management and Enterprise Services, to be designated the "Postal Services Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies received by the ~~Department of Central Services~~ Office of Management and Enterprise Services for providing postal services. All monies accruing to the credit of said fund are hereby appropriated and may be budgeted and expended to provide postal and interagency mail services and expenses the ~~Department of Central Services~~ Office of Management and Enterprise Services incurs to support postal services operations. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 726. AMENDATORY 74 O.S. 2011, Section 77c, is amended to read as follows:

Section 77c. The Director of ~~Public Affairs~~ the Office of Management and Enterprise Services is hereby authorized to negotiate with the board of county commissioners, Pontotoc County, Oklahoma, to exchange surplus Department of Transportation buildings and properties presently owned by the Office of ~~Public Affairs~~ Management and Enterprise Services for property and machinery owned by the Pontotoc County Commissioners, for the purpose of servicing the East Central Oklahoma Health Social Services Center at Ada.

SECTION 727. AMENDATORY 74 O.S. 2011, Section 77d, is amended to read as follows:

Section 77d. The ~~Office of Public Affairs~~ Office of Management and Enterprise Services is hereby authorized and directed to assign the building located at 2311 North Central, Oklahoma City, Oklahoma, formerly occupied by the Materials and Testing Laboratory of the Department of Transportation, to the Oklahoma War Veterans Commission. Said Commission shall assign any space not used as office space for its staff and employees to national and state-chartered veterans organizations or their auxiliaries.

SECTION 728. AMENDATORY 74 O.S. 2011, Section 78, is amended to read as follows:

Section 78. A. There is hereby created and established within the ~~Department of Central Services~~ Office of Management and

Enterprise Services, the Fleet Management Division. The Division shall provide oversight of and advice to state agencies that own, operate and utilize motor vehicles, except for the Department of Public Safety, the Department of Transportation, the Oklahoma State Bureau of Narcotics and Dangerous Drugs Control, the Oklahoma State Bureau of Investigation, and The Oklahoma State System of Higher Education.

B. The Director of ~~Central Services~~ the Office of Management and Enterprise Services shall:

1. Appoint and fix duties and compensation for a Fleet Manager who shall serve as the administrative head of the division;

2. Hire personnel as necessary to provide fleet services;

3. Acquire facilities to maintain vehicles;

4. Construct, install, acquire, operate and provide alternative fueling infrastructure for use by state agencies and political subdivisions of the state or for leasing and transferring to political subdivisions;

5. Promulgate rules for efficient and economical operations to provide fleet services; and

6. Report to the Governor, Speaker of the House of Representatives, and President Pro Tempore of the Senate those agencies that fail to comply with the provisions of law and the rules of the Fleet Management Division regarding submission of reports, vehicle use, and vehicle maintenance.

C. The rules shall include provisions to:

1. Establish uniform written vehicle acquisition, leasing, maintenance, repairs, and disposal standards for use by all state agencies to justify actual need for vehicles;

2. Establish standards for routine vehicle inspection and maintenance;

3. Provide standards and forms for recordkeeping of fleet operation, maintenance, and repair costs for mandatory use by all state agencies to report the data to the Fleet Management Division on a monthly basis;

4. Provide standards and utilize methods for disposal of vehicles pursuant to the Oklahoma Surplus Property Act and any other applicable state laws;

5. Establish mandatory maintenance contracts throughout the state for all agencies to access for vehicle repairs and service at discounted rates and parts;

6. Require all agencies with in-house repair and service facilities to assign a value to the preventive maintenance services, track those services with a dollar value, and report costs to the Fleet Manager for the prior month no later than the twentieth day following the close of each month;

7. Promulgate rules requiring all state-owned motor vehicles to be marked in a uniform, highly visible manner, except for certain

vehicles driven by law enforcement agencies or other agencies requiring confidentiality;

8. Require agencies to produce and maintain written justification for any vehicle that travels fewer than twelve thousand (12,000) miles annually and report to the Fleet Manager such information by October 1 of each year; and

9. Address any other matter or practice which relates to the responsibilities of the Director of ~~Central Services~~ the Office of Management and Enterprise Services.

D. The Fleet Manager shall:

1. Develop specifications for contracts for vehicle maintenance for state vehicles not serviced or maintained by state agencies;

2. Conduct on-site inspections to verify state agency or supplier compliance with Division standards for inspections, maintenance and recordkeeping;

3. Assess state agency needs for vehicles and types of vehicles;

4. Assign, transfer or lease vehicles to a state agency to meet the needs of the state agency;

5. Unless otherwise provided by law, determine whether a state agency may use or operate a vehicle without state identifying markings, bearing a license plate used by a privately owned vehicle to perform the duties of the state agency without hindrance;

6. Report to the Director of ~~Central Services~~ the Office of Management and Enterprise Services occurrences of agencies failing to comply with the provisions of law and the rules of the Fleet Management Division regarding submission of reports, vehicle use, and vehicle maintenance;

7. Offer guidelines to agencies to assist in determining the most cost-effective and reasonable modes of travel for single trips from the following options: state vehicle, private rental, or mileage reimbursement; and

8. Provide, upon the request of the Governor, the President Pro Tempore of the Senate or the Speaker of the House of Representatives, reports from data the Fleet Manager collects.

E. The Director of ~~Central Services~~ the Office of Management and Enterprise Services may enter into agreements with any political subdivision of this state for the purpose of providing fleet services established by the Fleet Management Division pursuant to this section and rules promulgated pursuant to this section.

F. The Director of ~~Central Services~~ the Office of Management and Enterprise Services, through the Fleet Management Division, may enter into partnership agreements with political subdivisions and private entities for the purposes of applying for, participating in, and administering federal grant funds. The partnership agreements and activities authorized in this subsection are hereby declared to be a public purpose.

G. The ~~Department~~ Office may offer public access to alternative fueling infrastructure owned and operated by the ~~Department~~ Office in areas of the state in which access to an alternative fueling infrastructure is not readily available to the public. The ~~Department~~ Office shall cease allowing public access to an alternative fueling infrastructure operated by the ~~Department~~ Office if a privately owned alternative fueling infrastructure locates within a five-mile radius of the infrastructure operated by the Department.

H. When used in relation to the Fleet Management Division:

1. "Alternative fueling infrastructure" shall mean a fill station or charge station used to deliver or provide alternative fuels as defined in Section 130.2 of this title; and

2. "Alternative fuel vehicle" shall mean a motor vehicle originally designed by the manufacturer to operate lawfully and principally on streets and highways which is propelled by an alternative fuel as defined in Section 130.2 of this title.

SECTION 729. AMENDATORY 74 O.S. 2011, Section 78a, is amended to read as follows:

Section 78a. A. State agencies with authority to own motor vehicles shall submit a requisition to the Director of the Office of ~~Central Services~~ Management and Enterprise Services prior to acquisition of a motor vehicle. The requisition shall state the type of vehicle, the intended purpose of the vehicle, a statement

that the agency has actual need for the vehicle, the supplier of the vehicle, that the state agency has sufficient funds to acquire and maintain the vehicle and cite the statutory authority of the state agency to acquire a vehicle.

B. The Director of ~~Central Services~~ the Office of Management and Enterprise Services shall review the requisition and approve or deny the request of the state agency within fifteen (15) days of receipt ~~by the Director of Central Services. The Director of State Finance shall not approve a purchase order or claim for a motor vehicle unless the acquisition of the motor vehicle was approved by the Director of Central Services~~.

C. The provisions of subsections A and B of this section shall not apply to the Department of Public Safety or the Oklahoma State Bureau of Narcotics and Dangerous Drugs Control.

D. The provisions of subsections A and B of this section shall not apply to CompSource Oklahoma if CompSource Oklahoma is operating pursuant to a pilot program authorized by Sections ~~1~~ 3316 and ~~2~~ 3317 of this ~~act~~ title.

SECTION 730. AMENDATORY 74 O.S. 2011, Section 78b, is amended to read as follows:

Section 78b. A. A state agency shall notify the Fleet Management Division of the ~~Department of Central Services~~ Office of Management and Enterprise Services not less than thirty (30) days prior to any vehicle disposal by the state agency.

B. A state agency shall not dispose of a passenger car, truck, pickup, or other vehicle the state agency owns until it has been in use for sixty thousand (60,000) miles or at least twenty-four (24) months have elapsed since the day the claim was approved for the payment thereof, unless the vehicle has damage and repairs that will exceed Two Thousand Five Hundred Dollars ($2,500.00), or the Director of the Fleet Management Division of the ~~Department of Central Services~~ Office of Management and Enterprise Services provides written authorization for disposal.

C. The provisions of subsections A and B of this section shall not apply to CompSource Oklahoma if CompSource Oklahoma is operating pursuant to a pilot program authorized by Sections ~~1~~ 3316 and ~~2~~ 3317 of this ~~act~~ title.

SECTION 731. AMENDATORY 74 O.S. 2011, Section 78c, is amended to read as follows:

Section 78c. A. There is hereby created a special fund to be designated the "State Fleet Management Fund". The fund may be appropriated for and used for the acquisition, leasing, operation, storage, maintenance, repair and replacement of motor vehicles under the control of the Fleet Management Division, the payment of insurance premiums, the payment of the administrative expenses of the Division in connection with the operation of the motor pool, expenses the ~~Department of Central Services~~ Office of Management and Enterprise Services incurs to support Division operations, and for

expenses associated with constructing, installing, acquiring, and operating alternative fueling infrastructure and acquiring alternative fuel vehicles for use by state agencies or for leasing and transferring to political subdivisions of the state as authorized pursuant to Section ~~3~~ 78e of this ~~act~~ title.

B. At the end of each month the Division shall render a statement, on such reasonable basis of mileage or rental as shall be established by the Division, to all state agencies to which transportation has been furnished, and all amounts collected shall be deposited to the credit of the "State Fleet Management Fund".

C. Proceeds from the disposition of motor vehicles or other property owned by the Division shall be deposited to the credit of the fund.

D. Payments received by the ~~Department~~ Office for the lease of alternative fueling infrastructure and vehicles as provided for in Section ~~3~~ 78e of this ~~act~~ title shall be deposited to the credit of the fund.

E. The Fleet Management Division is authorized to maintain a petty cash fund in such amount not exceeding Two Thousand Dollars ($2,000.00) to make immediate cash payments as are required or necessary in the opinion of the Fleet Management Director. Any such cash disbursement shall be made only by the persons so designated by the Fleet Management Director, and only in the payment of claims authorized by law. Such proofs and receipts shall be presented by

the person making a claim as is required by the Fleet Management Director.

SECTION 732. AMENDATORY 74 O.S. 2011, Section 78e, is amended to read as follows:

Section 78e. A. The ~~Department of Central Services~~ Office of Management and Enterprise Services through the Fleet Management Division may enter into agreements with political subdivisions of the state to lease alternative fuel vehicles and alternative fueling infrastructure constructed, installed or acquired by the ~~Department~~ Office and to transfer title to the vehicles and infrastructure and any associated real property to the political subdivision upon final payment of the obligations contained in the agreement.

B. The maximum amount the ~~Department~~ Office may expend for the construction, installation or acquisition of an alternative fueling infrastructure to be leased to a political subdivision of the state shall be the actual cost of the infrastructure or Five Hundred Thousand Dollars ($500,000.00), whichever is less.

C. Payments received by the ~~Department~~ Office for the leasing of alternative fuel vehicles and alternative fueling infrastructure as provided for in this section shall be deposited in the State Fleet Management Fund created in Section 78c of ~~Title 74 of the Oklahoma Statutes~~ this title.

SECTION 733. AMENDATORY 74 O.S. 2011, Section 78f, is amended to read as follows:

Section 78f. A. The Legislature declares that it is in the public interest to promote public access to compressed natural gas (CNG) fueling stations in the state.

B. It is the intent of the Legislature to increase the number of public access CNG fueling stations located along the interstate highway system in the state.

C. It shall be the goal to have at least one public CNG fueling station located approximately every one hundred (100) miles along the entire interstate highway system in the state by the year 2015. The goal shall increase to at least one public CNG fueling station approximately every fifty (50) miles by the year 2025.

D. The ~~Department of Central Services~~ Office of Management and Enterprise Services through the Fleet Management Division may take steps to meet the goal set forth in this section by cooperating with or entering into partnership agreements with private entities to construct the necessary CNG fueling stations for use by the public, state agencies and political subdivisions of the state. Any agreement to construct a CNG fueling station pursuant to this section shall be subject to the public bidding requirements as set forth in The Oklahoma Central Purchasing Act.

SECTION 734. AMENDATORY 74 O.S. 2011, Section 80.1, is amended to read as follows:

Section 80.1 A. Prior to October 1, 2005, each state agency that uses state vehicles shall submit to the Fleet Management

Division, upon forms developed by the Division, a report that contains the following information:

1. The number of vehicles purchased or leased by the state agency with the VIN, mileage, and make, model, and year of each vehicle;

2. The maintenance plans and records for the vehicles;

3. The amount of use of each vehicle;

4. The state agency policy for use of vehicles by employees for travel to and from the residences of the employees;

5. The type of markings on the vehicles and justifications for any exemptions from requirement that vehicles have markings;

6. Fuel purchasing practices;

7. Rotation of vehicles based on mileage; and

8. Justification for any exemptions the state agency may have in the law relating to the purchase or lease of vehicles.

B. Prior to December 1, 2005, the Fleet Management Division shall submit a report to the Task Force to Study the Fleet Management Division of the ~~Department of Central Services~~ Office of Management and Enterprise Services that contains the following information:

1. A summarization of the data collected pursuant to subsection A of this section;

2. Recommendations for legislation that would be beneficial to the Division in implementing the Fleet Management Reform Act; and

3. The status of a web-based statewide fleet management information system.

SECTION 735. AMENDATORY 74 O.S. 2011, Section 85.3, is amended to read as follows:

Section 85.3 A. There is hereby created and established in the ~~Department of Central Services~~ Office of Management and Enterprise Services a Purchasing Division, the administrative head of which shall be the State Purchasing Director.

B. The Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services shall hire the State Purchasing Director. The State Purchasing Director shall:

1. Be at least twenty-eight (28) years of age;

2. Have a thorough knowledge of office practices and buying procedures in volume purchasing; and

3. Be a graduate of an accredited college or university with at least five (5) years' experience in commercial or governmental purchasing, or, in lieu of such education, have at least ten (10) years' experience in commercial or governmental purchasing.

C. The Purchasing Division may include the following employees, and employment of such employees is hereby authorized:

1. One assistant director;

2. One qualified specifications engineer;

3. Buyers who have at least three (3) years' procurement experience for:

a. food,

b. hardware,

c. textiles,

d. petroleum,

e. office supplies,

f. building materials,

g. pharmaceutical supplies,

h. automotive equipment, parts, and accessories, and

i. any other commodity group found by the Director of the ~~Department of Central Services~~ Office of Management and Enterprise Services to justify special purchasing attention;

4. One buyer for products and services of the severely disabled as provided in Section 3001 et seq. of this title;

5. One dietitian, who shall have the qualifications required by the State Department of Health; and

6. Such other technical and clerical personnel as shall be assigned to the Purchasing Division by the Director of the ~~Department of Central Services~~ Office of Management and Enterprise Services.

D. All activities of any state agency, department, or institution relating to purchasing shall be under the direction of the Purchasing Division unless otherwise provided by The Oklahoma Central Purchasing Act.

E. The Purchasing Division shall provide qualified personnel to assist the purchasing activities of state agencies, departments, and institutions.

F. Each state agency, department, and institution shall designate personnel to coordinate its purchasing functions with the Purchasing Division.

G. The Purchasing Division may, if the needs of a state agency, department, or institution are such as to so require, employ, and establish a buyer within a state agency, department, or institution.

H. No state agency, department, or institution subject to The Oklahoma Central Purchasing Act shall have or maintain a purchasing section without the prior approval in writing of the Purchasing Division unless otherwise provided in The Oklahoma Central Purchasing Act.

I. The Purchasing Division shall make acquisitions from industries operated by the Department of Corrections pursuant to the provisions of Section 549.1 of Title 57 of the Oklahoma Statutes.

J. None of the personnel authorized by this section shall:

1. Sell to or otherwise provide acquisitions to any state agency subject to The Oklahoma Central Purchasing Act;

2. Be employees, partners, associates, officers, or stockholders in or with any business entity that sells to or otherwise provides acquisitions to any agency subject to The Oklahoma Central Purchasing Act;

3. Be employed in any of the positions authorized by this section if a spouse or child owns any stock in any business entity which sells to or otherwise provides acquisitions to any agency subject to The Oklahoma Central Purchasing Act; or

4. Be employed in any of the positions authorized by this section if a relative within the third degree of consanguinity or affinity sells to or otherwise provides acquisitions to any agency subject to The Oklahoma Central Purchasing Act or is interested in any business entity which does so, except that such relative, excluding a spouse or child, may own Five Thousand Dollars ($5,000.00) worth or less, or one percent (1%) or less, whichever amount is the lesser amount, of the stock of a corporation or any business entity which sells to or otherwise provides acquisitions to any state agency subject to The Oklahoma Central Purchasing Act.

SECTION 736. AMENDATORY 74 O.S. 2011, Section 85.4, is amended to read as follows:

Section 85.4 A. Except as otherwise provided by The Oklahoma Central Purchasing Act, every state agency shall make all acquisitions used, consumed or spent by the state agency in the performance of its official functions by the presentation of requisitions to the Purchasing Division.

B. The provisions of The Oklahoma Central Purchasing Act shall not preclude a state agency from:

1. Accepting gifts or donations in any manner authorized by law; or

2. Making an acquisition for itself without presentation of a requisition when an acquisition without requisition is authorized in writing by the State Purchasing Director.

C. Subject to the provisions of this section, every state agency shall determine its own quantitative needs for acquisitions and the general class or nature of the acquisitions.

D. The Director of ~~Central Services~~ the Office of Management and Enterprise Services shall prescribe standardized contract forms and all other forms requisite or deemed necessary by the Director of ~~Central Services~~ the Office of Management and Enterprise Services to effectuate the provisions of this section and The Oklahoma Central Purchasing Act.

E. 1. A contract that results from a requisition required by this section for nonprofessional services or professional services whether or not such services are exempt from the competitive bidding requirements of this section or pursuant to Section 85.7 of this title shall be signed by the chief administrative officer of the state agency or the chief administrative officer of the requisitioning unit of the state agency certifying that:

a. no employee of the state agency is able and available to perform the services to be provided pursuant to the contract,

b. the state agency shall receive, review and accept a detailed work plan from the supplier for performance pursuant to the contract if requested by the State Purchasing Director,

c. the state agency has developed, and fully intends to implement, a written plan providing for the assignment of specific state agency personnel to:

(1) monitoring and auditing supplier performance,

(2) the periodic review of interim reports, or other indications of performance, and

(3) if requested by the State Purchasing Director, the ultimate utilization of the final product of the nonprofessional or professional services,

d. the work to be performed under the contract is necessary to the state agency's responsibilities, and there is statutory authority to enter into the contract,

e. the contract will not establish an employment relationship between the state or the state agency and any persons performing under the contract,

f. no current state employee will engage in the performance of the contract, unless specifically approved by the State Purchasing Director,

g. the purchase of the nonprofessional or professional services is justified, and

h. the contract contains provisions that are required by Section 85.41 of this title.

2. a. When a state agency requisition indicates that a supplier will provide acquisitions in components or phases, the requisition shall list each component or phase, and the State Purchasing Director shall include the list in the Invitation to Bid.

b. The determination of the lowest and best bid or best value bid, as required by The Oklahoma Central Purchasing Act, shall include all component or phase deliveries and shall not be based solely on the first component or phase delivery.

c. For a purchase order or contract that includes separate component deliveries, the Purchasing Director or a state agency may issue change orders to increase a purchase order or contract for the acquisition that do not exceed an increase of ten percent (10%) of the original purchase order or contract total price.

F. Any person certifying the information required by subsection E of this section who knows such information to be false, shall upon conviction be guilty of a misdemeanor and shall be punished by fine or imprisonment or both fine and imprisonment

pursuant to the provisions of Section 85.15 of this title and shall be civilly liable for the amount of the contract.

G. The State Purchasing Director may request additional information necessary to adequately review the requisitions to ensure compliance with The Oklahoma Central Purchasing Act.

H. If the Purchasing Director determines that an acquisition is not necessary, excessive or not justified, the State Purchasing Director shall deny the requisition.

I. 1. No state agency shall enter into a lease-purchase agreement if title is acquired to tangible property of any class or nature by making lease, rental, or any other type payments, except as specifically authorized by law and except insofar as data processing equipment or other equipment is concerned; provided, however, the lease-purchase of data processing or other equipment by any state agency shall be processed by competitive bids through the Purchasing Division of the ~~Department of Central Services~~ Office of Management and Enterprise Services.

2. The Council of Legislative Bond Oversight shall have the authority to determine the most cost-effective method for obtaining financing for lease-purchase agreements, which may be financed by either negotiated sale or competitive bid. If the Council of Legislative Bond Oversight determines that the lease-purchase of personal or real property should be financed through negotiated sale, the financing shall be subject to the provisions

of the Oklahoma Bond Oversight and Reform Act. Unless the Council determines that the sale should be executed on a negotiated basis, such financing shall be processed by competitive bids through the Purchasing Division of the ~~Department of Central Services~~ Office of Management and Enterprise Services.

3. Regardless of the method of financing, the acquisition price of personal property subject to a lease-purchase agreement shall be processed by competitive bids through the Purchasing Division of the ~~Department of Central Services~~ Office of Management and Enterprise Services.

4. The State Purchasing Director may permit lease-purchasing of equipment by the Oklahoma Tourism and Recreation Commission if such leasing is determined by the State Purchasing Director to be in the best interest of the state; provided, that such leasing must be processed by competitive bids through the State Purchasing Director except as to those acquisitions exempt under Section 85.12 of this title.

J. No state agency shall enter into a lease-purchase contract between the state agency as lessee and a private party as lessor if the contract is not capable of complete performance within the current fiscal year in which the contract was entered into unless a valid nonappropriation clause is included in the contract. Such contracts shall contain the following or substantially similar language:

Lessee shall have the right to terminate the lease, in whole but not in part, at the end of any fiscal year of lessee, if the Legislature fails to allocate sufficient funds to lessee for the rental payments required under the lease.

K. 1. No change order or addendum shall be made to a lease-purchase agreement which extends the term or life of the original bid contract. Any lease-purchase agreement requiring such extensions or refinancing shall be readvertised and processed in accordance with the provisions of The Oklahoma Central Purchasing Act.

2. Every state agency, whether or not subject to the provisions of The Oklahoma Central Purchasing Act, shall maintain a list of all tangible personal property which it is acquiring by a lease-purchase method and, prior to the renewal of a lease-purchase agreement, shall evaluate the rate being paid under the current lease-purchase agreement against rates currently being received by the Purchasing Division of the ~~Department of Central Services~~ Office of Management and Enterprise Services on a competitive bid basis to determine whether or not refinancing of the property will benefit the state. Any state agency which elects not to submit a requisition for a possible refinancing when the existing rates are at least one percent (1%) above rates being currently bid, and when the total sum to be paid for the property including principal and interest will be reduced, shall submit a

written justification to the State Purchasing Director stating the reasons for not attempting to refinance the property. The State Purchasing Director shall forward all such justifications to the Chair of the Appropriations Committee of the Senate and the Chair of the Committee on Appropriations and Budget of the House of Representatives no later than February 1 of each year.

3. Unless otherwise provided by law, no state agency shall enter into a lease-purchase agreement for real or personal property costing less than Fifty Thousand Dollars ($50,000.00).

4. a. Unless otherwise provided by law, the maximum term of a state agency lease-purchase agreement shall be the lesser of the useful life of real or personal property subject to a lease-purchase agreement as determined by the State Purchasing Director, or three (3) years for personal property and ten (10) years for real property, respectively.

b. The Council of Legislative Bond Oversight shall have the authority to extend the term of a lease-purchase agreement beyond three (3) years for personal property and ten (10) years for real property if the State Purchasing Director determines that the useful life of the property exceeds the terms and the Oklahoma State Bond Advisor recommends the extension as being in the best interests of this state.

5. Unless otherwise provided by law, state agency real property acquisitions subject to lease-purchase agreements shall be explicitly authorized by the Legislature. Acquisitions of real property authorized by the Legislature, unless otherwise exempted by the Legislature, shall be subject to the competitive bid provisions of The Oklahoma Central Purchasing Act. If a state agency is authorized to enter into a lease-purchase agreement for real property, the financing of the acquisition, including acquisitions deemed desirable for executing a lease-purchase, certificate of participation, or similar agreement or obligation, shall be obtained in accordance with the provisions of The Oklahoma Central Purchasing Act. The State Purchasing Director shall consult with the Oklahoma State Bond Advisor on the preparation, evaluation, and negotiation of such financing. Legislative authorization shall constitute legal authorization for this state or state agencies to enter into such lease-purchase agreements.

L. The State Purchasing Director may permit leasing of products by state agencies if such leasing is determined by the State Purchasing Director to be in the best interest of the state, provided that such leasing must be processed by competitive bids through the State Purchasing Director except as to those acquisitions exempt pursuant to Section 85.12 of this title.

M. 1. Before reoffering or remarketing an obligation, a state agency shall obtain written approval from the Oklahoma State Bond Advisor. Should a remarketing of a lease-purchase agreement be proposed that includes the remarketing of securities or obligations to more than a single investor, any disclosure language prepared in connection with such remarketing that describes the state's liability under the lease-purchase agreement shall be approved in advance and in writing by the Oklahoma State Bond Advisor.

2. In no event shall a state agency enter into a lease-purchase agreement unless that agreement states that the State of Oklahoma reserves the right to approve any reoffering of this obligation to another investor either through private placement, issuance of certificates of participation, or any other mechanism.

N. 1. Whenever it appears advantageous to the state or to any state agency to purchase or otherwise acquire any acquisition which may be offered for sale by the government of the United States of America or any agency thereof, the State Purchasing Director may execute a contract for the acquisition with the federal government or federal agency.

2. If the State Purchasing Director approves an acquisition from the federal government or agency and determines that the regulations of the federal government, or agency handling the disposition and sale require that partial or full payment be made

at the time sale is effected and before the acquisition will be delivered, the State Purchasing Director, upon requisition by the requesting party, shall have a state warrant drawn against the funds of the acquiring state agency payable to the United States of America or its proper agency. The warrant shall be in such amount as may be necessary to meet the terms and conditions of sale without requiring a certificate showing that the acquisition has actually been delivered to the state agency in whose behalf the purchase is being negotiated.

SECTION 737. AMENDATORY 74 O.S. 2011, Section 85.5, is amended to read as follows:

Section 85.5 A. Except as otherwise provided in this section, pursuant to the provisions of Section 85.4 of this title, the State Purchasing Director, under the supervision of the Director of the ~~Department of Central Services~~ Office of Management and Enterprise Services, shall have sole and exclusive authority and responsibility for all acquisitions used or consumed by state agencies. In order to carry out the powers and duties established in Section 34.11.1 of Title 62 of the Oklahoma Statutes, the Chief Information Officer shall have sole and exclusive authority and responsibility for all acquisitions of information and telecommunications technology, equipment, software, products and related peripherals and services used or consumed by state agencies.

B. The State Purchasing Director, after consultation with the requisitioning state agency, shall have authority to determine the particular brand, model, or other specific classification of each acquisition and to draft or invoke pursuant to The Oklahoma Central Purchasing Act specifications establishing the requirements for all necessary contracts or purchase orders.

C. The Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services shall have authority and responsibility to promulgate rules pursuant to provisions of The Oklahoma Central Purchasing Act governing, providing for, prescribing, or authorizing any act, practice, or requirement for which regulatory power is delegated for:

1. The time, manner, authentication, and form of making requisitions for acquisitions;

2. Inspection, analysis, and testing of acquisitions or samples suppliers submit prior to contract award;

3. The form and manner of submission for bids or proposals a supplier submits and the manner of accepting and opening bids or proposals;

4. The conditions under which the ~~Department of Central Services~~ Office of Management and Enterprise Services shall require written contracts for acquisitions, the conditions under which acquisitions may be made on an open account basis, and the conditions and manner of negotiating such contracts;

5. Obtaining acquisitions produced by state institutions;

6. Conditions under which any of the rules herein authorized may be waived;

7. The amounts of and deposits on any bond or other surety required to be submitted with a bid or contract for the furnishing of acquisitions and the conditions under which such bond or other surety shall be required;

8. Storage and storage facilities necessary to accomplish responsibilities of the Director of the ~~Department of Central Services~~ Office of Management and Enterprise Services;

9. The manner and conditions of delivery, which shall include the designation of the common carrier of property to be used to transport acquisitions whenever a common carrier is used, and the acceptance, or rejection, including check of quantities, of any acquisitions;

10. The form of any estimate, order, or other document the Director of the ~~Department of Central Services~~ Office of Management and Enterprise Services requires;

11. State agency acquisitions not exceeding the acquisition purchase amount requiring competitive bid pursuant to Section 85.7 of this title to ensure competitiveness, fairness, compliance with provisions of all sections of The Oklahoma Central Purchasing Act, and compliance with provisions of Section 3001 et seq. of this title, which relate to the State Use Committee. The rules shall

include separate provisions based on acquisition purchase price as follows:

a. state agencies shall make acquisitions not exceeding Five Thousand Dollars ($5,000.00), provided the acquisition process is fair and reasonable and is conducted pursuant to rules authorized pursuant to this section, and

b. state agencies with certified procurement officers and internal purchasing procedures found compliant by the Director of the ~~Department of Central Services~~ Office of Management and Enterprise Services pursuant to this section may make acquisitions in excess of Five Thousand Dollars ($5,000.00) and not exceeding One Hundred Thousand Dollars ($100,000.00), pursuant to rules authorized by this section;

12. Training by the State Purchasing Director of state agency procurement officers;

13. Review and audit by the State Purchasing Director of state agency acquisitions;

14. The conditions for increasing acquisition limits for state agencies which have had a prior reduction in acquisition limit by the Director of the ~~Department of Central Services~~ Office of Management and Enterprise Services;

15. Use of a state purchase card to make acquisitions;

16. Any other matter or practice which relates to the responsibilities of the Director of the ~~Department of Central Services~~ Office of Management and Enterprise Services;

17. Conditions for determination and authorization of acquisition limits of state agencies pursuant to Section 85.7 of this title; and

18. The form and manner of verification by suppliers that the supplier is eligible to do business in the State of Oklahoma and has obtained all necessary permits and licenses, pursuant to applicable provisions of law.

D. The State Purchasing Director shall provide training for state agency purchasing officials and other purchasing staff. The training shall include principles of state procurement practices, basic contracting, provisions of The Oklahoma Central Purchasing Act, rules promulgated pursuant to The Oklahoma Central Purchasing Act, provisions of Section 3001 et seq. of this title, which relate to the State Use Committee, and any other matters related to state procurement practices. State agency purchasing officials that demonstrate proficiency shall be certified as "certified procurement officers" by the State Purchasing Director and shall be authorized to make acquisitions pursuant to provisions of The Oklahoma Central Purchasing Act and rules authorized by this section. The State Purchasing Director shall assess a fee to state agencies for the training that does not exceed each state agency's pro rata share of

the costs the State Purchasing Director incurs to provide the training.

E. The State Purchasing Director shall review state agency acquisitions for the purposes of:

1. Ensuring state agency compliance with provisions of The Oklahoma Central Purchasing Act;

2. Ensuring state agency compliance with rules promulgated by the ~~Department of Central Services~~ Office of Management and Enterprise Services pursuant to The Oklahoma Central Purchasing Act;

3. Ensuring state agency compliance with provisions of Section 3001 et seq. of this title pertaining to the State Use Committee;

4. Reporting any acquisition by any state agency found not to be in compliance with those sections or rules to the Director of the ~~Department of Central Services~~ Office of Management and Enterprise Services; and

5. Recommending that the Director of the ~~Department of Central Services~~ Office of Management and Enterprise Services reduce the acquisition competitive bid limit amount for any state agency found not to be in compliance with The Oklahoma Central Purchasing Act or rules promulgated pursuant thereto.

F. When recommended by the State Purchasing Director, based on written findings by the State Purchasing Director, the Director of the ~~Department of Central Services~~ Office of Management and Enterprise Services may:

1. Require retraining of state agency procurement officials and other purchasing staff found not to be in compliance with provisions of The Oklahoma Central Purchasing Act, or rules promulgated pursuant to The Oklahoma Central Purchasing Act;

2. Reduce the acquisition competitive bid limit for any state agency found not to be in compliance with provisions of The Oklahoma Central Purchasing Act or rules promulgated pursuant to The Oklahoma Central Purchasing Act;

3. Transmit written findings by the State Purchasing Director to the State Auditor and Inspector for further investigation, indicating purchasing procedures that do not conform to provisions pursuant to The Oklahoma Central Purchasing Act or rules promulgated pursuant to The Oklahoma Central Purchasing Act;

4. Transmit to the Attorney General or the State Auditor and Inspector for further investigation a report made by the State Purchasing Director that the Director of the ~~Department of Central Services~~ Office of Management and Enterprise Services reasonably believes indicates that an action that constitutes a criminal violation pursuant to The Oklahoma Central Purchasing Act or other laws has been taken by any state agency, state agency official, bidder, or supplier; or

5. Increase the state agency acquisition purchase amount requiring competitive bid, not to exceed the acquisition purchase

amount requiring competitive bid, pursuant to Section 85.7 of this title.

G. 1. Pursuant to the requirements of The Oklahoma Central Purchasing Act, the State Purchasing Director shall have authority to enter into any statewide, multistate or multigovernmental contract. The state entity designated by law, as specified in Section 1010.3 of Title 56 of the Oklahoma Statutes, shall participate in the purchase of pharmaceuticals available through such multistate or multigovernmental contracts entered into by the State Purchasing Director.

2. The State Purchasing Director may utilize contracts awarded by other governmental agencies, including agencies of the United States of America.

3. The State Purchasing Director may designate contracts described in this subsection for use by state agencies.

4. Prior to exercising the authority to cancel a contract, the State Purchasing Director may authorize renegotiation of an existing contract with an incumbent supplier for the purposes of obtaining more favorable terms for the state provided the State Purchasing Director shall not renegotiate the term of the contract.

5. In order to carry out the powers and duties established in Section 34.11.1 of Title 62 of the Oklahoma Statutes, the Chief Information Officer shall have the authority to designate certain

information technology and telecommunication contracts for state agencies as statewide contracts and mandatory statewide contracts.

H. The State Purchasing Director may develop and test new contracting policies and procedures that hold potential for making the Purchasing Division more effective and efficient.

I. The State Purchasing Director shall endeavor to satisfy state agencies in terms of cost, quality, and timeliness of the delivery of acquisitions by using bidders who have a record of successful past performance, promoting competition, minimizing administrative operating costs, and conducting business with integrity, fairness, and openness.

J. The State Purchasing Director shall undertake the following:

1. The use of electronic commerce pursuant to the Oklahoma Online Bidding Act for solicitation, notification, and other purchasing processes;

2. Monitoring rules promulgated pursuant to The Oklahoma Central Purchasing Act to ensure that the rules, satisfy the interests of the state, are clear and succinct, and encourage efficiency in purchasing processes;

3. A program to identify vendors with poor delivery and performance records;

4. Development of criteria for the use of sealed bid contracting procedures, negotiated contracting procedures, selection of types of contracts, postaward administration of purchase orders

and contracts, contract modifications, termination of contracts, and contract pricing;

5. Continual improvement in the quality of the performance of the Purchasing Division through training programs, management seminars, development of benchmarks and key management indicators, and development of standard provisions, clauses and forms;

6. Development of electronic means of making state agencies aware of office furniture, equipment, machinery, tools, and hardware available for purchase from the surplus property programs;

7. Development of programs to improve customer relations through training, improved communications, and appointment of technical representatives;

8. In cooperation with the ~~Office of State Finance~~ Office of Management and Enterprise Services and the State Treasurer, develop an electronic payment mechanism for use in the settlement of accounts payable invoices, with no limit, to make payment for products or services acquired in accordance with The Oklahoma Central Purchasing Act and any rules promulgated pursuant thereto; and

9. Implement a policy to approve the ability of the department, agencies, boards, commissions and trusts to accept the terms of service for usage of social media services and contract for technology products and services provided the terms of service or contract contains standard language including a liability agreement

which is considered customary or largely similar to terms of service agreed to or contracts entered into by other government entities and private sector enterprises.

K. The State Purchasing Director shall, in cooperation with the Oklahoma Department of Agriculture, Food, and Forestry, identify the needs of state agencies and institutions for agricultural products grown and produced in Oklahoma.

L. The State Purchasing Director may authorize the use of a state purchase card for acquisitions within the following parameters:

1. No limit on the amount of the transaction for the following:

a. purchases from statewide contracts issued by the State Purchasing Director,

b. regulated utilities,

c. interagency payments, and

d. professional services as defined in Section 803 of Title 18 of the Oklahoma Statutes; and

2. For any other transaction with a state purchase card, the transaction shall not exceed Five Thousand Dollars ($5,000.00).

M. The State Purchasing Director may utilize and authorize state agencies to utilize reverse auctions to obtain acquisitions.

N. Prior to the award of a contract to a supplier, the State Purchasing Director shall verify, pursuant to applicable provisions of law, that the supplier is eligible to do business in the State of

Oklahoma by confirming registration with the Secretary of State and franchise tax payment status pursuant to Sections 1203 and 1204 of Title 68 of the Oklahoma Statutes. The provisions of this subsection shall be applicable only if the contract amount is Twenty-five Thousand Dollars ($25,000.00) or greater.

O. As a condition of awarding a contract in excess of the dollar amount prescribed by subparagraph 11 of subsection C of this section pursuant to The Oklahoma Central Purchasing Act, the State Purchasing Director shall verify with the Oklahoma Tax Commission that the business entity to which the state contract is to be awarded, whether subject to the procedures required by Section 85.7 of this title or not, has obtained a sales tax permit pursuant to the provisions of Section 1364 of Title 68 of the Oklahoma Statutes if such entity is required to do so.

P. The State Purchasing Director is hereby authorized to explore and investigate cost savings in energy, resource usage, and maintenance contracts and to identify and negotiate contract solutions including, but not limited to, pilot projects to achieve cost savings for the State of Oklahoma.

Q. The ~~Office of State Finance~~ Office of Management and Enterprise Services, with input from the State Purchasing Director, shall promulgate payment procedure rules for state agencies to adhere to regarding statewide contracts issued by the State Purchasing Director.

R. The ~~Office of State Finance along with the Department of Central Services~~ Office of Management and Enterprise Services, Central Purchasing Division, shall promulgate payment procedure rules for agencies to adhere to regarding statewide contracts issued by the Division.

S. On an annual basis, the State Purchasing Director shall transmit to the Governor, Speaker of the House of Representatives and President Pro Tempore of the State Senate a report documenting the savings realized by each agency through the application of best spend practices including the collection and tracking of spend data, strategic sourcing programs, and implementation of managed and mandatory statewide contracts. The report shall document the reasons for the failure to issue a mandatory statewide contract for any items comprising total statewide spend in the amount of Five Million Dollars ($5,000,000.00) or greater.

T. The acquisition limitations provided for in subparagraph b of paragraph 11 of subsection C of this section and paragraph 1 of subsection A of Section 85.7 of this title shall not apply to agency purchases provided the agency has subject matter experts on staff having the specialized expertise to purchase said goods or services, the agency possesses the necessary legal and procurement staff to procure and monitor the contracts and provided the Director of ~~Central Services~~ the Office of Management and Enterprise Services

shall certify that the proposed purchase does not conflict with consolidated statewide spend initiatives.

1. Nothing in this subsection shall give an agency authority to issue statewide, multistate, or multigovernmental contracts.

2. Agencies making purchases pursuant to this subsection shall:

a. be responsible for contracts awarded pursuant to this subsection, which includes, but may not be limited to, contract management, all costs connected with or incurred as a result of the contract, including legal representation,

b. comply with rules and policies of the ~~Department of Central Services~~ Office of Management and Enterprise Services, and

c. report contracts issued pursuant to this subsection to the ~~Department of Central Services~~ Office of Management and Enterprise Services, Central Purchasing Division, on a quarterly basis.

3. Purchases made in accordance with this subsection shall be made pursuant to rules authorized by this section.

SECTION 738. AMENDATORY 74 O.S. 2011, Section 85.7, is amended to read as follows:

Section 85.7 A. 1. Except as otherwise provided by The Oklahoma Central Purchasing Act, no state agency shall make an acquisition for an amount exceeding Fifty Thousand Dollars

($50,000.00) or the limit determined by the State Purchasing Director pursuant to rules authorized by Section 85.5 of this title, not to exceed One Hundred Thousand Dollars ($100,000.00), without submission of a requisition to the State Purchasing Director and submission of suppliers' competitive bids or proposals to the State Purchasing Director.

2. Any acquisition a state agency makes shall be made pursuant to The Oklahoma Central Purchasing Act and rules promulgated pursuant thereto.

a. Split purchasing for the purpose of evading the requirement of competitive bidding shall be a felony.

b. The State Purchasing Director may waive or increase the limit authorized for a state agency acquisition by not more than ten percent (10%) to perfect an otherwise valid acquisition inadvertently exceeding the limit due to administrative error by the state agency or unforeseeable circumstances. The state agency shall request a waiver upon the discovery of the error or circumstance to the State Purchasing Director on a form the Director requires.

c. The State Purchasing Director shall report all requests for waivers or increases, stating the amount and whether the request was granted or denied, monthly

to the Governor, President Pro Tempore of the Senate, and Speaker of the House of Representatives.

3. a. Contracts for master custodian banks or trust companies, investment managers, investment consultants, and actuaries for the state retirement systems, CompSource Oklahoma, ~~State and Education Employees Group Insurance Board~~ Oklahoma Employees Insurance and Benefits Board, pension fund management consultants of the Oklahoma State Pension Commission and the Commissioners of the Land Office, and other professional services as defined in Section 803 of Title 18 of the Oklahoma Statutes shall be exempt from competitive bidding procedures of this section and requisition requirements of Section 85.4 of this title.

b. Contracts with financial institutions to act as depositories and managers of the Oklahoma College Savings Plan accounts shall be exempt from competitive bidding procedures.

c. A state agency that makes an acquisition pursuant to this paragraph shall notify the State Purchasing Director within fifteen (15) days following completion of the acquisition. The ~~Department of Central Services~~ Office of Management and Enterprise Services

shall compile a list of the exempt contracts and send the list to a member of the Appropriations and Budget Committee of the House of Representatives or Appropriations Committee of the Senate, if the member requests.

4. Requisitions pursuant to this section shall not be required prior to emergency acquisitions by a state agency not exceeding One Hundred Thousand Dollars ($100,000.00). The state agency shall submit a requisition to the State Purchasing Director within five (5) days following the acquisition together with a statement of the emergency. The State Purchasing Director shall send the requisition and a written analysis to the Governor, the President Pro Tempore of the Senate, and the Speaker of the House of Representatives specifying the facts and circumstances giving rise to the emergency requisition.

5. Requisitions pursuant to this section for acquisitions to alleviate a serious environmental emergency shall not be required if, upon receiving a request from the Chair of the Corporation Commission and after having examined the facts and circumstances of the case, the Governor certifies in writing the existence of a serious environmental emergency. For the purposes of this section, "serious environmental emergency" means a situation within the jurisdiction of the Commission:

a. in which serious damage to the environment will quickly occur if immediate action is not taken and the damage will be so significant that the urgent need for action outweighs the need for competitive bids, or

b. a situation in which human life or safety is in imminent danger or significant property interests are threatened with imminent destruction.

6. Acquisitions for repairs of equipment in emergencies, of livestock through a market agency, dealer, commission house, or livestock auction market bonded or licensed under federal or state law, the purchase or collection of semen or embryos, and the placement of embryos into recipient livestock shall not require requisitions pursuant to this section or any other provisions of The Oklahoma Central Purchasing Act.

7. The Board of Directors of the Oklahoma Historical Society shall select suppliers for the restoration of historical sites and museums and shall not be subject to the requisition requirements of this section or any other provision of The Oklahoma Central Purchasing Act. The Board may send a requisition to the State Purchasing Director and request supplier bid or proposal submission procedures, but supplier and bid selection will be the prerogative of the Board and will be based on contractors' documented qualifications and experience.

8. Purchases of postage by state agencies shall be made pursuant to Sections 90.1 through 90.4 of this title.

9. Sole source or sole brand acquisitions by a state agency or the State Purchasing Director shall comply with Section 85.45j of this title.

10. Acquisitions for the design, development, communication, or implementation of the state employees flexible benefits plan shall not be subject to the requirements of this section; provided, that the Flexible Benefits Advisory Council shall use procedures consistent with the competitive bid requirements of The Oklahoma Central Purchasing Act.

11. a. Any acquisition of a service which the ~~Department of Central Services~~ Office of Management and Enterprise Services has approved as qualifying for a fixed and uniform rate shall be made pursuant to provisions of this paragraph.

b. The ~~Department of Central Services~~ Office of Management and Enterprise Services shall establish criteria and guidelines for those services which may qualify for a fixed and uniform rate.

c. Fixed and uniform rate contracts authorized by this paragraph shall be limited to contracts for those services furnished to persons directly benefiting from

such services and shall not be used by a state agency to employ consultants or to make other acquisitions.

d. Any state agency desiring to have a service qualified for a fixed and uniform rate shall make a request for service qualification to the ~~Department of Central Services~~ Office of Management and Enterprise Services and submit documentation to support the request. The ~~Department of Central Services~~ Office of Management and Enterprise Services shall approve or deny the request. If the ~~Department of Central Services~~ Office of Management and Enterprise Services approves the request, the state agency shall establish a fixed and uniform rate for the service. No contracts shall be entered into by the state agency until the rate has been approved by the state agency in a public hearing. The proposed rate shall be clearly and separately identified in the agenda of the state agency for the hearing and shall be openly and separately discussed during such hearing. The state agency shall notify the Director of the ~~Department of Central Services~~ Office of Management and Enterprise Services of its pending consideration of the proposed rate at least thirty (30) days before the state agency is to meet on the proposed rate. The state agency shall deliver to

the Director of the ~~Department of Central Services~~ Office of Management and Enterprise Services a copy of the agenda items concerning the proposed rate with supporting documentation. The Director of the ~~Department of Central Services~~ Office of Management and Enterprise Services shall communicate any observation, reservation, criticism, or recommendation to the agency, either in person at the time of the hearing or in writing delivered to the state agency before or at the time of the hearing. The Director of the ~~Department of Central Services~~ Office of Management and Enterprise Services shall specifically note in the written communications whether the Director of the ~~Department of Central Services~~ Office of Management and Enterprise Services has determined the rate to be excessive. Any written communication presented in the absence of the Director of the ~~Department of Central Services~~ Office of Management and Enterprise Services shall be presented orally during the public hearing. Whether made in person or in writing, any comment made by the Director of the ~~Department of Central Services~~ Office of Management and Enterprise Services shall be made a part of the minutes of the hearing in full.

e. Within two (2) weeks after the convening of the Legislature, the administrative officer of the state agency shall furnish to the Speaker of the House of Representatives, the President Pro Tempore of the Senate and to any member of the House or Senate, if requested by the member, a complete list of all of the types of services paid for by uniform fixed rates, the amount of the rate last approved by the agency for the service, and the number of contracts then in existence for each type of service. Any rate which has been determined to be excessive by the Director of the ~~Department of Central Services~~ Office of Management and Enterprise Services shall be specifically identified in the list by the state agency.

f. At any time, the Director of the ~~Department of Central Services~~ Office of Management and Enterprise Services may review, suspend, or terminate a contract entered into pursuant to the provisions of this paragraph if the Director of the ~~Department of Central Services~~ Office of Management and Enterprise Services determines the contract is not necessary, is excessive, or is not justified.

12. Specifically prescribed nonmedical adaptive technology-related acquisitions for individuals with disabilities who are

clients of the State Department of Rehabilitation Services and which are prescribed by a physician, rehabilitation engineer, qualified rehabilitation technician, speech therapist, speech pathologist, occupational therapist, physical therapist, or qualified sensory aids specialist, and other client acquisitions, shall not be subject to the requisition requirements of this section. The Commission for Rehabilitation Services shall develop standards for the purchase of such acquisitions and may elect to utilize the Purchasing Division for an acquisition. The standards shall foster economy, provide a short response time, include appropriate safeguards, require written records, ensure appropriate competition for economical and efficient purchasing, and shall be approved by the State Purchasing Director.

13. The Department of Human Services shall develop procedures for acquisitions of specifically prescribed nonmedical assistive technology-related items not exceeding the acquisition purchase amount requiring a requisition pursuant to this section for individuals under sixteen (16) years of age who are recipients of Supplemental Security Income which are prescribed by a physician, qualified sensory aids specialist or qualified special education instructor. The procedures shall reflect standards for the acquisition of such nonmedical assistive technology-related items, may provide for utilization of the Purchasing Division when appropriate, shall foster economy, provide a short response time, shall include appropriate safeguards and written records to ensure

appropriate competition and economical and efficient purchasing, and shall be approved by the State Purchasing Director.

14. a. Structured settlement agreements entered into by the Attorney General's office in order to settle any lawsuit involving the state, the Legislature, any state agency or any employee or official of the state shall not be subject to the competitive bidding requirements of this section if:

(1) prior to entering into any contract for the services of an entity to administer a structured settlement agreement, the Attorney General receives proposals from at least three entities engaged in providing such services, and

(2) the selection of a particular entity is made on the basis of the response to the request which is the most economical and provides the most competent service which furthers the best interests of the state.

b. A list of any such structured settlement agreements entered into by the Attorney General with summary thereon for the previous calendar year shall be submitted to the Speaker of the House of Representatives and the President Pro Tempore of the Senate on January 31 of each year.

15. Acquisitions a state agency makes pursuant to a contract the State Purchasing Director enters into or awards and designates for use by state agencies shall be exempt from competitive bidding procedures.

16. The Commission on Marginally Producing Oil and Gas Wells shall be exempt from the competitive bid requirements of this section for contracts with local vendors for the purpose of holding special events and exhibitions throughout the state.

17. Agreements entered into by any state agency with the United States Army Corps of Engineers in order to provide emergency response or to protect the public health, safety, or welfare shall not require requisitions and shall not be subject to competitive bidding requirements of this section.

B. Acquisitions shall be awarded to the lowest and best, or best value, bidder at a specified time and place, which shall be open to the public.

C. Bids for professional service contracts for an amount requiring submission of requisitions to the State Purchasing Director shall be evaluated by the State Purchasing Director and the state agency contracting for such service. Both cost and technical expertise shall be considered in determining the lowest and best, or best value, bid. Further, the state agency shall present its evaluation and recommendation to the State Purchasing Director. A documented evaluation report containing the evaluations of the State

Purchasing Director and the state agency contracting for such service shall be completed prior to the awarding of a professional service contract and such report shall be a matter of public record.

D. When requested by CompSource Oklahoma, the ~~State and Education Employees Group Insurance~~ Oklahoma Employees Insurance and Benefits Board, or the governing board of a state retirement system authorized to hire investment managers, the ~~Department of Central Services~~ Office of Management and Enterprise Services shall assist the requesting body in the process of selecting investment managers. When requested by the Flexible Benefits Advisory Council, the ~~Department of Central Services~~ Office of Management and Enterprise Services shall assist the Council in the process of selecting contracts for the design, development, communication, or implementation of the state employees flexible benefits plan.

E. Except as otherwise specifically provided by law, the acquisition of food items or food products by a state agency from a public trust created pursuant to Sections 176 through 180.56 of Title 60 of the Oklahoma Statutes shall comply with competitive bidding procedures pursuant to the provisions of this section.

SECTION 739. AMENDATORY 74 O.S. 2011, Section 85.7a, is amended to read as follows:

Section 85.7a A. The ~~Department of Central Services~~ Office of Management and Enterprise Services may require each bidder for an open market contract or a statewide contract for supplies, equipment

or materials to provide information as to the manufacturer and country of origin of any such supplies, equipment or materials as specified by labels attached to the supplies, equipment or materials where such identification is required by federal or state law. If an item has more than one component part or accessory which may have been manufactured in more than one country, the bidder may specify the countries of origin for only the major component parts or accessories as determined by the ~~Department~~ Office where such identification is required by federal or state law.

B. Any open market contract or statewide contract may require the contractor to obtain from all of his subcontractors information as to the manufacturer and country or countries of origin of any supplies, equipment or materials provided to the state where such identification is required by federal or state law.

SECTION 740. AMENDATORY 74 O.S. 2011, Section 85.7d, is amended to read as follows:

Section 85.7d The Director of the ~~Department of Central Services~~ Office of Management and Enterprise Services shall promulgate rules prescribing an information technology access clause which shall require compliance with the accessibility to information technology standards of Section 508 of the Workforce Investment Act of 1998 and as developed pursuant to Section ~~2~~ 34.28 of ~~this act~~ Title 62 of the Oklahoma Statutes. The clause shall be included in all contracts for the procurement of information technology by, or

for the use of, state agencies, as defined in Section ~~3~~ 34.29 of ~~this act~~ Title 62 of the Oklahoma Statutes, on or after January 1, 2005.

SECTION 741. AMENDATORY 74 O.S. 2011, Section 85.7e, is amended to read as follows:

Section 85.7e A. The ~~Department of Central Services~~ Office of Management and Enterprise Services or its successor agency shall utilize a wiki venue to provide for the public two-way communication between procurement officers and potential vendors who have questions regarding a request for proposal or invitation to bid. The ~~Department~~ Office shall provide editing access to all interested potential bidders and viewing access to all members of the public.

B. The ~~Department of Central Services~~ Office of Management and Enterprise Services or its successor agency shall provide agency-level procurement officers with a wiki platform for reporting the availability of items for purchase at a cost which is less than comparable products on a mandatory statewide purchase contract. The ~~Department~~ Office shall provide wiki editing access to all state agency procurement officers and viewing access to all members of the public.

C. State agency procurement officers shall utilize the wiki described in subsection B of this section to report all findings of products which can be purchased for less than comparable products which are on a mandatory statewide purchasing schedule.

D. For the purposes of this section, the term "wiki" shall mean a collaborative website which can be directly edited by anyone with editing access and viewed by all members of the public.

E. Access to the wikis described in this section shall be featured prominently on the ~~Department's~~ Office's website.

SECTION 742. AMENDATORY 74 O.S. 2011, Section 85.8, is amended to read as follows:

Section 85.8 The State Purchasing Director, on approval by the Director of ~~Public Affairs~~ the Office of Management and Enterprise Services, is hereby authorized to make use of any state laboratories for the tests and analyses authorized in Section 85.5 of this title wherever practicable and to use private laboratories or the laboratories of another government agency if it is impracticable to use state laboratories; and he is further authorized to cooperate in test and analysis programs or agreements with other states or the United States government, and to accept federal funds and funds donated by private endowments or foundations for the purpose of participation in such testing programs.

SECTION 743. AMENDATORY 74 O.S. 2011, Section 85.9B, is amended to read as follows:

Section 85.9B Each chief administrative officer of any state agency is encouraged to make needed purchases of office furniture or equipment, of other equipment or machinery, and of tools and

hardware from the surplus property program operated by the ~~Office of Public Affairs~~ Office of Management and Enterprise Services.

SECTION 744. AMENDATORY 74 O.S. 2011, Section 85.9D, is amended to read as follows:

Section 85.9D A. Except as otherwise provided in subsection B of this section, agencies within the executive branch shall coordinate acquisition of computer software maintenance and hardware maintenance contracts through the Purchasing Division of the ~~Department of Central Services~~ Office of Management and Enterprise Services. The Purchasing Division may establish consolidation contracts and enterprise agreements for state agencies. The State Purchasing Director may negotiate consolidation contracts, enterprise agreements and high technology system contracts in lieu of or in conjunction with bidding procedures to reduce acquisition cost.

B. The provisions of this section shall not apply to the Northeast Oklahoma Public Facilities Authority.

SECTION 745. AMENDATORY 74 O.S. 2011, Section 85.9E, is amended to read as follows:

Section 85.9E A. The ~~Department of Central Services~~ Office of Management and Enterprise Services shall recognize as a statewide contract an unencumbered contract consummated in behalf of the telecommunications network known as OneNet by the Oklahoma State Regents for Higher Education or any other state entity assigned

responsibility for OneNet; provided, said recognition shall require recommendation by the Information Services Division of the ~~Office of State Finance~~ Office of Management and Enterprise Services. The ~~Department of Central Services~~ Office of Management and Enterprise Services shall not subject purchases pursuant to said contracts to any quantity limit.

B. For purchases that require review of the purchase requisition by the Information Services Division of the ~~Office of State Finance~~ Office of Management and Enterprise Services and that are not available on a statewide contract but are available from a General Services Administration (GSA) schedule or contract, or are available from a GSA schedule or contract at a lesser price than from a state contract, state agencies may, with the approval of the Information Services Division, purchase from the vendor or vendors on the GSA schedule or contract.

C. The Oklahoma State Regents for Higher Education and any other state entity assigned responsibility for OneNet are authorized to negotiate for education or government discounts from published price listings and to make contracts at such prices subject to adjustment for price increases nationally published.

SECTION 746. AMENDATORY 74 O.S. 2011, Section 85.12a, is amended to read as follows:

Section 85.12a Any state agency that purchases insurance through the ~~Purchasing Division of the Office of Public Affairs~~

Office of Management and Enterprise Services shall submit a requisition form to acquire or maintain insurance to the Purchasing Division not less than forty-five (45) days prior to the expiration date of the existing insurance policy held by the agency. The time requirement for the submission of a requisition form, as provided for in this section, shall not apply to any state agency that:

1. Has no existing insurance policy covering the property sought to be insured; or

2. Must acquire insurance expediently due to some exigent circumstance as determined by the ~~Purchasing~~ Director of the ~~Purchasing Division of the Office of Public Affairs~~ Office of Management and Enterprise Services.

SECTION 747. AMENDATORY 74 O.S. 2011, Section 85.12b, is amended to read as follows:

Section 85.12b All agencies or departments of this state shall lease, charter or contract for the use of any aircraft pursuant to the provisions of The Oklahoma Central Purchasing Act, except aircraft owned and operated by another agency or department of this state. The ~~Office of Public Affairs~~ Office of Management and Enterprise Services shall develop and implement guidelines for the use of such aircraft.

SECTION 748. AMENDATORY 74 O.S. 2011, Section 85.13, is amended to read as follows:

Section 85.13 It shall be unlawful for the State Purchasing Director or any buyer or any officer of the ~~Department of Central Services~~ Office of Management and Enterprise Services, or any member of their immediate family, under The Oklahoma Central Purchasing Act to accept any gift, donation, or gratuity for himself or any member of his immediate family from any seller or prospective seller of any property covered by The Oklahoma Central Purchasing Act; and it shall further be unlawful for any seller or any prospective seller to give or donate anything of value to the State Purchasing Director or any buyer or officer of the ~~Department of Central Services~~ Office of Management and Enterprise Services or any buyer under The Oklahoma Central Purchasing Act or any member of the immediate family of the State Purchasing Director or buyer or officer of the ~~Department of Central Services~~ Office of Management and Enterprise Services. This provision shall not apply to exceptions to the definition of "anything of value" in the Rules of the Ethics Commission promulgated pursuant to Article XXIX of the Oklahoma Constitution.

The violation of any provision of this section shall constitute a misdemeanor and in the event the State Purchasing Director or any buyer or any officer of the ~~Department of Central Services~~ Office of Management and Enterprise Services is convicted for the violation of this section he shall forfeit his position immediately in addition to the penalty provided in this section.

SECTION 749. AMENDATORY 74 O.S. 2011, Section 85.26, is amended to read as follows:

Section 85.26 The Purchasing Division of the ~~Office of Public Affairs~~ Office of Management and Enterprise Services is directed to purchase from the lowest bidder a surety contract or contracts in the form known as a "blanket bond" to cover all elective state officers, appointive officers, and employees in the manner provided in this section. No other bond shall be acceptable as surety for any elected or appointed officer or employee of this state in lieu of said blanket bond. For purposes of Sections 85.26 through 85.31 of this title, a "blanket bond" is defined as a public employees' blanket position bond which covers all employees up to the penalty of the bond for each employee and the full penalty of the bond is always in force during its term and no restoration is necessary and there is no additional premium after a loss is paid.

SECTION 750. AMENDATORY 74 O.S. 2011, Section 85.29, is amended to read as follows:

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

DEPARTMENT	AMOUNT OF BOND
Office of the State Treasurer	$300,000.00
Oklahoma Employment Security Commission	$150,000.00

~~Office of Public Affairs~~ Central Services Division of the Office of Management and Enterprise Services	100,000.00
Insurance Commission	100,000.00
Office of the State Auditor and Inspector	50,000.00
~~Office of State~~ Finance Division of the Office of Management and Enterprise Services	50,000.00
Bank Commissioner	50,000.00
CompSource Oklahoma President and Chief Executive Officer	50,000.00
Commissioners of the Land Office	50,000.00
Oklahoma Securities Commission	50,000.00
Oklahoma Tax Commission	50,000.00
Department of Human Services	50,000.00
Oklahoma Public Employees Retirement System	50,000.00
~~Oklahoma~~ Corporation Commission	50,000.00
State Board of Education	50,000.00
Finance Division	150,000.00
All Others	25,000.00
Department of Transportation	25,000.00
Boards of Regents of Oklahoma Universities and Colleges	50,000.00
Office of Attorney General	10,000.00

The University Hospitals 50,000.00

All Other State Departments, Agencies,
Institutions, Commissions,
Authorities, and other bodies of
state government 10,000.00

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

SECTION 751. AMENDATORY 74 O.S. 2011, Section 85.31, is amended to read as follows:

Section 85.31 A. Whenever any officer, statutory board, commission, committee, department, authority, or any state agent or agency by whatever name called, is authorized by any law of this state to purchase any official bond, surety bond, blanket bond, or surety contract upon any state officer or employee, the authority is hereby transferred and conferred upon the Purchasing Division of the ~~Department of Central Services~~ Office of Management and Enterprise

Services. The authority shall be exercised by the Purchasing Division in the manner pursuant to the provisions and requirements prescribed by Section 85.58A of this title.

B. The premium for a bond will be invoiced to the Purchasing Division and paid for by legislative appropriation set aside for that specific purpose.

C. If the legislative appropriation is insufficient to meet the cost of a bond, the State Purchasing Director in conjunction with the State Risk Administrator shall assess each entity covered by the bond a pro rata share of the excess cost amount.

D. A blanket bond shall be approved as to form and legal sufficiency by the general counsel of the ~~Department of Central Services~~ Office of Management and Enterprise Services and shall be filed with the Director of ~~Central Services~~ the Office of Management and Enterprise Services.

SECTION 752. AMENDATORY 74 O.S. 2011, Section 85.33, is amended to read as follows:

Section 85.33 There is hereby created in the State Treasury a revolving fund for the ~~Department of Central Services~~ Office of Management and Enterprise Services to be designated the "Registration of State Vendors Revolving Fund". The fund shall consist of any monies received from fees collected in accordance with subsection B of this section. The revolving fund shall be a continuing fund, without legislative appropriation, not subject to

fiscal year limitations, and shall be under the control and management of the ~~Department of Central Services~~ Office of Management and Enterprise Services. Expenditures from the Registration of State Vendors Revolving Fund shall be budgeted and expended pursuant to the laws of the state and the statutes relating to public finance. The fund shall be used to defray the costs of the Purchasing Division for commodity research, classification, and analysis and expenses the ~~Department~~ Office incurs to support Purchasing Division operations. Warrants for expenditures from said fund shall be drawn by the State Treasurer, based on claims signed by an authorized employee or employees of the ~~Department~~ Office, and approved for payment by the Director of ~~State Finance~~ the Office of Management and Enterprise Services.

B. The ~~Department of Central Services~~ Office of Management and Enterprise Services shall collect a fee of Twenty-five Dollars ($25.00) to register suppliers that desire to do business with this state through the Purchasing Division. The suppliers shall register separately for each commodity list. Each registration shall entitle the supplier to be on that list for one (1) year, to receive all bid notices in that classification for that period, and to receive one copy of the State's Commodity Classification Manual when published. All fees collected in accordance with this section shall be deposited in the revolving fund created in subsection A of this section.

SECTION 753. AMENDATORY 74 O.S. 2011, Section 85.33A, is amended to read as follows:

Section 85.33A A. There is hereby created in the State Treasury a revolving fund for the ~~Department of Central Services~~ Office of Management and Enterprise Services to be designated the "Contract Management Revolving Fund". The fund shall consist of any monies received from fees, levies or rebates the ~~Department~~ Office receives in accordance with subsection B of this section. The revolving fund shall be a continuing fund, without legislative appropriation, not subject to fiscal year limitations, and shall be under the control and management of the ~~Department of Central Services~~ Office of Management and Enterprise Services. Expenditures from the Contract Management Revolving Fund shall be budgeted and expended pursuant to the laws of the state and the statutes relating to public finance. The fund shall be used to defray the costs of the Purchasing Division for operations of the Purchasing Division and expenses the ~~Department of Central Services~~ Office of Management and Enterprise Services incurs to support operation of the Purchasing Division. Warrants for expenditures from the fund shall be drawn by the State Treasurer, based on claims signed by an authorized employee or employees of the ~~Department~~ Office, and approved for payment by the Director of ~~State Finance~~ the Office of Management and Enterprise Services.

B. The State Purchasing Director may enter into or award contracts that provide a contract management fee, levy or rebate to the ~~Department of Central Services~~ Office of Management and Enterprise Services. The State Purchasing Director shall ensure that a contract that provides a management fee, levy or rebate provides value to acquiring agencies exceeding open market acquisition costs.

SECTION 754. AMENDATORY 74 O.S. 2011, Section 85.33B, is amended to read as follows:

Section 85.33B A. On a monthly basis the Director of Central Purchasing and institutions of higher education shall provide to the ~~Office of State Finance~~ Director of the Office of Management and Enterprise Services a complete listing in electronic format of all transactions occurring with the aid of a state purchase card. The list shall contain the name of the purchaser and purchasing agency, amount of purchase, and all available descriptions of items purchased.

B. Upon receipt of the list described in subsection A of this section, the ~~Office of State Finance~~ Director of Office of Management and Enterprise Services shall allow the public access to the list in searchable format through its website defined in Section 46 of Title 62 of the Oklahoma Statutes.

SECTION 755. AMENDATORY 74 O.S. 2011, Section 85.39, is amended to read as follows:

Section 85.39 A. 1. Each state agency shall develop internal purchasing procedures for acquisitions by the state agency. Procedures shall, at a minimum, include provisions for the state agency's needs assessment, funding, routing, review, audits, monitoring, and evaluations. Following development, the state agency shall submit the procedures to the State Purchasing Director.

2. The State Purchasing Director shall review the procedures submitted pursuant to paragraph 1 of this subsection to determine compliance with The Oklahoma Central Purchasing Act, rules promulgated pursuant thereto, Sections 3001 through 3010 of this title, and provisions of paragraph 1 of this subsection. The State Purchasing Director shall provide written findings, including details of noncompliance, if any, to the Director of the ~~Department of Central Services~~ Office of Management and Enterprise Services.

3. The Director of the ~~Department of Central Services~~ Office of Management and Enterprise Services shall, within fifteen (15) days after the procedures are submitted, notify the state agency that the procedures are in compliance or indicate revisions necessary to bring the procedures into compliance.

B. A state agency shall not make acquisitions exceeding Five Thousand Dollars ($5,000.00) pursuant to Section 85.5 of this title, unless the Director of the ~~Department of Central Services~~ Office of Management and Enterprise Services provides notice of compliance.

C. Each state agency shall maintain a document file for each acquisition the state agency makes which shall include, at a minimum, justification for the acquisition, supporting documentation, copies of all contracts, if any, pertaining to the acquisition, evaluations, written reports if required by contract, and any other information the State Purchasing Director requires be kept.

SECTION 756. AMENDATORY 74 O.S. 2011, Section 85.43, is amended to read as follows:

Section 85.43 A. Each chief administrative officer of a state agency shall submit to the State Purchasing Director by November 1 of each year a report listing all acquisitions exceeding Fifty Thousand Dollars ($50,000.00) but not exceeding One Hundred Thousand Dollars ($100,000.00) of the state agency for the preceding fiscal year which will include the following information:

1. Professional services contracts;

2. Nonprofessional services contracts; and

3. Contracts for the leasing of property including real property contracts and any lease agreements for products or equipment.

B. The report shall contain:

1. The name of the supplier;

2. A description of each acquisition;

3. The purchase price of the acquisition; and

4. The total amount expended to date for the preceding fiscal year for the acquisition.

C. The report shall specifically identify sole source and sole brand acquisitions.

D. The state agency shall submit the report to the State Auditor and Inspector and to the ~~Department of Central Services~~ Office of Management and Enterprise Services. The state agency shall submit the report to any member of the Appropriations and Budget Committee of the House of Representatives or Appropriations Committee of the Senate if a member so requests.

E. The State Auditor and Inspector shall review the report for compliance with statutes and rules or other provisions of law applicable to sole source and sole brand acquisitions.

SECTION 757. AMENDATORY 74 O.S. 2011, Section 85.44D, is amended to read as follows:

Section 85.44D A. It is the intent of the Legislature that all state agencies procure and use products or materials made from or utilizing materials from trees harvested in Oklahoma when such products or materials are available.

B. By July 1, 2011, the Purchasing Division of the ~~Department of Central Services~~ Office of Management and Enterprise Services when accepting bids for state purchases of products and materials shall give preference to the suppliers of wood products made from or products manufactured utilizing materials from trees harvested in

Oklahoma if the price for the products and materials is not substantially higher than the price for other wood products and materials and the quality and grade requirements are otherwise comparable.

C. By July 1, 2011, the Purchasing Division of the ~~Department of Central Services~~ Office of Management and Enterprise Services shall promulgate rules and implement a program for extending state procurement specifications to products made from or manufactured utilizing materials from trees harvested in Oklahoma and identifying the products.

SECTION 758. AMENDATORY 74 O.S. 2011, Section 85.45b, is amended to read as follows:

Section 85.45b For purposes of the Oklahoma Minority Business Enterprise Assistance Act:

1. "Minority" means a person who is a lawful resident of the State of Oklahoma and who is:

a. Black (a person having origins in any of the black racial groups of Africa),

b. Hispanic (a person of Mexican, Puerto Rican, Cuban, Central or South American descent),

c. Asian American (a person having origins in any of the original peoples of the Far East, Southeast Asia, the Indian subcontinent, or the Pacific Islands), or

d. American Indian and Alaskan Native (a person having origins in any of the original peoples of North America);

2. "Minority business enterprise" means a small business concern, as defined pursuant to Section 3 of the Small Business Act and implementing regulations, which is owned and controlled by one or more minorities and is authorized to do and is doing business under the laws of this state, paying all taxes duly assessed, and domiciled within this state. "Owned and controlled" means a business:

a. which is at least fifty-one percent (51%) owned by one or more minorities or, in the case of a publicly owned business, at least fifty-one percent (51%) of all classes or types of the stock is owned by one or more minorities, and

b. whose management and daily business operations are controlled by one or more such individuals;

3. "Office" means the ~~Office of Public Affairs~~ Office of Management and Enterprise Services; and

4. "Person" means an individual, sole proprietorship, partnership, association, or corporation.

SECTION 759. AMENDATORY 74 O.S. 2011, Section 85.45e, is amended to read as follows:

Section 85.45e A. Any minority business enterprise that desires to participate in the minority bid preference program and to bid upon any state contract within the purview of the State Purchasing Director of the Office of Management and Enterprise Services or any other state contract to be let by any state agency not subject to The Oklahoma Central Purchasing Act shall first apply to the State Purchasing Director of the Office of Management and Enterprise Services for certification.

B. The State Purchasing Director of the Office of Management and Enterprise Services shall certify a business which meets the eligibility requirement of this section to qualify as a minority business enterprise. To qualify as a minority business enterprise, the business shall:

1. Be a minority business enterprise;

2. Submit any documentary evidence required by the rules and regulations of the ~~Office of Public Affairs~~ Office of Management and Enterprise Services to support its status as a minority business enterprise;

3. Sign an affidavit stating that it is a minority business enterprise;

4. Be qualified to bid pursuant to the provisions of The Oklahoma Central Purchasing Act~~.~~; and

5. Present:

a. an application including the entire business history of the operation,

b. birth certificates for all minority principals,

c. if Native American, tribal registration card/certificate,

d. current resumes on all principals, key managers and other key personnel,

e. a current financial statement,

f. proof of investment by principals,

g. loan agreements,

h. lease/rental agreement for space, equipment,

i. evidence of latest bond,

j. if the applicant is a sole proprietor, he shall also include: a copy of a bank signature card,

k. if the applicant is a partnership a copy of the partnership agreement shall also be included, and

l. if the applicant is a corporation it shall also include: articles of organization, corporation bylaws, copies of all stock certificates, minutes of the first corporate organizational meeting, bank resolution on all company accounts, and a copy of the latest U.S. corporate tax return.

C. The State Purchasing Director of the Office of Management and Enterprise Services shall prepare and maintain a list of certified minority business enterprises.

D. The ~~purchasing director~~ State Purchasing Director of the Office of Management and Enterprise Services may deny certification to any minority business enterprise in accordance with the provisions of this act and the rules and regulations of the ~~Office of Public Affairs~~ Office of Management and Enterprise Services. Any person adversely affected by an order of the State Purchasing Director of the Office of Management and Enterprise Services denying certification as a minority business enterprise may appeal as provided in the Administrative Procedures Act.

SECTION 760. AMENDATORY 74 O.S. 2011, Section 85.45f, is amended to read as follows:

Section 85.45f On or before July 15 of each year, the State Purchasing Director shall submit a report to the Governor, the Speaker of the House of Representatives and the President Pro Tempore of the Senate on the status of the percentile of state funds expended on contracts awarded to minority business in the preceding fiscal year and provide any report, statistic or information concerning the compliance of the ~~Department of Central Services~~ Office of Management and Enterprise Services with the Oklahoma Minority Business Enterprise Assistance Act.

SECTION 761. AMENDATORY 74 O.S. 2011, Section 85.45g, is amended to read as follows:

Section 85.45g If a minority business enterprise is awarded a contract by this state pursuant to the Oklahoma Minority Business Enterprise Assistance Act, said business shall not assign the rights of the contract to any other business without prior written approval of the State Purchasing Director of the Office of Management and Enterprise Services verifying that such business is also a minority business enterprise certified as such by the ~~Office of Public Affairs~~ Office of Management and Enterprise Services. Any such assignment made without the prior written approval of the State Purchasing Director of the Office of Management and Enterprise Services shall be deemed unlawful pursuant to paragraph 5 of subsection A of Section ~~10~~ 85.45h of this ~~act~~ title. Such unlawful assignment shall be voidable by the ~~Office of Public Affairs~~ Office of Management and Enterprise Services.

SECTION 762. AMENDATORY 74 O.S. 2011, Section 85.45h, is amended to read as follows:

Section 85.45h A. It shall be unlawful for a person to:

1. Knowingly and with intent to defraud, fraudulently obtain, retain, attempt to obtain or retain, or aid another in fraudulently obtaining or retaining or attempting to obtain or retain, certification as a minority business enterprise for the purposes of this act.

2. Knowingly and willfully make a false statement with the intent to defraud, whether by affidavit, report, or other representation, to a state official or employee for the purpose of influencing the certification or denial of certification of any entity as a minority business enterprise.

3. Knowingly and willfully obstruct, impede, or attempt to obstruct or impede any state official or employee who is investigating the qualifications of a business entity which has requested certification as a minority business enterprise.

4. Knowingly and willfully with intent to defraud, fraudulently obtain, attempt to obtain, or aid another person in fraudulently obtaining or attempting to obtain, public monies to which the person is not entitled under this act.

5. Knowingly and willfully assign any contract awarded pursuant to the Oklahoma Minority Business Enterprise Assistance Act to any other business enterprise without prior written approval of the State Purchasing Director pursuant to Section 85.45g of this title.

B. Any person convicted of violating any provision of the Oklahoma Minority Business Enterprise Assistance Act shall be guilty of a felony, punishable by imprisonment in the State Penitentiary for not more than five (5) years, or a fine of not more than Ten Thousand Dollars ($10,000.00), or by both such imprisonment and fine.

C. If a contractor, subcontractor, supplier, subsidiary, principal or affiliate thereof, has been found to have violated this act and that violation occurred within three (3) years of another violation of this act, the ~~Department of Central Services~~ Office of Management and Enterprise Services shall prohibit that contractor, subcontractor, supplier, subsidiary, or affiliate thereof, from entering into a state project or state contract and from further bidding to a state entity, and from being a subcontractor to a contractor for a state entity and from being a supplier to a state entity.

SECTION 763. AMENDATORY 74 O.S. 2011, Section 85.45j, is amended to read as follows:

Section 85.45j A. 1. Pursuant to the provisions of this section, an acquisition may be exempt from competitive bidding procedures as a sole source or sole brand acquisition.

2. If a state agency desires to make a sole source or sole brand acquisition, the state agency shall retain in the state agency's acquisition file or attach to the requisition a certification signed by the chief administrative officer of the state agency, in the following form:

SOLE SOURCE OR SOLE BRAND ACQUISITION

CERTIFICATION

STATE AGENCY _____

SUPPLIER NAME _____

SUPPLIER ADDRESS _____

SUPPLIER TELEPHONE _____

I hereby affirm that pursuant to the provisions of the attached requisition or contract that

(Name of Supplier)

is the only person or business entity singularly qualified to provide the acquisition, and if a product is the only brand or product which is unique, for the following reasons:

_____

_____

_____

_____

_____

The following is a brief description of all efforts which were made to verify that the services or products to be purchased pursuant to the provisions of the attached requisition or contract qualify as a sole source or sole brand acquisition:

_____

_____

_____

_____

_____

I understand that the signing of this certification knowing such information to be false may subject me to punishment for perjury.

_____

(Chief administrative officer)

3. A court order requiring the purchase of specific products or services but which does not specify a brand or supplier shall not substitute for the certification required by this subsection or otherwise invalidate the acquisition procedures required pursuant to The Oklahoma Central Purchasing Act.

4. Any chief administrative officer of a state agency affirming the certification required by this subsection who knows the information to be false shall be deemed guilty of perjury and upon conviction shall be punished by fine or by imprisonment or both fine and imprisonment pursuant to law. Upon conviction or upon entering a plea of nolo contendere pursuant to this paragraph, the chief administrative officer shall immediately forfeit his or her position and shall be ineligible for appointment to or employment in the state service for a period of five (5) years after entering a plea of nolo contendere or being convicted.

5. Upon a determination by the Director of the ~~Department of Central Services~~ Office of Management and Enterprise Services that there are reasonable grounds to believe that a violation of this subsection has occurred, the Director shall send findings to the Attorney General that support the determination. The Attorney General shall review the findings and determine whether to investigate or prosecute the person.

6. If the acquisition's purchase price is such that the state agency is required to submit a requisition to the State Purchasing Director, the State Purchasing Director shall approve or deny the requisition for a sole source or sole brand acquisition. Prior to approving a requisition pursuant to this paragraph, the State Purchasing Director shall document reasons a sole source or sole brand purchase is necessary and shall retain a written record for three (3) fiscal years following the end of the fiscal year during which the sole source or sole brand acquisition was made.

7. For sole source or sole brand acquisitions exceeding Five Thousand Dollars ($5,000.00) and not requiring submission of a requisition to the State Purchasing Director, the state agency's certified procurement officer shall document reasons a sole source or sole brand acquisition is necessary and shall retain a written record for three (3) fiscal years following the end of the fiscal year during which the sole source or sole brand acquisition was made.

8. The chief administrative officer of each state agency shall submit to the State Purchasing Director a monthly listing of all sole source and sole brand acquisitions exceeding Five Thousand Dollars ($5,000.00) executed by the state agency in the preceding month. The report shall indicate whether requisitions for sole source and sole brand acquisitions were disapproved or modified by

the State Purchasing Director and information the State Purchasing Director requires.

9. The State Purchasing Director shall electronically provide to the ~~Office of State Finance~~ Office of Management and Enterprise Services the information received pursuant to paragraph 8 of this subsection in machine-readable format and in the form the ~~Office of State Finance~~ Office of Management and Enterprise Services requires.

B. By the fifteenth day of each month, or the first working day thereafter, the ~~Office of State Finance~~ Office of Management and Enterprise Services shall provide a report from the information received pursuant to this section to:

1. The Speaker of the House of Representatives and the President Pro Tempore of the Senate;

2. The Majority and Minority Leaders of both the House of Representatives and the Senate;

3. The Chair and Vice-chair of the Appropriations and Budget Committee of the House of Representatives and the Appropriations Committee of the Senate; and

4. Any member of the Legislature requesting the report.

The report shall detail all sole source and sole brand acquisitions by state agencies for the month prior to the month preceding the submission of the report. The report shall be titled "Monthly Sole Source and Sole Brand Contracting Report of Oklahoma State Agencies" and indicate the time period of the report. The report shall be

provided in physical form unless the requesting person specifies the electronic version. The report shall be signed by the Director of ~~State Finance~~ the Office of Management and Enterprise Services or the Director's designee. The report shall be in columnar database format and shall include at least the following fields of information: state agency number; state agency name; date created by the ~~Department of Central Services~~ Office of Management and Enterprise Services for the requisition; date of either approval or disapproval of the requisition; if disapproved, the reason why such contract was disapproved; estimated amount of the requisition; purchase order amount; purchase order number; actual business name of supplier; supplier federal employer identification number; contact person; and the commodity classification listing at the appropriate level to distinguish between similar acquisitions. Information required by this subsection shall be reported and maintained on each report through the next reporting period after an acquisition is made. The applicable data in the fields of information specified in this subsection shall be listed even if the state agency requisition is disapproved.

C. The ~~Office of State Finance~~ Office of Management and Enterprise Services shall maintain electronic historic data or any other data received pursuant to this section for at least two (2) years.

D. By August 15 of each year, from the data received pursuant to this section, the ~~Office of State Finance~~ Office of Management and Enterprise Services shall complete and submit a report detailing the number of sole source or sole brand contracts issued by each state agency and a list of the business names of the suppliers who received sole source or sole brand awards during the previous fiscal year and if more than one such award, the number of awards so executed.

SECTION 764. AMENDATORY 74 O.S. 2011, Section 85.45k, is amended to read as follows:

Section 85.45k A. There is hereby created the State Travel Office within the Purchasing Division of the ~~Department of Central Services~~ Office of Management and Enterprise Services.

B. All state agencies and departments of this state shall make arrangements for all air travel on scheduled commercial airlines for state employees required to travel in the course of their official duties and for all other persons traveling at state expense through the State Travel Office, except when the state agency determines that:

1. The air travel services can be secured at a cost less than that which can be secured by the State Travel Office; or

2. The air travel originates from a location outside the state and it would be impractical to arrange for the air travel through the State Travel Office; or

3. The air travel is necessitated by an emergency and time does not permit utilization of the State Travel Office's services; or

4. The air travel is part of a package arrangement made by the organization scheduling the meeting or conference.

C. All claims made for reimbursement shall contain a statement showing the reason for the exemption.

D. The State Travel Office shall divide the state into high travel areas and low travel areas. A high travel area shall consist of no more than one county. Oklahoma, Tulsa, Payne and Cleveland Counties and any other county that accounts for a substantial portion of air travel at state expense shall be designated as high travel areas. The remaining counties of the state shall be designated as low travel areas. Low travel areas may consist of more than one county, as determined by the State Travel Office. The State Travel Office shall contract with no less than six private travel agencies in a high travel area and one or more private travel agencies in a low travel area to provide the scheduling and related travel services required to comply with this section. In order to take advantage of local competitive situations, institutions of The Oklahoma State System of Higher Education in high travel areas are authorized to solicit competitive bids for air travel services by travel agencies. If the bids result in greater savings than the state contract, then these institutions may issue individual contracts to not less than two travel agencies. Further,

institutions of The Oklahoma State System of Higher Education in high travel areas are also authorized to solicit competitive bids for applicable city pair destination rates to airline companies. If the bids result in a greater savings than the state contract rates, these institutions may issue individual contracts to the airline companies with the lowest bids.

E. The State Travel Office shall promulgate rules and contract specifications to which the contract travel agencies shall be subject. The rules and specifications shall be drawn with the intent of obtaining the lowest available fares for scheduled commercial air travel.

F. At the end of each month the contract travel agencies shall furnish a statement, in a form approved by the State Travel Office, showing certain details of all travel arrangements handled to each state agency for which the contract travel agencies have furnished their services and shall also furnish copies of said statements to the State Travel Office.

SECTION 765. AMENDATORY 74 O.S. 2011, Section 85.45*l*, is amended to read as follows:

Section 85.45*l* A. Each state agency, board, commission or other entity organized within the executive department of state government shall use the Trip Optimizer system of the ~~Department of Central Services~~ Office of Management and Enterprise Services in computing the optimum method and cost for travel by state employees

using a motor vehicle where the travel will exceed one hundred (100) miles per day and the employee is not driving a state-owned or -leased dedicated vehicle. For purposes of this section, "dedicated vehicle" means a vehicle that has been assigned to the employee.

B. The provisions of this section shall be used to determine the most cost-effective method of travel by motor vehicles, whether such vehicles are owned by the agency, leased by the agency or by the employee, and shall be applicable for purposes of determining the maximum authorized amount of any travel reimbursement for employees of such agencies related to vehicle usage.

C. A nonappropriated state agency, that employs persons who use personal vehicles as part of their regular duties and who are reimbursed for travel expenses by the agency shall not be required to utilize the Trip Optimizer system with regard to the travel expenses of such employees. As used in this section, "nonappropriated state agency" means an entity within the executive branch of government that does not receive any of its funding through the annual legislative appropriations process.

D. The maximum authorized amount of travel reimbursement related to vehicle usage shall be the lowest cost option as determined by the Trip Optimizer system. All travel claims submitted for reimbursement shall include the results of the Trip Optimizer system indicating the lowest cost option for travel by the state employee.

SECTION 766. AMENDATORY 74 O.S. 2011, Section 85.45r, is amended to read as follows:

Section 85.45r A. When a state agency purchasing agent determines that electronic or online bidding is more advantageous than other procurement methods provided by the laws of this state, the purchasing agent may use online bidding to obtain bids as authorized by The Oklahoma Central Purchasing Act or the Public Building Construction and Planning Act for the purchase of goods, services, construction, or information services.

B. The online bidding process shall provide:

1. A designated opening and closing date and time. At the opening date and time, state agencies shall begin accepting online electronic bids. Online bids shall be accepted until the designated closing date and time, except as provided by paragraph 6 of this subsection;

2. The posting of all online bids electronically and updating of bids on a real-time basis by state agencies;

3. The authorization for state agencies to require bidders to register before the opening date and time and, as part of that registration, require bidders to agree to any terms, conditions or other requirements of the solicitation or applicable acts;

4. The authorization for state agencies to also require potential bidders to prequalify as bidders and to restrict solicitations to prequalified online bidders;

5. The retention of the authority of state agencies to determine the criteria that will be used as the basis for making awards; and

6. The authorization for the Director of the ~~Department of Central Services~~ Office of Management and Enterprise Services, in the event the state agency determines that a significant error or event occurred that affected the electronic receipt of any online bid by the agency, to determine it is in the best interest of the state to allow the agency to accept an electronic bid after the specified official closing date and time.

C. The provisions of the Oklahoma Online Bidding Act shall not apply to bid or proposal sealing or opening provisions found in any state law other than The Oklahoma Central Purchasing Act or the Public Building Construction and Planning Act.

D. All bids submitted electronically through the online bidding process pursuant to the Oklahoma Online Bidding Act are subject to the same public disclosure laws that govern bids received pursuant to sealed bid procurement procedures pursuant to The Oklahoma Central Purchasing Act or the Public Building Construction and Planning Act.

E. All remedies available to state agencies and suppliers through the sealed bid process pursuant to The Oklahoma Central Purchasing Act or the Public Building Construction and Planning Act

are also available to state agencies and online bidders in an online bidding process.

SECTION 767. AMENDATORY 74 O.S. 2011, Section 85.45s, is amended to read as follows:

Section 85.45s The Director of the ~~Department of Central Services~~ Office of Management and Enterprise Services shall promulgate rules to implement the Oklahoma Online Bidding Act.

SECTION 768. AMENDATORY 74 O.S. 2011, Section 85.47a, is amended to read as follows:

Section 85.47a.

1. "Administrator" means the Small Business Surety Bond Guaranty Program Administrator;

2. "Fund" means the Small Business Surety Bond Guaranty Fund;

3. "Indemnity fund" means a fund established through the ~~Office of Public Affairs~~ Office of Management and Enterprise Services to underwrite the Small Business Surety Bond Guaranty Program;

4. "Principal" means a small business entity as defined pursuant to Section 3 of the Small Business Act, 16 U.S.C. Section 632;

5. "Program" means the Small Business Surety Bond Guaranty Program; and

6. "Surety" means a corporation granted authority by the Insurance Commissioner to write bonds or insurance in this state guaranteeing the performance of contracts.

SECTION 769. AMENDATORY 74 O.S. 2011, Section 85.47b, is amended to read as follows:

Section 85.47b The Administrator shall be authorized to:

1. Use the services of other governmental agencies and public trusts which are necessary to carry out the provisions of this act;

2. Contract for and accept, for use in carrying out the provisions of this program, loans and grants from the federal government and any of its agencies and instrumentalities and from public trusts;

3. Acquire, manage, operate, dispose of, or otherwise deal with property, take assignments of rentals and leases, and make contracts, leases, agreements and arrangements that are necessary or incidental to the performance of his duties;

4. Prescribe or approve the form of and terms and conditions in applications, guarantee agreements or any other documents entered into by the Administrator, principals or sureties in connection with the program;

5. Acquire or take assignments of documents executed, obtained or delivered in connection with any assistance provided under this program; and

6. Fix, determine, charge and collect any premiums and fees pursuant to rules promulgated by the Director of the ~~Office of Public Affairs~~ Office of Management and Enterprise Services.

SECTION 770. AMENDATORY 74 O.S. 2011, Section 85.47c, is amended to read as follows:

Section 85.47c A. There is hereby created in the State Treasury a revolving fund for the Small Business Surety Bond Guaranty Program to be designated the "Small Business Surety Bond Guaranty Fund". The fund shall be a continuing fund, not subject to fiscal year limitations and shall consist of:

1. Premiums, fees, and any other amounts received with respect to bonding assistance provided under this program;

2. Proceeds from the sale, lease, or other disposition of property or contracts held or acquired by the Office of ~~Public Affairs~~ Management and Enterprise Services pursuant to this program;

3. Income from investments that the State Treasurer makes from monies in the fund; and

4. Any other monies made available under this program.

B. The fund shall be used:

1. For the purposes provided for in this program; and

2. To pay part or all of the expenses of administering the program.

C. All monies accruing to the credit of the fund shall be deposited with the State Treasurer and invested and reinvested in the same manner as other state funds, and any investment earnings shall be paid into the fund. All monies accruing to the credit of the fund are hereby appropriated and may be budgeted and expended

for the purposes provided in subsection B of this section. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 771. AMENDATORY 74 O.S. 2011, Section 85.47d, is amended to read as follows:

Section 85.47d A. Subject to the restrictions of the Oklahoma Small Business Surety Bond Guaranty Program Act, the Administrator, on application, may guarantee any surety which qualifies pursuant to this act for any losses incurred as a result of a principal's breach of a bid bond, a payment bond, a defect or maintenance bond, or a performance bond required for a public construction contract for the state, federal agencies and political subdivisions of the State of Oklahoma. Provided, the guaranty shall not be extended to any bond with a face value in excess of Two Hundred Fifty Thousand Dollars ($250,000.00), nor shall the total face value of the bonds to which the guaranty is extended for any one principal exceed Five Hundred Thousand Dollars ($500,000.00). Provided further, the guaranty shall not be granted to an issuer of a letter of credit used in lieu of said bonds.

B. The terms of a guaranty under the Oklahoma Small Business Surety Bond Guaranty Program Act shall not exceed the terms of the contract for which bonding is obtained.

C. The ~~Office of Public Affairs~~ Office of Management and Enterprise Services shall establish an indemnity fund for this program using a public trust or other entity capable of creating a fund which is not subject to the constitutional prohibitions of Sections 15 and 23 of Article X of the Oklahoma Constitution.

SECTION 772. AMENDATORY 74 O.S. 2011, Section 85.47f, is amended to read as follows:

Section 85.47f A. The Administrator may set reasonable premiums and fees, not to exceed limits established by rules promulgated by the Director of the ~~Office of Public Affairs~~ Office of Management and Enterprise Services, to be paid for the purpose of providing bonding assistance under this program.

B. The premiums and fees set by the Administrator shall be payable in the amounts, at the time and in the manner that the Administrator requires.

C. The premiums and fees need not be uniform among transactions, and may vary in amount:

1. Among transactions; and

2. At different stages during the terms of transactions.

SECTION 773. AMENDATORY 74 O.S. 2011, Section 85.47g, is amended to read as follows:

Section 85.47g The Small Business Surety Bond Guaranty Program shall be a program of the ~~Office of Public Affairs~~ Office of Management and Enterprise Services. The Director of the ~~Office of~~

~~Public Affairs~~ Office of Management and Enterprise Services is authorized to hire a Small Business Surety Bond Guaranty Program Administrator to administer the Small Business Surety Bond Guaranty Program. The Administrator shall hold a bachelor's degree or higher degree in business, accounting, mathematics, economics or engineering and shall have previous experience as a surety underwriter. The Administrator shall be in the unclassified service of this state.

SECTION 774. AMENDATORY 74 O.S. 2011, Section 85.47i, is amended to read as follows:

Section 85.47i The Director of the ~~Office of Public Affairs~~ Office of Management and Enterprise Services shall promulgate and adopt rules necessary to carry out the provisions of the Small Business Surety Bond Guaranty Program Act.

SECTION 775. AMENDATORY 74 O.S. 2011, Section 85.51, is amended to read as follows:

Section 85.51 As used in the Oklahoma State Recycling and Recycled Materials Procurement Act:

1. "~~Department~~ Office" means the ~~Department of Central Services~~ Office of Management and Enterprise Services;

2. "Paper recycling" means the processing of scrap paper or other such recoverable waste paper into reusable products. Such collection and recycling of recoverable waste paper shall be done in an environmentally acceptable manner;

3. "State public entity" means the State Legislature, any bureau, agency, board, commission, or authority of the state, the office of the Governor, the judiciary, or any state university, school district, or county of the state which is supported in whole or in part by state funds;

4. "Recoverable waste paper" generated by businesses or consumers, which has served its intended use and has been separated from solid waste for purposes of collection and recycling, shall include, but is not limited to, such paper as computer cards, computer print-out papers, copy paper, white office papers, colored office papers, corrugated boxes, newspapers, envelope coatings, bindery trimmings, printing scrap and butt rolls. Mill broke repulped internally within a paper manufacturing facility shall not be considered recoverable waste paper;

5. "Director" means the Director of ~~Central Services~~ the Office of Management and Enterprise Services;

6. "Division" means the Purchasing Division of the ~~Department of Central Services~~ Office of Management and Enterprise Services;

7. "Recycled paper products" means all paper products manufactured from recoverable waste paper with not less than ten percent (10%) of their total weight consisting of waste paper.

8. "Products manufactured with recycled materials" means products that contain at least a minimum percentage of specified

materials recovered from the recycling of post-consumer products as defined in rules and regulations promulgated by the Division;

9. "Recyclable materials" means materials or products which are capable of being recycled, including but not limited to paper, glass, plastics, metals, automobile oil, and batteries. Refuse-derived fuel or other material that is destroyed by incineration is not a recyclable material; and

10. "Uncoated" means not coated with plastic, clay, or other material used to create a glossy finish.

SECTION 776. AMENDATORY 74 O.S. 2011, Section 85.52, is amended to read as follows:

Section 85.52 A. It is the intent of the Legislature that all state public entities comply with the provisions of the Oklahoma State Recycling and Recycled Materials Procurement Act. All political subdivisions of this state are encouraged to collect and recycle recoverable waste paper and recyclable materials to the greatest extent possible. The ~~Department of Central Services~~ Office of Management and Enterprise Services shall coordinate recycling efforts among the state public entities. The Director of ~~Central Services~~ the Office of Management and Enterprise Services shall adopt such rules, regulations, and orders as are necessary for the implementation of the Oklahoma State Recycling and Recycled Materials Procurement Act. The rules and regulations at a minimum shall establish procedures for:

1. The identification, handling, hauling, storing, safety factors, and disposition of recoverable waste paper and recyclable materials;

2. The separation of recoverable waste paper and recyclable materials from solid waste generated by state public entities;

3. A system for the collection of recoverable waste paper and recyclable materials from solid waste generated by state public entities;

4. Assuring that the recoverable waste paper and recyclable materials are made available to private industries for collection and recycling at the greatest economic value and to the greatest extent feasible. The ~~Department~~ Office may execute multiple contracts as necessary for purposes including but not limited to serving other government entities and different geographic areas of the state. In addition to the preference provisions of Section 85.53 of this title, rules and regulations governing availability of recyclable materials shall give preference to private recyclable materials industries that operate in Oklahoma, and that will employ residents of the state to handle, transport and sort such materials;

5. The purchase of uncoated office paper and printed paper whenever practicable; and

6. Separating for the purpose of recycling all recyclable materials including but not limited to lead acid batteries, waste

oil and major appliances that are generated as solid waste by state public entities.

B. All state public entities shall comply with the procedures and systems established pursuant to the Oklahoma State Recycling and Recycled Materials Procurement Act.

C. 1. The Director may exempt any single activity or facility of any state public entity from compliance with rules promulgated pursuant to the Oklahoma State Recycling and Recycled Materials Procurement Act if the Director determines there is a lack of market availability or that it is not economically feasible to follow and comply with the procedures and systems established by the Director.

2. The exemption shall be for a period not in excess of one (1) year, but additional exemptions may be granted for periods not to exceed one (1) year.

3. The Director shall make public all exemptions together with the reasons for granting such exemptions.

SECTION 777. AMENDATORY 74 O.S. 2011, Section 85.53, is amended to read as follows:

Section 85.53 A. It is the intent of the Legislature that all state public entities procure products or materials with the recycled content levels required or specified by rules promulgated pursuant to the provisions of this section when such products or materials are available.

B. By July 1, 1993, the Division when accepting bids for state purchases of supplies, equipment and materials shall give preference to the suppliers of paper products or products manufactured with recycled materials if:

1. The price for recycled products and materials is not substantially higher than the price for nonrecycled products and materials. The ~~Department of Central Services~~ Office of Management and Enterprise Services shall establish by rule the annual percentage over and above the price of nonrecycled products and materials which will be allowed for the purchase of recycled products and materials; and

2. The quality and grade requirements are otherwise comparable.

C. By July 1, 1993, any state public entity not subject to The Central Purchasing Act when accepting bids for purchases of supplies, equipment and materials, shall give preference to the suppliers of recycled paper products and products manufactured from recycled materials if:

1. The price for recycled products and materials is not substantially higher than the price for nonrecycled products and materials. The price paid for recycled products and materials shall not exceed the percentage over the price for nonrecycled products and materials established by the ~~Department~~ Office; and

2. The quality and grade requirements are otherwise comparable.

D. The Purchasing Division and any state public entity not subject to The Central Purchasing Act shall ensure, to the greatest extent economically practical and possible, that the recycled or recovered content of all paper purchased by the Division or agency, measured as a proportion, by weight, of paper products purchased in a calendar year, is not less than the following:

1. By 1995, ten percent (10%) of all purchased paper;

2. By 1997, twenty-five percent (25%) of all purchased paper; and

3. By 1999, forty percent (40%) of all purchased paper.

E. 1. By July 1, 1993, the Division shall promulgate rules and implement a program for extending state procurement specifications to products manufactured with recycled materials and identifying recycled products.

2. By July 1, 1993, any state public entity not subject to The Central Purchasing Act shall implement a program for extending agency procurement specifications to products manufactured with recycled materials.

F. In writing specifications under this section, the ~~Department~~ Office and any other state public entity shall incorporate requirements relating to the recyclability and ultimate disposition of products and, wherever possible, shall write the specifications so as to minimize the amount of solid waste generated by the state. All specifications under this section shall discourage the purchase

of single-use, disposable products and require, whenever practical, the purchase of multiple-use, durable products.

G. For materials that are not otherwise recycled, the Division and each state public entity not subject to The Central Purchasing Act shall, to the extent practicable, enter into agreements to purchase products made from recyclable materials from vendors who agree to purchase like materials separated from solid waste generated by the state for reuse or use as a raw material in manufacturing.

SECTION 778. AMENDATORY 74 O.S. 2011, Section 85.54, is amended to read as follows:

Section 85.54 A. The Purchasing Division shall review the procurement specifications currently used by the ~~Department of Central Services~~ Office of Management and Enterprise Services in order to eliminate, wherever economically feasible, discrimination against the procurement of recycled paper and other products manufactured with recycled materials.

B. The Division shall establish purchasing practices which, to the maximum extent economically feasible, assure purchase of recycled paper products.

C. The Director of ~~Central Services~~ the Office of Management and Enterprise Services shall review and incorporate, where appropriate, guidelines published in the Federal Register.

D. The Director shall promulgate rules to encourage recycling and conservation of purchased products.

SECTION 779. AMENDATORY 74 O.S. 2011, Section 85.55a, is amended to read as follows:

Section 85.55a A. The ~~Department of Central Services~~ Office of Management and Enterprise Services shall maintain a clearinghouse of information regarding products made from recycled paper products and products manufactured with recycled materials for purchase by state public entities. The clearinghouse shall include information concerning the availability, price and quality of products made from recycled paper products and products manufactured with recycled materials. The clearinghouse shall also include information concerning vendors and other persons willing to purchase recyclable materials from state public entities. The ~~Department~~ Office shall develop a mechanism to make this information available to all state public entities.

B. The ~~Department~~ Office may enter into agreements with purchasing agents of any other state, local governments, or the federal government under which any of the parties may agree to participate in, administer, sponsor or conduct purchasing transactions under a joint contract for the purchase of materials, supplies, equipment, permanent personal property, miscellaneous capital or contractual services consistent with this act.

C. The ~~Department~~ Office may cooperate with purchasing agents and other interested parties of any other state, local governments, or the federal government to develop uniform purchasing specifications on a regional or national level to facilitate cooperative interstate purchasing transactions.

SECTION 780. AMENDATORY 74 O.S. 2011, Section 85.56, is amended to read as follows:

Section 85.56 A. There is hereby created in the State Treasury a revolving fund for the ~~Department of Central Services~~ Office of Management and Enterprise Services, to be designated the "State Recycling Revolving Fund". The fund shall be administered in accordance with standard revolving fund procedures. The ~~Department~~ Office shall direct to the State Recycling Revolving Fund any federal or private grants which may qualify. The ~~Department~~ Office shall have the authority to expend monies from the fund for the purpose of implementing the Oklahoma State Recycling and Recycled Materials Procurement Act and to defray expenses the ~~Department~~ Office incurs to support recycling operations.

B. Revenues received from the sale of waste materials which can be recycled through any recycling programs operated by the ~~Department~~ Office shall be used to implement the Oklahoma State Recycling and Recycled Materials Procurement Act and to defray expenses the ~~Department~~ Office incurs to support recycling operations.

SECTION 781. AMENDATORY 74 O.S. 2011, Section 85.57, is amended to read as follows:

Section 85.57 The ~~Office of Public Affairs~~ Office of Management and Enterprise Services, whenever possible, shall contract with, employ or utilize the services of the disabled workers, inmates of county jails, and the Department of Corrections and the retired as a labor force in the identification, handling, hauling, and storage of materials and products which can be recycled.

SECTION 782. AMENDATORY 74 O.S. 2011, Section 85.58A, is amended to read as follows:

Section 85.58A A. The ~~Department of Central Services~~ Office of Management and Enterprise Services shall establish for all state agencies, whether or not subject to The Central Purchasing Act, and other entities as provided by law a comprehensive professional risk management program which shall:

1. Identify and evaluate risks of loss and exposures to loss to officers, employees and properties;

2. Minimize risks through loss-prevention and loss-control programs;

3. Transfer risks, if economically advantageous to the state, by acquiring commercial insurance, contractual pass through of liability, or by other means;

4. Consolidate and administer risk management plans and programs including self-insurance programs, except Workers' Compensation Insurance and State Employees Group Insurance;

5. Determine feasibility of and, if feasible, establish self-insurance programs, considering whether a program may be self-supporting to remain financially and actuarially sound;

6. Provide a system to allocate insurance and program costs to determine payment for insurance coverage and program expenses provided by the ~~Department of Central Services~~ Office of Management and Enterprise Services;

7. When requested by a state retirement system, CompSource Oklahoma or the State and Education Employees Group Insurance Board, assist in obtaining insurance authorized by law. If requested by the Oklahoma State Regents for Higher Education, assist trust funds for which the State Regents serve as trustees in obtaining insurance authorized by law;

8. Assist state agencies and officers, employees, and members thereof, charged with licensing authority, in obtaining insurance for liability for judgments, based on the licensing authority, rendered by any court pursuant to federal law;

9. When requested by a public trust established pursuant to Title 60 of the Oklahoma Statutes of which the State of Oklahoma is the beneficiary, obtain, provide or assist the public trust in obtaining insurance authorized by law or trust indenture covering

any board member, trustee, official, officer, employee or volunteer for errors and omissions or liability risks arising from the performance of official duties pursuant to law or trust indenture; and

10. When requested by the Oklahoma State Regents for Higher Education, for the purpose of insuring real property required pursuant to Section 4018 of Title 70 of the Oklahoma Statutes, of which the Oklahoma State Regents for Higher Education is the beneficiary, obtain, provide or assist the Oklahoma State Regents for Higher Education in obtaining insurance for the real property pursuant to the provisions of this section.

B. The Director of ~~Central Services~~ the Office of Management and Enterprise Services may hire or contract for the services of a Risk Management Administrator to supervise the Comprehensive Professional Risk Management Program established pursuant to this section. If appointed by the Director as a state employee, the Risk Management Administrator shall be in the unclassified service.

C. The Risk Management Administrator shall evaluate insurance coverage needs and in force for state agencies, whether or not subject to The Central Purchasing Act, and other entities as provided by law. All entities shall submit to the Risk Management Administrator all information which the Risk Management Administrator deems necessary to perform this duty.

D. The Risk Management Administrator in conjunction with the State Purchasing Director under the authority of the Director of ~~Central Services~~ the Office of Management and Enterprise Services may negotiate insurance coverage and insurance-related services, including, but not limited to, insurance brokerage and consulting services. The State Purchasing Director shall ensure open processes for solicitation and qualification of insurance coverage and services providers. The State Purchasing Director shall award contracts for insurance coverage and services to the provider or providers which offer the best and final terms and conditions. The State Purchasing Director may authorize the Risk Management Administrator to bind for insurance coverage with providers.

E. The school districts of this state may request the Risk Management Administrator to advise for the purchase of insurance coverage for the school districts.

F. A state agency, whether or not subject to The Central Purchasing Act, that contemplates purchase of property and casualty insurance, shall provide details of the proposed purchase to the Risk Management Administrator for approval or disapproval prior to the purchase.

G. The Director of ~~Central Services~~ the Office of Management and Enterprise Services shall promulgate rules to effect the provisions of the comprehensive professional risk management program.

H. 1. a. Any community action agency established pursuant to Sections 5035 through 5040 of this title may participate in the comprehensive professional risk management program established pursuant to this section for risks incurred as a result of operating a Head Start program or providing transportation services to the public. The Risk Management Administrator shall obtain or provide for insurance coverage for such community action agencies or bonding for employees of such community action agencies. Any liability insurance coverage obtained or provided shall include expenses for administrative and legal services obtained or provided by the Risk Management Administrator.

b. The Risk Management Administrator shall determine criteria for participation in the risk management program by such community action agencies. In addition, the Risk Management Administrator may require each such community action agency to:

(1) provide adequate qualified personnel and suitable facilities and equipment for operating a Head Start program or providing transportation services to the public, and

(2) comply with such standards as are necessary for the protection of the clients it serves.

2. To receive coverage pursuant to this section, a community action agency shall make payments for any insurance coverage and shall otherwise comply with the provisions of this section and rules promulgated by the ~~Department~~ Office pursuant to the provisions of this section.

3. Requests for the insurance coverage provided pursuant to the provisions of this subsection shall be submitted in writing to the Risk Management Administrator by the community action agencies.

I. The Risk Management Administrator may provide or obtain for any state agency, public trust with the state as a beneficiary and a director, officer, employee or member thereof, insurance for liability for loss, including judgments, awards, settlements, costs and legal expenses, resulting from violations of rights or privileges secured by the Constitution or laws of the United States of America which occur while a director, officer, employee or member is acting within the scope of service to the State of Oklahoma. The insurance shall be for coverage in excess of the limits on liability established by The Governmental Tort Claims Act but shall not limit or waive any immunities now or hereafter available to the State of Oklahoma or any state agency, any public trust with the state as a beneficiary, or any director, officer, employee or member thereof, including, but not limited to, any immunities under the Eleventh

Amendment to the Constitution of the United States, state sovereign immunity, and any absolute or qualified immunity held by any director, officer, employee or member.

SECTION 783. AMENDATORY 74 O.S. 2011, Section 85.58D, is amended to read as follows:

Section 85.58D There is hereby created in the State Treasury a revolving fund for the ~~Department of Central Services~~ Office of Management and Enterprise Services, to be designated the "Risk Management Fire Protection Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of any monies transferred thereto by an act of the Legislature and any fees collected by the ~~Department of Central Services~~ Office of Management and Enterprise Services in accordance with the provisions of Section ~~1~~ 85.58B of ~~Enrolled House Bill No. 1137 of the 1st Session of the 41st Oklahoma Legislature~~ this title. All monies accruing to the credit of the fund are hereby appropriated and may be budgeted and expended by the ~~Department of Central Services~~ Office of Management and Enterprise Services for the purposes of the Comprehensive Professional Risk Management Program provided for in Section 85.58A of this title, including the salaries and administrative expenses of support staff responsible for administering the fund and expenses the ~~Department~~ Office incurs to support program operations. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims

filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 784. AMENDATORY 74 O.S. 2011, Section 85.58G, is amended to read as follows:

Section 85.58G There is hereby created in the State Treasury a revolving fund for the ~~Department of Central Services~~ Office of Management and Enterprise Services, to be designated the "Risk Management Elderly and Handicapped Transportation Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of any monies transferred thereto by an act of the Legislature and any fees collected by the ~~Department of Central Services~~ Office of Management and Enterprise Services in accordance with the provisions of Section ~~1~~ 85.58E of ~~Enrolled House Bill No. 1666 of the 2nd Session of the 41st Oklahoma Legislature~~ this title. All monies accruing to the credit of said fund are hereby appropriated and may be budgeted and expended by the ~~Department of Central Services~~ Office of Management and Enterprise Services for the purposes of the Comprehensive Professional Risk Management Program provided for in Section 85.58A of this title, including the salaries and administrative expenses of support staff responsible for administering said fund and expenses the Department incurs to support program operations. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against

claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 785. AMENDATORY 74 O.S. 2011, Section 85.58H, is amended to read as follows:

Section 85.58H A. Upon written certification by the Director of the ~~Department of Central Services~~ Office of Management and Enterprise Services that errors and omissions liability insurance for motor license agents and their employees is not reasonably available in the private market at competitive rates, after taking into account the administrative costs associated with such insurance, the Risk Management Administrator pursuant to Section 85.34 of this title may obtain or provide limited indemnity coverage for motor license agents and the employees who are employed by such agents for any errors and omissions liability risks arising from the performance of their official duties pursuant to law. Any such certification by the Director of the ~~Department of Central Services~~ Office of Management and Enterprise Services shall be effective for a period of two (2) years. Any such limited indemnity coverage shall be obtained or provided solely from funds available in the shared risk pool authorized by this section and subject to the limitations set out herein. The Risk Management Administrator shall establish liability limits for such errors and omissions coverage on an annual basis. Any such limits shall be based on the liquidity of

the shared risk pool resulting from the annual payments made pursuant to subsection C of this section and any interest accrued thereon, after deduction of such sums as may be necessary to pay all overhead and administrative expenses associated with administering the pool.

B. The Risk Management Administrator is authorized to determine eligibility criteria for participation in the Risk Management Program for such motor license agents and employees of such agents. Any limited indemnity coverage provided for errors and omissions pursuant to the provisions of this subsection shall only cover errors or omissions made by a motor license agent or any employee of such agent occurring after July 1, 1990.

C. Except as otherwise provided in subsection G of this section, motor license agents shall be required to make annual payments of Forty Dollars ($40.00) per motor license agent and Forty Dollars ($40.00) per employee of the motor license agent for such limited indemnity coverage. The Risk Management Administrator is authorized to assess an additional payment per year, not to exceed Forty Dollars ($40.00) per motor license agent and per employee of such agent, if the shared risk pool resulting from the payment of the fees made pursuant to this subsection is not adequate to cover any liability incurred.

D. Requests for the limited indemnity coverage provided pursuant to the provisions of this section shall be submitted in

writing to the Risk Management Administrator by the motor license agents.

E. All fees collected in accordance with the provisions of this section shall be deposited in the Oklahoma Motor License Agent Indemnity Fund.

F. In providing risk management services for any motor license agent or employee of such agent, it is the intention of the Legislature to provide limited indemnification of motor license agents or employees of such agents for errors and omissions, solely to the extent of assets in the shared risk pool created by this section. The State of Oklahoma is not liable, directly or indirectly, for the errors and omissions of any motor license agent or any employee of such agent in the performance of official duties pursuant to law. The Risk Management Administrator shall determine the extent of indemnification for losses incurred by any such motor license agent or employee of such agent based upon the liquidity of the shared risk pool.

G. The Risk Management Administrator is authorized to establish a system under which the extent of indemnity coverage may be extended or reduced based upon an increase or decrease in the amount of the payment required in subsection C of this section. Said system shall only be established when the liquidity of the shared risk pool is such that the system is feasible in the judgment of the Administrator. Upon establishment of such a system, a motor license

agent may elect to increase or decrease the amount of the payment required in subsection C of this section and correspondingly extend or reduce coverage for losses incurred by the motor license agent or employee of such agent.

SECTION 786. AMENDATORY 74 O.S. 2011, Section 85.58J, is amended to read as follows:

Section 85.58J A. 1. The Risk Management Administrator may obtain or otherwise provide for the insurance coverage specified by this section for a foster family home providing foster care services for children in the custody of the Department of Human Services pursuant to the Oklahoma Children's Code or the Department of Juvenile Justice pursuant to the Juvenile Justice Code.

2. Pursuant to the provisions of this section and Section ~~85.34~~ 85.58A of ~~Title 74 of the Oklahoma Statutes~~ this title, the Risk Management Administrator may obtain or otherwise provide for property and casualty insurance for injuries or damages arising from the foster care relationship and the provision of foster care services, property damage or bodily injury, as a result of the activities of the foster child, and reasonable and necessary legal fees incurred in defense of civil claims filed pursuant to this section, the Oklahoma Foster Care and Out-of-Home Placement Act, the Oklahoma Children's Code or the Juvenile Justice Code, and any judgments awarded as a result of such claims. Any insurance coverage obtained or provided pursuant to the provisions of this

section shall include expenses for legal services obtained or provided by the Risk Management Administrator.

B. The Risk Management Administrator is authorized to establish qualifications for coverage and to determine eligibility criteria and other standards for participation in the Risk Management Program by the foster family homes. A foster family shall be approved for participation in the Risk Management Program by the Risk Management Administrator if the foster family meets the standards and eligibility requirements established by the Risk Management Administrator.

C. 1. A request for the insurance coverage provided pursuant to this section shall be submitted in writing to the Department of Human Services and the Department of Juvenile Justice by a foster care family. The Department of Human Services and the Department of Juvenile Justice shall provide a list of the names of all foster family homes which wish to obtain insurance coverage specified by this section to the Risk Management Administrators.

2. Upon obtaining insurance coverage as provided by this section, the Department of Human Services and the Department of Juvenile Justice shall provide notice to all foster family homes with whom the state agencies contract for foster care services.

D. The Risk Management Administrator shall establish liability limits for the insurance coverage authorized by this section on an annual basis based on the insurance carrier requirements or based on

the liquidity of the shared risk pool in the Foster Families Protection Account resulting from the annual payments made pursuant to Section ~~85.37~~ 85.58M of ~~Title 74 of the Oklahoma Statutes~~ this title and any interest accrued thereon, after deduction of such sums as may be necessary to pay all overhead and administrative expenses associated with administering the pool.

E. A foster family shall be required to make payments for such insurance coverage or payments may be made from funds deposited on behalf of foster families by the Department of Human Services or the Department of Juvenile Justice if such funds are available. All fees collected in accordance with the provisions of this section shall be deposited in the Foster Families Protection Account. Claims against the insurance carrier or the pool shall be filed with either the Department of Human Services or the Department of Juvenile Justice, as appropriate, and shall be forwarded to the Risk Management Administrator.

F. 1. Any insurance or indemnity coverage shall be provided solely from funds in the Foster Families Protection Account and to the extent of assets available in the shared risk pool established pursuant to the provisions of this section. The Risk Management Administrator shall determine the extent of indemnification for losses incurred by any foster families based upon the liquidity of the shared risk pool in the Foster Families Protection Account.

2. The State of Oklahoma is not liable, directly or indirectly, for any liability incurred by a foster family in the performance of foster care services.

G. 1. There is hereby created in the State Treasury a revolving fund for the ~~Department of Central Services~~ Office of Management and Enterprise Services, to be designated the "Foster Families Protection Account". The account shall be a continuing fund, not subject to fiscal year limitations, and shall consist of any monies transferred thereto by the Department of Human Services, the Department of Juvenile Justice or any child-placing agency, and any fees collected by the ~~Department of Central Services~~ Office of Management and Enterprise Services and deposited pursuant to law.

2. All monies accruing to the credit of said fund shall be expended by the ~~Department of Central Services~~ Office of Management and Enterprise Services for the specific purposes specified by this section and the salaries and administrative expenses of support staff responsible for administering the fund.

3. Expenditures from the fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment. The Foster Families Protection Account shall consist of:

a. all fees and other monies received pursuant to this section, and

b. interest attributable to investment of monies in the account.

H. 1. The monies deposited in the account shall at no time become monies of the state and shall not become part of the general budget of the ~~Department of Central Services~~ Office of Management and Enterprise Services or any other state agency. Except as otherwise authorized by this subsection, no monies from the account shall be transferred for any purpose to any other state agency or any account of the ~~Department of Central Services~~ Office of Management and Enterprise Services or be used for the purpose of contracting with any other state agency or reimbursing any other state agency for any expense.

2. Monies in the account shall only be expended for:

a. the purposes specified by this section, and

b. costs incurred by the Comprehensive Professional Risk Management Program for the administration of this section.

I. Any costs incurred by the ~~Department of Central Services~~ Office of Management and Enterprise Services pursuant to the provisions of this section shall not exceed the actual expenditures made by the ~~Department of Central Services~~ Office of Management and Enterprise Services to implement the provisions of this section.

J. Payment of claims from the Foster Families Protection Account shall not become or be construed to be an obligation of this

state. No claims submitted for reimbursement or payment from the account shall be paid with state monies.

SECTION 787. AMENDATORY 74 O.S. 2011, Section 85.58K, is amended to read as follows:

Section 85.58K A. There is hereby created in the State Treasury a revolving fund for the ~~Department of Central Services~~ Office of Management and Enterprise Services, to be designated the "Risk Management Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of any monies transferred thereto by act of the Legislature and any monies which may be deposited thereto by the ~~Department of Central Services~~ Office of Management and Enterprise Services as provided for by law. All interest earned by the State Treasurer on monies deposited in the Risk Management Revolving Fund shall be deposited to the Risk Management Revolving Fund.

B. Within the Risk Management Revolving Fund, there is hereby created the Property and Casualty Account, the Motor Vehicle Liability Account and the General Tort Liability Account. The Director of ~~Central Services~~ the Office of Management and Enterprise Services is authorized to establish such additional accounts within the Risk Management Revolving Fund deemed necessary. The monies in each account shall be maintained actuarially separate to ensure that premiums or fees paid for specific insurance coverage are adequate to pay the expenses and claims for that coverage.

C. All monies accruing to the credit of said fund are hereby appropriated and may be budgeted and expended by the ~~Department of Central Services~~ Office of Management and Enterprise Services for the purposes of the Comprehensive Professional Risk Management Program provided for in Section 85.58A of this title, including but not limited to the salaries and administrative expenses of the Risk Management Administrator and support staff and expenses the Department incurs to support program operations. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 788. AMENDATORY 74 O.S. 2011, Section 85.58L, is amended to read as follows:

Section 85.58L A. There is hereby created in the State Treasury a revolving fund for the ~~Department of Central Services~~ Office of Management and Enterprise Services, to be designated the "Risk Management Political Subdivision Participation Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of any monies transferred thereto by an act of the Legislature and any fees collected by the ~~Department of Central Services~~ Office of Management and Enterprise Services and deposited pursuant to law. All monies accruing to the credit of said fund shall be expended by the ~~Department of Central~~

~~Services~~ Office of Management and Enterprise Services for the purposes specified by this section and the salaries and administrative expenses of support staff responsible for administering the fund and expenses the ~~Department~~ Office incurs to support program operations. Expenditures from the fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

B. Within the Risk Management Political Subdivision Participation Revolving Fund, there is hereby created the Conservation District Protection Account. The account shall be set apart as a separate, permanent and perpetual account not subject to fiscal year limitations and shall consist of:

1. All fees and other monies received pursuant to Section ~~1~~ 85.58I of ~~the act~~ this title; and

2. Interest attributable to investment of monies in the account.

C. 1. The monies deposited in the Risk Management Political Subdivision Participation Revolving Fund shall at no time become monies of any other state agency. Except as otherwise authorized by this subsection, no monies from the Risk Management Political Subdivision Participation Revolving Fund shall be transferred for any purpose to any other state agency or be used for the purpose of

contracting with any other state agency or reimbursing any other state agency for any expense.

2. Monies in the Risk Management Political Subdivision Participation Revolving Fund shall only be expended for:

a. the purposes specified by this section, and

b. costs incurred by the Comprehensive Professional Risk Management Program for the administration of duties this section specifies and expenses the Department incurs to support program operations.

D. Any costs incurred by the ~~Department of Central Services~~ Office of Management and Enterprise Services pursuant to the provisions of this section shall not exceed the actual expenditures made by the ~~Department of Central Services~~ Office of Management and Enterprise Services to implement the provisions of this section.

E. Payment of claims from the Risk Management Political Subdivision Participation Revolving Fund shall not become or be construed to be an obligation of this state. No claims submitted for reimbursement or payment from the fund shall be paid with state monies.

SECTION 789. AMENDATORY 74 O.S. 2011, Section 85.58M, is amended to read as follows:

Section 85.58M A. The ~~Department of Central Services~~ Office of Management and Enterprise Services shall levy and collect reasonable fees and premiums from state agencies and other entities as provided

by law covered by the Comprehensive Professional Risk Management Program for the purpose of providing insurance coverage.

B. All fees and premiums shall be promptly paid when due. Fees and premiums collected in accordance with the provisions of this section shall be deposited in the appropriate risk management fund.

C. If a state agency fails to pay the insurance fees and premiums within forty-five (45) days of due date, the ~~Department of Central Services~~ Office of Management and Enterprise Services shall consider the invoice delinquent. ~~The Department may present a claim to the Office of State Finance for payment of the delinquent invoice from funds available to the delinquent agency.~~ The ~~Office of State Finance~~ Office of Management and Enterprise Services shall ~~transfer funds to the Department of Central Services to~~ pay the invoice from monies available to the delinquent agency for the general operations of the agency which are not specifically prohibited for such use by federal or state law. If funds of the delinquent agency are not available to pay the invoice in full, the ~~Department of Central Services~~ Office of Management and Enterprise Services shall submit claims as necessary to pay the invoice as soon as funds are available from the funds of the delinquent agency.

SECTION 790. AMENDATORY 74 O.S. 2011, Section 85.58N, is amended to read as follows:

Section 85.58N The Special Agency Account Board shall create in the official depository of the State Treasury an agency special

account for the ~~Department of Central Services~~ Office of Management and Enterprise Services to be designated as the "Quick Settlement Account". The purpose of the account shall be the payment of liability claims against the state after a determination by the Risk Management Administration that such payments are in the best interest of the state, are in accordance with the laws and regulations governing the Comprehensive Professional Risk Management Program, and are in an amount not exceeding Ten Thousand Dollars ($10,000.00). No monies shall be expended from the Quick Settlement Account except as provided for in this section.

The ~~Department of Central Services~~ Office of Management and Enterprise Services shall transfer funds as necessary from the Risk Management Revolving Fund to the Quick Settlement Account, provided that the maximum sum held in the Quick Settlement Account shall not exceed Ten Thousand Dollars ($10,000.00), excluding funds in transit. Expenditures from the Quick Settlement Account shall be exempt from the provisions of The Oklahoma Central Purchasing Act.

SECTION 791. AMENDATORY 74 O.S. 2011, Section 85.58P, is amended to read as follows:

Section 85.58P There is hereby created in the State Treasury a revolving fund for the ~~Department of Central Services~~ Office of Management and Enterprise Services, to be designated the "Risk Management Public Transit Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall

consist of any monies transferred thereto by an act of the Legislature and any fees collected by the ~~Department of Central Services~~ Office of Management and Enterprise Services in accordance with the provisions of Section ~~2~~ 85.58O of this ~~act~~ title. All monies accruing to the credit of the fund are hereby appropriated and may be budgeted and expended by the ~~Department of Central Services~~ Office of Management and Enterprise Services for the purposes of the Comprehensive Professional Risk Management Program provided for in Section 85.58A of ~~Title 74 of the Oklahoma Statutes~~ this title, including the salaries and administrative expenses of support staff responsible for administering the fund and expenses the ~~Department~~ Office incurs to support program operations. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 792. AMENDATORY 74 O.S. 2011, Section 85.60, is amended to read as follows:

Section 85.60 A. Except as otherwise provided by Section 3206.3 of Title 70 of the Oklahoma Statutes, the ~~Department of Central Services~~ Office of Management and Enterprise Services shall be the exclusive agency to negotiate and contract for the retention of patents and copyrights on material and property developed through state contracts subject to The Central Purchasing Act, unless an

agency has been given specific authority to make such agreements by statute.

B. Except as otherwise provided by Section 3206.3 of Title 70 of the Oklahoma Statutes and Section 1365 of this title, any patented property or copyrighted material developed by contracts subject to The Central Purchasing Act, shall be the property of the State of Oklahoma under the sole management of the ~~Department of Central Services~~ Office of Management and Enterprise Services. Such property or material may be licensed or sold by the ~~Department of Central Services~~ Office of Management and Enterprise Services using similar procedures governing the sale of other state property but without declaring such property to be surplus.

C. Proceeds from the sale of such property or material under the jurisdiction of the ~~Department of Central Services~~ Office of Management and Enterprise Services shall be deposited to the General Fund of the State of Oklahoma.

D. The ~~Department of Central Services~~ Office of Management and Enterprise Services may contract with legal counsel experienced in the field of patent and copyright law to advise and assist that agency in carrying out its duties and responsibilities under this section for intellectual property under the jurisdiction of the ~~Department of Central Services~~ Office of Management and Enterprise Services.

SECTION 793. AMENDATORY 74 O.S. 2011, Section 90.1, is amended to read as follows:

Section 90.1 A. Except as otherwise provided for in this section, any agency, as defined in the Administrative Procedures Act, which has an expenditure for postage of Two Thousand Dollars ($2,000.00) or more for any one (1) fiscal year shall install a postage meter machine and have all purchases of postage recorded on that postage meter machine. Except, a field office or branch office of a state agency distantly located from the parent agency, and which office has an annual expenditure for postage of less than Two Thousand Dollars ($2,000.00), may purchase postage stamps in the manner prescribed by Section 90.2 of this title and such purchases shall not be subject to the provisions of subsection B of this section.

B. Any agency, as defined in the Administrative Procedures Act, not engaged in scientific research or community development, which finds it necessary, in order to more efficiently and effectively carry out certain programs or functions, is hereby authorized, upon making application to the Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services showing sufficient need and upon approval by said Director, to purchase not more than Two Thousand Dollars ($2,000.00) worth of postage stamps during any one (1) fiscal year in the manner prescribed by Section 90.2 of this title, with a method of accountability for the use thereof to be

maintained and subject to audit. Any agency of the state engaged in scientific research or community development, which finds it necessary, in order to effectively carry out such research or development, is hereby authorized, upon making application to the Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services showing sufficient need and upon approval by the Director, to purchase postage stamps in the amount demonstrated necessary to pursue such research or development in the manner prescribed by Section 90.2 of this title, with a method of accountability for the use thereof to be maintained and subject to audit. Provided, however, the finance officer of such state agency shall keep and maintain a record of all postage stamp allocations within the agency. For purposes of this section, "scientific research" shall mean research conducted under formally sponsored grants or contracts; "community development" shall mean development conducted by a formally and permanently organized office for that purpose.

C. Every state agency shall utilize business reply mail accounts, bulk mailing accounts, postage due accounts, zip + 4 codes, mailer applied bar codes or such other services offered by the United States Postal Service for the purpose of reducing postal costs and promoting efficiency. The ~~Department of Central Services~~ Office of Management and Enterprise Services shall oversee the implementation of the provisions of this subsection.

SECTION 794. AMENDATORY 74 O.S. 2011, Section 94, is amended to read as follows:

Section 94. A. Except as otherwise provided by law, the ~~Department of Central Services~~ Office of Management and Enterprise Services shall have full and complete authority to designate quarters for every department of state government, and to determine what space shall be allotted.

B. The ~~Department~~ Office may lease adequate space in state buildings and facilities to private vendors for the location of automatic teller machines as determined necessary or appropriate by the Director of the ~~Department~~ Office. The ~~Department~~ Office is hereby authorized to fix the monthly amount to be paid by such vendors, which shall be deposited in the General Revenue Fund.

SECTION 795. AMENDATORY 74 O.S. 2011, Section 95, is amended to read as follows:

Section 95. The ~~Office of Public Affairs~~ Office of Management and Enterprise Services shall have full and complete authority to trade and transfer any products produced or manufactured by any state institution for any commodity required for the support, maintenance, or operation of any farm or manufacturing industry located at said institution. The ~~Office of Public Affairs~~ Office of Management and Enterprise Services shall keep a full record of said trade or transfer, and report same to the Governor of the State of Oklahoma each quarter.

SECTION 796. AMENDATORY 74 O.S. 2011, Section 96, is amended to read as follows:

Section 96. In order that state property now located in one department or institution, which has been purchased out of an appropriation, specifically set up for such department or institution, which is not needed by such department or institution and is needed in other divisions of government, the ~~Office of Public Affairs~~ Office of Management and Enterprise Services is hereby authorized to cause the transfer of such property to any department or institution in need of such excess property.

SECTION 797. AMENDATORY 74 O.S. 2011, Section 96.1, is amended to read as follows:

Section 96.1 A. Any property, real or personal, conveyed to the State of Oklahoma for the purpose of establishing or for the use and benefit of any public college or university in the State of Oklahoma, shall upon a request submitted to the ~~Department of Central Services~~ Office of Management and Enterprise Services by the college or university which is the beneficiary of such conveyance, be conveyed to the board of regents of such college or university following a determination by the ~~Department of Central Services~~ Office of Management and Enterprise Services, in its sole discretion, that such property has been and continues to be used for the benefit of such college or university.

B. The ~~Department of Central Services~~ Office of Management and Enterprise Services is designated to act on behalf of the State of Oklahoma to implement a transfer from the State of Oklahoma to the designated board of regents of any property described in subsection A of this section.

C. A recital by the ~~Department of Central Services~~ Office of Management and Enterprise Services in any deed (i) that said deed is executed pursuant to this section or (ii) that the original purpose of the conveyance to the State of Oklahoma was for establishing or for the use and benefit of the college or university grantee and that the property continues to be used for the benefit of the college or university grantee shall create a conclusive presumption as to the facts contained in said recital.

SECTION 798. AMENDATORY 74 O.S. 2011, Section 97, is amended to read as follows:

Section 97. The ~~Department of Central Services~~ Office of Management and Enterprise Services is hereby authorized to lease for drilling and development of oil or gas, or both, any of the lands belonging to the state, on which are located penal or eleemosynary institutions, or are connected with or a part of the lands of such institution. Such leasing to be made by public competition after not less than fifteen (15) days' notice by publication in two newspapers authorized by law to publish legal notices, one of which newspapers shall be published at the State Capital, and the other in

the county where the land is situated, and in such manner as said ~~Department of Central Services~~ Office of Management and Enterprise Services may by rule prescribe. All such leasing must be on sealed bids and awarded to the highest responsible bidder, and for a term of not to exceed five (5) years from date and as long thereafter as oil and gas, or either of them, is produced in paying quantities from said land by the lessee, provided said ~~Department~~ Office may reject any and all bids. The oil and gas interest in such land hereby authorized to be leased, is to the extent and in the manner that a private owner of lands in fee, may in his own right, execute such lease or grant. Such lease before becoming effective or having validity, shall be approved by the Governor of the state or his designee.

SECTION 799. AMENDATORY 74 O.S. 2011, Section 98, is amended to read as follows:

Section 98. A. The ~~Office of Public Affairs~~ Office of Management and Enterprise Services is hereby authorized and empowered to offer for sale and sell and execute and deliver oil and gas or mineral leases upon the lands described in Section 1 of Title 73 under the control of said ~~Office of Public Affairs~~ Office of Management and Enterprise Services. The ~~Office of Public Affairs~~ Office of Management and Enterprise Services is hereby authorized and empowered to enter into contracts with persons or corporations for the drilling of oil and gas wells on any such property owned by

the state. No such lease or drilling contract shall be entered into by said ~~Office of Public Affairs~~ Office of Management and Enterprise Services which provides for the payment of a royalty to the State of Oklahoma of less than one-eighth (1/8) of all of the oil, gas, or casinghead gas produced, saved, and sold from said lands, plus cash bonus, of the royalty in said leases. Such Office shall give notice of its intention to offer for sale said lease or drilling contract by advertising said fact for a period of at least twenty-one (21) days in a legal newspaper published and of general circulation in the county where said lands are located. The Office shall award such lease, leases, or drilling contracts to the highest and best bidder. All bidding shall be by sealed written bids filed with said ~~Office of Public Affairs~~ Office of Management and Enterprise Services.

B. The monies received as royalties, bonuses, or rentals by the ~~Office of Public Affairs~~ Office of Management and Enterprise Services for the use and benefit of this state not paid by said ~~Office of Public Affairs~~ Office of Management and Enterprise Services to the Treasurer shall be credited into the General Revenue Fund. All royalties, bonuses, and rentals accruing to the state from any contracts or leases executed pursuant to the provisions of subsection A of this section and all other monies received from the sale of any such leases, bonuses, and royalties or other contracts made by said ~~Office of Public Affairs~~ Office of Management and

Enterprise Services shall be credited to the Public Building Fund of the State of Oklahoma.

SECTION 800. AMENDATORY 74 O.S. 2011, Section 99, is amended to read as follows:

Section 99. The ~~Office of Public Affairs~~ Office of Management and Enterprise Services is hereby authorized and empowered to advertise, sell, and execute an oil and gas lease or leases upon the following described state-owned lands constituting a portion of the State Capitol grounds:

Beginning at a point One Hundred Fifty-two and Seventy-seven One-hundredths (152.77) feet east of the Southwest Corner of the Northeast One-quarter (NE 1/4) of Section Twenty-seven (27), Township Twelve (12) North, Range Three (3) West. Thence North Four (4) Degrees Thirty-one (31) Minutes East, Twelve Hundred Eight and Fifty-five One-hundredths (1,208.55) feet. Thence West Four Hundred Ninety-six (496.0) feet. Thence South Four (4) Degrees Thirty-one (31) Minutes East, Twelve Hundred Eight and Fifty-five One-hundredths (1,208.55) feet. Thence East Three Hundred Five and Fifty-four One-hundredths (305.54) feet to the place of beginning, containing Eleven and Eight One-hundredths (11.08) acres, more or less, situate in Oklahoma County, Oklahoma.

In advertising, selling, and executing such lease or leases, such Office shall follow the provisions and requirements of Section 98 of this title. The Office may provide for the consolidation of

such lease or leases with a lease or leases upon other lands under such terms as such Office may determine.

SECTION 801. AMENDATORY 74 O.S. 2011, Section 103, is amended to read as follows:

Section 103. The ~~Office of Public Affairs~~ Office of Management and Enterprise Services is authorized to provide for the development for oil and gas purposes of the following described property:

All of the-state owned lands not now leased for oil and gas mining purposes within a radius of five hundred (500) yards of a point on the half-section line running north and south between the northeast fourth and northwest fourth of Section twenty-seven (27), Township Twelve (12) North, Range three (3) West of the Indian Meridian, and the center of Twenty-second (22) Street in Oklahoma City, Oklahoma, extended east from the right-of-way of the Atchison, Topeka and Santa Fe Railway Company.

The development of such property shall be by means of a well, or wells, located on adjacent state-owned lands. The ~~Office of Public Affairs~~ Office of Management and Enterprise Services is authorized to enter into an agreement, or agreements, with the owner of the oil and gas lease, or leases, on adjacent state-owned lands, consolidating said tract with said adjacent state-owned lands or some part thereof for oil and gas development, upon such terms and conditions, and for such consideration as the ~~Office of Public Affairs~~ Office of Management and Enterprise Services may prescribe.

There shall be reserved to the state a royalty of not less than one fourth (1/4) of the oil and gas, or the proceeds thereof, that may be produced from the property first described. All development of the property first described for oil and gas purposes shall be by means of a well, or wells, located on the surface of said adjacent land but which may be directionally drilled and bottomed on and underneath the property first described.

SECTION 802. AMENDATORY 74 O.S. 2011, Section 104, is amended to read as follows:

Section 104. The ~~Office of Public Affairs~~ Office of Management and Enterprise Services may authorize the use by the oil and gas lessees of the state-owned land that lies west of the north portion of Lincoln Terrace Addition to Oklahoma City, Oklahoma, and known as the State Historical Site, or such part thereof as may be necessary, as a base for the drilling, operating, and producing of a well to be directionally drilled and bottomed under some part of Lincoln Terrace Addition to Oklahoma City, Oklahoma, together with the right to drill such well through so much of said state-owned land as such lessees shall deem necessary to cause the bottom of the well to be located in or under said Lincoln Terrace Addition, on such terms and conditions and for such consideration as the ~~Office of Public Affairs~~ Office of Management and Enterprise Services may prescribe. Any such well drilled shall not be deemed to be a well drilled upon

said Historical Site within the meaning and provisions of the oil and gas lease covering same.

SECTION 803. AMENDATORY 74 O.S. 2011, Section 107, is amended to read as follows:

Section 107. The ~~Department of Central Services~~ Office of Management and Enterprise Services is hereby authorized and empowered to sell and execute oil and gas leases, and other mining leases, on any of the lands of this state under the control of said ~~Department of Central Services~~ Office of Management and Enterprise Services. Sale of Oklahoma State Capitol lands or parkways or the Executive Mansion lands shall be made upon a basis of a retained royalty of not less than one-eighth (1/8) of all the oil, gas, and other minerals produced therefrom, and such additional cash bonus as may be procured. Such leases shall contain a provision that in the event of the discovery of natural gas, gas shall be furnished free of charge to any state institution located or hereafter located upon the lands covered by said lease, or leases. Said leases shall be sold only after advertisement for a period of three (3) weeks in a legal newspaper published and of general circulation in the county in which said lands are located. The sale shall be made to the highest and best bidder, and all bids for any tract shall be presented to the ~~Department of Central Services~~ Office of Management and Enterprise Services in sealed envelopes, and shall all be opened and considered at the same time. Said ~~Department of Central~~

~~Services~~ Office of Management and Enterprise Services shall have the right to reject any and all of said bids and again readvertise said lease, or leases, for sale.

The ~~Department of Central Services~~ Office of Management and Enterprise Services is further authorized to make and promulgate such additional rules and regulations as he may deem necessary and for the best interest of the state in facilitating the sale of said leases. The Director may contract with other state agencies to implement the provisions of this section and any expenses charged under such contract may be paid from the proceeds of the lease.

All monies derived from the sale of any and all of said leases, and from any royalties subsequently accruing, after deduction of the amount required to pay necessary and actual expenses of developing the lease, shall be paid into the State Treasury and credited to the General Revenue Fund of the state.

SECTION 804. AMENDATORY 74 O.S. 2011, Section 108.1, is amended to read as follows:

Section 108.1 The ~~Office of Public Affairs~~ Office of Management and Enterprise Services is hereby authorized to lease the surface of a tract of land consisting of about ten (10) acres located in Oklahoma County, Oklahoma, formerly occupied and used by the state for the Russell Girls Home. Said lease shall be only for temporary periods of time, and shall contain a provision authorizing termination of such lease whenever the needs of state require said

land. Said lease to be for a period not to exceed five (5) years with provisions for renewal thereof at the authorization of the said ~~Office of Public Affairs~~ Office of Management and Enterprise Services, and to be upon such terms and consideration as the ~~Office of Public Affairs deem~~ Office of Management and Enterprise Services deems adequate and proper.

SECTION 805. AMENDATORY 74 O.S. 2011, Section 109.1, is amended to read as follows:

Section 109.1 If this state, including any of its departments, institutions, or agencies, has been granted an option to purchase any land, and the option has expired without being exercised, or if no specific time for the exercise of the option was specified, and the option has not been exercised for a period of two (2) years from the date thereof, the ~~Office of Public Affairs~~ Office of Management and Enterprise Services, upon the application of the owner of such land, shall be authorized to release such option and to disclaim any interest in such land by reason of such option.

SECTION 806. AMENDATORY 74 O.S. 2011, Section 109.2, is amended to read as follows:

Section 109.2 Upon receiving any such application for release of an option to purchase, the ~~Office of Public Affairs~~ Office of Management and Enterprise Services shall make a thorough investigation for the purpose of determining whether the state has, or claims, any present interest in such land by reason of such

option contract. If after such investigation said Office determines that the state has no present interest in such land, a release and disclaimer shall be executed by said Office. In case of doubt, the Office shall submit the option and all relevant facts to the Attorney General for his opinion as to the interest of the state in said land. Any release and disclaimer executed by the ~~Office of Public Affairs~~ Office of Management and Enterprise Services shall be filed for record in the office of the county clerk of the county where the land is located without charge.

SECTION 807. AMENDATORY 74 O.S. 2011, Section 110.1, is amended to read as follows:

Section 110.1 A. The ~~Department of Central Services~~ Office of Management and Enterprise Services shall maintain a current inventory of tangible assets owned by state boards, commissions, institutions, agencies and the institutions comprising The Oklahoma State System of Higher Education and the University Hospitals Authority.

B. The Director of ~~Central Services~~ the Office of Management and Enterprise Services shall have authority to promulgate rules to implement the provisions of this section.

C. For entities included in subsection A of this section, the Director of ~~Central Services~~ the Office of Management and Enterprise Services shall specify a tangible asset reporting threshold for each entity, not to exceed the federal capitalization rate specified in

the Office of Management and Budget Circular A-21 or future federal circulars or regulations as amended. When establishing the tangible asset reporting threshold for an entity, the Director of ~~Central Services~~ the Office of Management and Enterprise Services shall consider the entity's capability to provide tangible asset records, finance and accounting systems, inventory accuracy and other pertinent factors.

D. Tangible assets shall consist of machinery, implements, tools, furniture, livestock, vehicles and other apparatus that may be used repeatedly without material impairment of its physical condition and have a calculable period of service and a value exceeding the reporting threshold the Director of ~~Central Services~~ the Office of Management and Enterprise Services establishes for the entity.

E. Rules that the Director of ~~Central Services~~ the Office of Management and Enterprise Services promulgates shall cause all tangible assets to be properly coded, tagged, or marked in such a manner that they may be readily identified as property of the State of Oklahoma and that statistical records may be maintained.

F. The ~~Department of Central Services~~ Office of Management and Enterprise Services may make periodic checks of tangible assets of entities listed in subsection A of this section. All entities will make support personnel available to the ~~Department of Central Services~~ Office of Management and Enterprise Services to report

tangible asset acquisitions, assist with identification and update inventories on a periodic basis.

G. The ~~Department of Central Services~~ Office of Management and Enterprise Services shall report missing tangible assets to state investigative or law enforcement officials.

SECTION 808. AMENDATORY 74 O.S. 2011, Section 110.2, is amended to read as follows:

Section 110.2 The ~~Office of Public Affairs~~ Office of Management and Enterprise Services may require inventory records to be maintained at state departments, boards, commissions, institutions, or agencies of the state, of all classes of supplies, books, machinery, implements, tools, furniture, livestock, and other apparatus as the Office deems necessary in order to comply with the provisions of Section 110.1 of this title.

SECTION 809. AMENDATORY 74 O.S. 2011, Section 110.3, is amended to read as follows:

Section 110.3 A. All state agencies shall maintain inventory records of its motor vehicles. The records shall include:

1. A detailed description of each vehicle, including its original cost;

2. The vehicle identification number;

3. The license tag number;

4. The make, model, and year of the vehicle; and

5. A designation of loaned or leased vehicles and the name of the vendor.

B. Each state agency shall provide motor vehicle inventory records to the ~~Office of Public Affairs~~ Office of Management and Enterprise Services at such times as may be requested by the Fleet Management Division of the ~~Office of Public Affairs~~ Office of Management and Enterprise Services.

SECTION 810. AMENDATORY 74 O.S. 2011, Section 111, is amended to read as follows:

Section 111. The office of State Printer is hereby abolished, and the duties now provided by law to be performed by the State Printer and the State Printing Department shall be performed by the ~~Office of Public Affairs~~ Office of Management and Enterprise Services. The ~~Office of Public Affairs~~ Office of Management and Enterprise Services shall supervise and contract for all public printing and binding authorized by the Legislature, for the Governor, Supreme Court, and the several state institutions, state officers, or any state board or commission, created pursuant to the laws of the state. Contracts for such printing and binding shall be let pursuant to same terms and conditions as other contracts for state supplies are let by same ~~Office of Public Affairs~~ Office of Management and Enterprise Services in the manner provided by law.

SECTION 811. AMENDATORY 74 O.S. 2011, Section 114, is amended to read as follows:

Section 114. The ~~Office of Public Affairs~~ Office of Management and Enterprise Services shall keep a complete set of books of all printing used by the state and shall report to the Governor semiannually, giving an itemized statement of the printing and binding used by each department, and the amount of printing done by each printing firm. Said report shall show the amount claimed and the amount allowed.

SECTION 812. AMENDATORY 74 O.S. 2011, Section 121, is amended to read as follows:

Section 121. The Director of ~~Public Affairs~~ the Office of Management and Enterprise Services, subject to the approval of the Governor, is hereby authorized to employ, or to contract with, an auditor or auditing company, to audit the books, records, and files of all state commissions or departments. Such audit is to be made by a certified accountant, or accountants or firm of certified accountants, who shall be approved by the Governor of the State of Oklahoma, contracts for such audit may be made with one or more separate certified accountants, or firm of certified accountants, for auditing of the several different departments or commissions.

SECTION 813. AMENDATORY 74 O.S. 2011, Section 123f, is amended to read as follows:

Section 123f. No products, wares, or merchandise produced, manufactured, or mined, wholly or in part, by convicts or prisoners of this state, who are employed in the state prison industries

program, may be offered for sale, sold, exchanged, or distributed in this state, whether contained in the original package or otherwise. This section shall not prohibit the sale or distribution of such products, wares, or merchandise by or for the state to departments, institutions, or agencies administered and supported by the state or its political subdivisions, and any other wholly or partially tax-supported institutions, or nonprofit charitable agencies for distribution to the needy. This section shall not prohibit the sale or distribution of such products, wares, or merchandise produced by Oklahoma Correctional Industries or products produced by the Agri-Services Division of the Department of Corrections by or for sale to employees or retirees of the State of Oklahoma, or to employees or retirees of any political subdivision of the state. This section shall not prohibit the sale or distribution of housing components produced by Oklahoma Correctional Industries by or for sale to any community action agency or council of governments within this state. This section shall not prohibit the sale of brick and building tile or furniture manufactured by said state institutions to churches which are located in the State of Oklahoma. All purchase orders made pursuant to the provisions of this section for such brick or building tile or furniture shall contain an affidavit stating that the brick or building tile shall not be used for purposes other than for the building of churches, or that the furniture shall not be used for any purpose other than church purposes. If said state

departments, institutions, agencies, or nonprofit charitable agencies do not buy or contract to buy in advance of the season for which said wares or goods are made, and make a satisfactory guarantee to the ~~Department of Central Services~~ Office of Management and Enterprise Services for fulfillment of their contract to purchase all the output, the state may then sell in open market any such goods or wares not generally manufactured in this state. The provisions of this section shall not apply to the sale or distribution of surplus perishable, agricultural products nor to individual articles made by hand by prisoners during their leisure time. This section shall not be construed as preventing the ~~Department of Central Services~~ Office of Management and Enterprise Services or other state agency or agencies from manufacturing and selling such goods, wares, or merchandise as are not generally manufactured in this state.

SECTION 814. AMENDATORY 74 O.S. 2011, Section 126.1, is amended to read as follows:

Section 126.1 A. The Director of the ~~Department of Central Services~~ Office of Management and Enterprise Services is hereby authorized to grant easements, rights-of-way, and enter into contracts authorizing the construction and maintenance of telephone, electric transmission and distribution lines, railroad lines, telegraph lines, and pipelines across any state lands under the management of said Director, and all lands set apart for the use and

benefit of any state agency, department, or institution including all lands set apart for use of colleges, universities, hospitals, and eleemosynary institutions. Said easements and rights-of-way grants shall be for a period not to exceed twenty (20) years and shall provide for such considerations, terms, and conditions including privileges and conditions of renewal, as the Director of the ~~Department of Central Services~~ Office of Management and Enterprise Services may determine advisable for the best interests of the state institutions in possession thereof. This section and Section 126.2 of this title shall not affect the lands under the jurisdiction and control of the Commissioners of the Land Office of this state.

B. The Oklahoma Ordnance Works Authority, the Midwestern Oklahoma Development Authority, and the Northeast Oklahoma Public Facilities Authority and their lands shall be exempt from the application of this section.

SECTION 815. AMENDATORY 74 O.S. 2011, Section 128.1, is amended to read as follows:

Section 128.1 The Director of ~~Public Affairs~~ the Office of Management and Enterprise Services is authorized and directed to take charge of, manage, and lease "Capitol Building Lands", described as follows:

Lots 31 and 32, Ethel Park Addition to Oklahoma City, Oklahoma, known as Tract No. 23, being a part of Section 23 - Twp. 12N - R - 3 West.

Lots 1, 2, 3, 4, 5, and lots 45, 46, 47, and 48 in Block 6, Ethel Park Addition to Oklahoma City, Oklahoma, known as Tract No. 24, being a part of Section 23 - Twp. 12 N - R - 3 West.

Lots 1, 2, 3, 4, 5, 6, and 43, 44, 45, 46, 47, and 48, Block 1, Ethel Park Addition to Oklahoma City, Oklahoma, known as Tract No. 25, being a part of Section 23 Twp. 12 N - R - 3 West.

Lots 30 and 31, Woody Crest Addition to Oklahoma City, Oklahoma, known as Tract No. 39, being a part of Section 22 - Twp. 12N - R - 3 West.

Lots 11 and 12, Stevens Hamill Addition to Oklahoma City, Oklahoma, known as Tract No. 19, being a part of Section 26 Twp. 12N - R - 3 West.

Lots 11 and 12, Block 3, Northeast Highland Addition to Oklahoma City, Oklahoma, known as Tract No. 40, being a part of Section 23 - Twp. 12N - R - 3 West.

Lots 35, 36, 37, and 38 Northeast Highland Addition to Oklahoma City, Oklahoma, known as Tract No. 44, being a part of Section 22 - Twp. 12N - R - 3 West.

Lots 7, 8, 9, and 10, Block 1, Donley Heights, a subdivision of Blocks 19 and 20, Barrows Second Addition to Oklahoma City, Oklahoma. Lots 31 and 32, Block 4, of the subdivision of Lots 9 and

10, and 23 and 24 of Barrows First and Second Additions to Oklahoma City, Oklahoma. Lots 11 and 12, Block 3, Northeast Highland Addition, being a part of Blocks 25 and 26, Barrows Second Addition to Oklahoma City, Oklahoma. All of the above lots in Barrows Addition being known as Tract No. 41.

A tract of land 48' x 128' facing NE 38th Street and located between Lindsay Avenue and First Street west known as Tract No. 29. Lots 9 and 10, Block 2, Stevens Hamill Addition to Oklahoma City, Oklahoma, known as Tract No. 18, being a part of Section 26 - Twp. 12 N - R - 3 West.

Lots 13 through 24, inclusive, Block 2, Frances Heights Addition to Oklahoma City, Oklahoma, known as Tract No. 43, being a part of Section 22 - Twp. 12 N - R - 3 West.

Lots 5, 6, 11, 12, 19 and 20, Block 2, Hares Lake View Addition, situated approximately two and one-half (2 1/2) miles Northeast of Oklahoma City, Oklahoma, known as Tract No. 30, being a part of Section 11 - Twp. 12 N - R - 3 West.

Also the following acreage tracts of land:

Two (2) acres, situated three and one-half (3 1/2) miles East on 23rd Street hence two (2) miles North, thence one-half (1/2) mile East, thence one-fourth (1/4) mile North from the State Capitol Building, known as Tract No. 3, being a part of SE 1/4 of SW 1/4 of Section 8 - Twp. 12 N - R - 2 West.

Five (5) acres, situated one and one-half (1 1/2) miles East and one and one-half (1 1/2) miles North of the State Capitol Building, facing on Eastern Avenue and laying directly South of Springlake Park, and known as Tract No. 28. Also described as S 1/2 of SE 1/4 of NE 1/4 of SE 1/4 of Section 14, Township 12 North, Range 3 West.

Also other lots and tracts not listed or described above constituting the small balance of "State Capitol Building Land" not heretofore disposed of pursuant to the provision of Chapter 298, Session Laws 1919.

SECTION 816. AMENDATORY 74 O.S. 2011, Section 128.2, is amended to read as follows:

Section 128.2 Said ~~Office of Public Affairs~~ Office of Management and Enterprise Services shall make or cause to be made a full and complete inventory and appraisal of the property described in Section 128.1 of this title. Said Office may offer for sale to the highest bidder at public sale all of the lots, blocks, or acreage tracts of said "Capitol Building Lands" that are not used by the state and which, in the judgment of said Office, will not be required for future use by the state. Said property shall be offered for sale in separate lots or tracts, for cash, to the highest bidder. Said sale shall be at public auction or under sealed bids whichever the Office may determine to be most advantageous. The sale shall be advertised in a newspaper of general circulation in Oklahoma County, Oklahoma, for not less than

thirty (30) days prior to the date of sale. The notice shall contain an accurate description of all the property to be sold and terms and conditions of said sale.

The lands so offered for sale shall be subject to a reservation by this state in one-half (1/2) of all the mineral rights therein. If royalties are not paid to the state from any of the above-described lots or tracts of land, the sale of such properties shall be made subject to a reservation by this state of all of the mineral rights therein under said lots or tracts. The ~~Office of Public Affairs~~ Office of Management and Enterprise Services shall reserve the right to refuse any and all bids for said property. No sale of any portion of said land shall be confirmed at a price less than ninety percent (90%) of the appraised value. All sales shall be approved by the Governor. All conveyances of said land shall be executed by the Commissioners of the Land Office upon request of said Office.

SECTION 817. AMENDATORY 74 O.S. 2011, Section 128.3, is amended to read as follows:

Section 128.3 After payment of all costs incurred in the inventory and appraisal and advertisement and costs of sale, the remaining proceeds therefrom, and any monies derived from leasing the property described in Section 128.1 of this title, shall be deposited in a special "Capitol Building Maintenance and Repair Fund". The fund shall be used for the maintenance and repair of all

State Capitol Buildings, grounds, shrubbery, boulevards, and streets surrounding the same. The funds shall be paid upon claims made therefor by the ~~Department of Central Services~~ Office of Management and Enterprise Services and approved by the Director of ~~State Finance~~ the Office of Management and Enterprise Services. The leasing for oil and gas purposes of any such lands and the proceeds therefrom shall be conducted and handled by the ~~Department of Central Services~~ Office of Management and Enterprise Services pursuant to Section 107 of this title.

SECTION 818. AMENDATORY 74 O.S. 2011, Section 129.4, is amended to read as follows:

Section 129.4 A. Unless procedures for state agency transactions to lease or acquire real property, or lease, dispose of or transfer state-owned real property are otherwise provided for by law, no department, board, commission, institution, or agency of this state shall sell, lease, exchange, or otherwise dispose of such real property subject to its jurisdiction except as provided for in this section.

B. 1. Every department, board, commission, institution, or agency, upon legislative authorization to dispose of a parcel of real property or upon a determination, in writing, by said department, board, commission, institution, or agency that a parcel of real property subject to its jurisdiction is no longer needed by said department, board, commission, institution, or agency, shall

request the ~~Department of Central Services~~ Office of Management and Enterprise Services to dispose of said real property.

2. Upon notification by the department, board, commission, institution, or agency to sell a parcel of real property, the ~~Department of Central Services~~ Office of Management and Enterprise Services shall:

a. when appropriate, determine whether a study conducted pursuant to Section 456.7 of this title is in the best interest of the state,

b. obtain three new and complete appraisals on properties with an estimated value that equals or exceeds One Million Dollars ($1,000,000.00); or, two new and complete appraisals on properties with an estimated value greater than One Hundred Thousand Dollars ($100,000.00) and less than One Million Dollars ($1,000,000.00); or, one new and complete appraisal on properties with an estimated value less than One Hundred Thousand Dollars ($100,000.00). The appraisals shall be made by persons certified by the Real Estate Appraiser Board of the Oklahoma Insurance Department, who shall ascertain:

(1) the present fair value of the property, and

(2) the present value of the improvements on such property, and

(3) the actual condition of the improvements on the property,

c. cause notice of such sale to be published for at least one (1) day in a newspaper of general statewide circulation authorized to publish legal notices, and for at least three (3) consecutive weeks in a newspaper of general circulation published in the county or counties in which the property is located. The notice shall contain the legal description of each parcel of real property to be offered for sale, the appraised value thereof, the time and location of the sale or opening of the bids, and terms of the sale including the fact that no parcel of property shall be sold for less than ninety percent (90%) of the appraised value of the real property, and

d. offer said property through public auction or sealed bids within three (3) weeks after the last publication of the notice in said newspapers. The property shall be sold to the highest bidder. The ~~Department of Central Services~~ Office of Management and Enterprise Services shall not accept a bid of less than ninety percent (90%) of the appraised fair value of the property and the improvements on such property. The ~~Department of Central Services~~ Office of Management

and Enterprise Services is authorized to reject all bids.

3. The cost of the appraisements required by the provisions of this section, together with other necessary expenses incurred pursuant to this section, shall be paid by the department, board, commission, institution, or agency for which the real property is to be sold from funds available to said department, board, commission, institution, or agency for such expenditure. All monies received from the sale or disposal of said property, except those monies necessary to pay the expenses incurred pursuant to this section, shall be deposited in the General Revenue Fund.

C. Unless otherwise provided by law, the ~~Department of Central Services~~ Office of Management and Enterprise Services shall review and approve state agency transactions to lease or acquire real property, or lease, dispose of or transfer state-owned real property. A state agency shall not lease or acquire real property, or lease, dispose of or transfer state-owned real property until the ~~Department~~ Office provides notice of transaction approval to the state agency. Prior to approval, a state agency shall provide documents to the ~~Department~~ Office and provide reference to statutory or other legal authority of the state agency to lease or acquire real property, or lease, dispose of or transfer state-owned real property. If the state agency intends to lease or acquire real property, the state agency shall state the intended use of the real

property. Within thirty (30) days of receipt, the ~~Department~~ Office shall provide notice of transaction approval or disapproval to the state agency.

D. The provisions of this section shall not apply to the lease of office space, real property subject to supervision of the Commissioners of the Land Office or district boards of education.

E. The ~~Department of Central Services~~ Office of Management and Enterprise Services shall maintain a comprehensive inventory of state-owned real property and its use excluding property of the public schools and property subject to the jurisdiction of the Commissioners of the Land Office.

1. Each state agency shall, within thirty (30) days of the closing date for lands newly acquired, provide to the ~~Department~~ Office a list of records, deeds, abstracts and other title instruments showing the description of and relating to any and all such lands or interests therein.

2. The provisions of paragraph 1 of this subsection shall apply to all lands of public trusts having a state agency as the primary benefactor, but shall not apply to lands of municipalities, counties, school districts, or agencies thereof, or Department of Transportation rights-of-way.

3. A state agency that sells or otherwise disposes of land shall notify the ~~Department~~ Office within thirty (30) days of the disposition closing date.

F. This section shall not be construed to authorize any department, board, commission, institution, or agency, not otherwise authorized by law, to sell, lease, or otherwise dispose of any real property owned by the state.

G. The ~~Department of Central Services~~ Office of Management and Enterprise Services may provide services to sell or purchase real property for other state agencies.

H. The Director of the ~~Department of Central Services~~ Office of Management and Enterprise Services shall, pursuant to the Administrative Procedures Act, promulgate rules to effect procedures necessary to the fulfillment of its responsibilities under this section.

I. The Oklahoma Ordnance Works Authority and its lands, and the Northeast Oklahoma Public Facilities Authority shall be exempt from the application of this section. The Grand River Dam Authority and its lands shall be exempt from the application of this section for any real property disposed of prior to November 1, 2006.

J. Unless otherwise provided for by law, the procedures established pursuant to this section for the sale or exchange of real estate or personal property as authorized pursuant to Sections 2222 and 2223 of this title shall be followed unless the sale is to an entity of state government.

K. The Director of the ~~Department of Central Services~~ Office of Management and Enterprise Services shall contract with experts,

professionals or consultants as necessary to perform the duties of the Department. Selections shall be made using the qualifications-based procedures established in Section 62 of Title 61 of the Oklahoma Statutes, and the rules promulgated by the Director for the selection of construction managers and design consultants.

SECTION 819. AMENDATORY 74 O.S. 2011, Section 129.4f, is amended to read as follows:

Section 129.4f The ~~Department of Central Services~~ Office of Management and Enterprise Services may:

1. Research and identify available facilities management software applications and existing facilities management software systems in other state agencies;

2. Procure facilities management software in accordance with the requirements of The Oklahoma Central Purchasing Act; and

3. Implement a comprehensive statewide facilities management software program in order to effectively identify state-owned real property and to efficiently and fiscally manage the long-range deferred maintenance funding requirements of such real property.

State agencies that have existing facilities management software systems shall cooperate with the ~~Department~~ Office in the integration of existing and future maintenance data into the statewide system database. It shall not be a requirement that the software directly interface with any other computer system. After full operational status of the management program is achieved, the

~~Department of Central Services~~ Office of Management and Enterprise Services shall make an annual facilities condition assessment report to the Speaker of the Oklahoma House of Representatives, the President Pro Tempore of the State Senate, and the Governor. Provisions of this section shall not apply to the physical assets, buildings, and equipment of the Oklahoma State Regents for Higher Education.

SECTION 820. AMENDATORY 74 O.S. 2011, Section 129.6, is amended to read as follows:

Section 129.6 The terms and conditions of the lease authorized by Section 129.5 of ~~Title 74 of the Oklahoma Statutes~~ this title shall include, but not be limited to, the following:

1. A provision that the lease terminates immediately with possession and use reverting to the Department of Human Services if the subject land is no longer used for sewage purposes;

2. A provision granting automatic renewal of the lease for thirty annual, fiscal terms, subject to the pro forma annual processing of lease renewals required by the ~~Office of Public Affairs~~ Office of Management and Enterprise Services, with an option to renew upon mutual agreement of the parties for another twenty annual, fiscal terms;

3. A provision granting the Department permission to remove or use personal property or fixtures unrelated to sewage activities;

4. A provision as to payment to the Department of Human Services by providing in-kind services, or a specified payment of money at the option of the Department to be used for the Southern Oklahoma Resource Center of Pauls Valley;

5. A provision reserving any necessary easements or granting covenants; and

6. Such other provisions as the Department of Human Services considers just and proper.

SECTION 821. AMENDATORY 74 O.S. 2011, Section 129.8, is amended to read as follows:

Section 129.8 A. For purposes of this section the following definitions shall apply:

1. Property Number One (1): The Southwest Quarter (SW 1/4) of the Northwest Quarter (NW 1/4) containing forty acres, and Lot Two (2) containing eleven and forty hundredths acres, and a parcel described as beginning at the Southeast corner (SE/c) of the Northwest Quarter (NW 1/4) of the Northwest Quarter (NW 1/4), thence due North two hundred fifty (250) feet, thence due West four hundred twenty-five (425) feet, thence due South two hundred fifty (250) feet, thence due East four hundred twenty-five (425) feet to the place of beginning, of Section Twenty-five (25); and that part of the Southeast Quarter (SE 1/4) of the Northeast Quarter (NE 1/4) designated in the patent and Government plat as Lot Six (6) containing thirty-four acres of Section Twenty-six (26); and the

Southwest Quarter (SW 1/4) of the Northwest Quarter (NW 1/4) of Section Thirteen (13) containing forty acres, all in Township Thirteen (13) North, Range Eight (8) West of the Indian Meridian, Canadian County, Oklahoma, together with all incorporeal hereditaments and appurtenances thereunto belonging.

2. Property Number Two (2): A part of the Northwest Quarter (NW 1/4) and of Government Lot Number 2, both being a portion of Section Twenty-five (25), Township Thirteen (13) North, Range Eight (8) West of the Indian Meridian, Canadian County, Oklahoma, together with all incorporeal hereditaments and appurtenances thereunto belonging; more particularly described as follows: beginning at a point whence the Northeast corner of said Section Twenty-five (25), bears North 64 degrees 44' 23" East a distance of 5635.49 feet, and whence the North Quarter corner of said Section Twenty-five (25) bears North 45 degrees 30' 19" East, a distance of 3431.34 feet; thence, South 66 degrees 23' 43" East a distance of 468.43 feet; thence, South 74 degrees 49' 33" East, a distance of 391.69 feet; thence, South 77 degrees 30' 00" East, a distance of 280.00 feet to an existing fenceline; thence, along said existing fenceline, South 02 degrees 43' 49" West a distance of 529.30 feet to a point on the Northerly bank of the North Canadian River; thence, along said Northerly bank the following five (5) courses: 1) thence, North 89 degrees 55' 14" West, a distance of 284.55 feet; 2) thence, North 64 degrees 59' 36" West, a distance of 122.62 feet; 3) thence, North 49

degrees 26' 16" West, a distance of 164.58 feet; 4) thence, North 34 degrees 49' 02" West, a distance of 653.61 feet; 5) thence, North 62 degrees 35' 07" West, a distance of 227.90 feet; thence, departing from said Northerly bank, North 27 degrees 24' 53" East, a distance of 88.56 feet to the point of beginning; containing 9.93 acres, more or less.

B. The authority of the Oklahoma Wildlife Conservation Commission to use Property Number One (1) granted pursuant to Section 1, Chapter 8, O.S.L. 1933 to the State Game and Fish Commission and succeeded to by the Oklahoma Wildlife Conservation Commission is hereby terminated.

C. The authority and empowerment over the use of Property Number One (1) shall be transferred to Redlands Community College to be used for agricultural and equine educational purposes. Such use shall exclude the use of Property Number Two (2) and acknowledge the authority of the Oklahoma Historical Society to access Property Number Two (2) from Property Number One (1). Redlands Community College shall notify the ~~Department of Central Services~~ Office of Management and Enterprise Services if it determines that the use of the property is no longer needed.

D. The authority and empowerment over the use of Property Number Two (2) shall be transferred to the Oklahoma Historical Society together with the authority to access Property Number Two (2) from Property Number One (1). The Oklahoma Historical Society

shall notify the ~~Department of Central Services~~ Office of Management and Enterprise Services if it determines that the use of the property is no longer needed.

SECTION 822. AMENDATORY 74 O.S. 2011, Section 130, is amended to read as follows:

Section 130. All powers, duties, and responsibilities of the Oklahoma Alternative Fuels Conversion Act and the Alternative Fuels Technician Certification Act now exercised by the ~~Oklahoma~~ Corporation Commission pursuant to law are hereby transferred to the ~~Office of Public Affairs~~ Office of Management and Enterprise Services, together with all unexpended funds, property, records, personnel, and any outstanding financial obligations and encumbrances related thereto.

SECTION 823. AMENDATORY 74 O.S. 2011, Section 130.4, is amended to read as follows:

Section 130.4 A. There is hereby created in the State Treasury a revolving fund for the ~~Department of Central Services~~ Office of Management and Enterprise Services to be designated as the "Oklahoma Alternative Fuels Conversion Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies received by the ~~Department of Central Services~~ Office of Management and Enterprise Services pursuant to Section 130.5 of this title.

B. All monies accruing to the credit of the revolving fund shall be expended by the ~~Department of Central Services~~ Office of Management and Enterprise Services to reimburse expenses relative to the conversion of government vehicles and school vehicles to have the capability of being fueled or charged by alternative fuels and/or the expenses relative to the installation of a fill station or charge station. The maximum amount expended per vehicle shall be the actual cost of vehicle conversion or Ten Thousand Dollars ($10,000.00), whichever is less. The maximum amount expended per fill station or charge station shall be the actual cost of the installation or Three Hundred Thousand Dollars ($300,000.00), whichever is less. The balance on deposit in the fund shall never exceed the sum of Five Million Dollars ($5,000,000.00).

C. Expenditures from the revolving fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 824. AMENDATORY 74 O.S. 2011, Section 130.9, is amended to read as follows:

Section 130.9 Except as provided for in subsection F of Section ~~605~~ 130.5 of this title, the ~~Office of Public Affairs~~ Office of Management and Enterprise Services shall adopt rules and regulations necessary to carry out the provisions of the Oklahoma Alternative Fuels Conversion Act.

SECTION 825. AMENDATORY 74 O.S. 2011, Section 130.14, is amended to read as follows:

Section 130.14 A. There is hereby established the Committee of Alternative Fuels Technician Examiners which shall consist of eight (8) members. All members of the Committee shall be residents of this state.

B. Five voting members of the Committee shall be appointed by the Director of the ~~Department of Central Services~~ Office of Management and Enterprise Services as follows:

1. Beginning September 1, 1994, three members shall be alternative fuels technicians selected from a list of names submitted by the State Board of Career and Technology Education, with at least one member being an alternative fuels equipment technician and at least one member being an alternative fuels compression technician;

2. One member shall be a person involved in compressed natural gas technology in an oil and/or gas industry; and

3. One member shall be a person involved in liquefied petroleum gas technology in an oil and/or gas industry.

C. Beginning November 1, 1998, two additional voting members shall be appointed by the Director of the ~~Department of Central Services~~ Office of Management and Enterprise Services, one of whom shall be selected from a list of names submitted by the State Board of Career and Technology Education and shall be an electric vehicle

technician, and one of whom shall be a person involved in manufacturing, conversion, or research in the electric vehicle industry.

D. All members shall each have at least two (2) years of active experience in alternative fuels technology. The terms of the voting members initially appointed to the Committee shall be staggered as follows:

1. One alternative fuels technician shall be appointed for a term of two (2) years;

2. One alternative fuels technician shall be appointed for a term of three (3) years;

3. One alternative fuels technician shall be appointed for a term of four (4) years;

4. One person involved in compressed natural gas technology in an oil and/or gas industry shall be appointed for a term of three (3) years;

5. One person involved in liquefied petroleum gas technology in an oil and/or gas industry shall be appointed for a term of four (4) years;

6. One electric vehicle technician shall be appointed for a term of (2) years; and

7. One person involved in manufacturing, conversion, or research in the electric vehicle industry shall be appointed for a term of three (3) years.

Thereafter, each voting member of the Committee shall be appointed for a term of five (5) years, or until their successors are appointed and qualified.

The nonvoting member shall be designated by the Director of the ~~Department of Central Services~~ Office of Management and Enterprise Services to serve as Program Administrator and Recording Secretary to the Committee. It is the intent of the Legislature that the person acting as the Program Administrator and Recording Secretary to the Committee as of the effective date of this act be transferred to the ~~Department of Central Services~~ Office of Management and Enterprise Services to continue in his or her capacity.

E. Vacancies which may occur in the membership of the Committee shall be filled by appointment of the Director of the ~~Department of Central Services~~ Office of Management and Enterprise Services. Each person who has been appointed to fill a vacancy shall serve for the remainder of the term for which the member such person succeeds was appointed and until a successor has been appointed and has qualified. Members of the Committee may be removed from office by the Director of the ~~Department of Central Services~~ Office of Management and Enterprise Services for cause in the manner provided by law for the removal of officers not subject to impeachment.

F. The Committee shall assist and advise the ~~Department of Central Services~~ Office of Management and Enterprise Services on all matters relating to the formulation of rules and standards in

accordance with the Alternative Fuels Technician Certification Act. The Committee shall administer the examinations of applicants for certification as alternative fuels equipment technicians, alternative fuels compression technicians, and electric vehicle technicians provided that such examinations shall be in accordance with the provisions of the Alternative Fuels Technician Certification Act.

G. All members of the Committee shall be reimbursed for expenses incurred while in the performance of their duties in accordance with the State Travel Reimbursement Act.

H. A majority of the total membership of the Committee shall constitute a quorum for the transaction of business.

SECTION 826. AMENDATORY 74 O.S. 2011, Section 130.15, is amended to read as follows:

Section 130.15 A. Examinations for certification as alternative fuels equipment technicians shall be uniform and practical in nature for alternative fuels equipment technician certification and shall be sufficiently strict to test the qualifications and fitness of the applicants for certificates.

B. Examinations for certification as alternative fuels compression technicians shall be uniform and practical in nature for alternative fuels compression technician certification and shall be sufficiently strict to test the qualifications and fitness of the applicants for certificates.

C. Examinations for certification as electric vehicle technicians shall be uniform and practical in nature for electric vehicle technician certification and shall be sufficiently strict to test the qualifications and fitness of the applicants for certificates.

D. Examinations shall be in whole or in part in writing. The Committee shall conduct examinations twice a year and at such other times as it deems necessary. Any applicant initially failing to pass the examination shall not be permitted to take another examination for a period of thirty (30) days. Any applicant subsequently failing to pass the examination shall not be permitted to take another examination for a period of ninety (90) days.

E. The ~~Department of Central Services~~ Office of Management and Enterprise Services shall enforce the provisions of this section.

SECTION 827. AMENDATORY 74 O.S. 2011, Section 130.16, is amended to read as follows:

Section 130.16 A. The ~~Department of Central Services~~ Office of Management and Enterprise Services shall issue a certificate as an alternative fuels equipment technician to any person who:

1. Has been licensed by the Oklahoma Liquefied Petroleum Gas Board and has successfully passed the appropriate examination as provided in the Alternative Fuels Technician Certification Act; or

2. Has been certified by the Committee as either having successfully passed the appropriate examination or having a valid

license or certificate issued by another governmental entity with licensing or certification requirements similar to those provided in the Alternative Fuels Technician Certification Act;

3. Has paid the certification fee and otherwise complied with the provisions of the Alternative Fuels Technician Certification Act; and

4. Has provided proof of liability insurance with limits of not less than Fifty Thousand Dollars ($50,000.00) general liability.

B. The ~~Department of Central Services~~ Office of Management and Enterprise Services shall issue a certificate as an alternative fuels compression technician to any person who:

1. Has successfully passed the appropriate examination as provided in the Alternative Fuels Technician Certification Act or has been certified by the Committee as having a valid license or certificate issued by another governmental entity with licensing or certification requirements similar to those provided in the Alternative Fuels Technician Certification Act;

2. Has paid the certification fee and otherwise complied with the provisions of the Alternative Fuels Technician Certification Act; and

3. Has provided proof of liability insurance with limits of not less than Fifty Thousand Dollars ($50,000.00) general liability.

C. The ~~Department of Central Services~~ Office of Management and Enterprise Services shall issue a certificate as an electric vehicle technician to any person who:

1. Has been certified by the Committee as either having successfully passed the appropriate examination or having a valid license or certificate issued by another governmental entity with licensing or certification requirements similar to those provided in the Alternative Fuels Technician Certification Act;

2. Has paid the certification fee and otherwise complied with the provisions of the Alternative Fuels Technician Certification Act; and

3. Has provided proof of liability insurance with limits of not less than Fifty Thousand Dollars ($50,000.00) general liability.

D. In the case of a company, partnership or corporation engaged in the business of installing, servicing, repairing, modifying or renovating equipment used in the conversion of engines to engines fueled by alternative fuels, a separate certificate shall be issued by the ~~Department of Central Services~~ Office of Management and Enterprise Services to that individual company, partnership or corporation. This certificate is for the express purpose of recognizing that the company, partnership or corporation is an authorized alternative fuels conversion business and employs state-certified alternative fuels equipment technicians. Any violations by a certified alternative fuels equipment technician shall be

deemed a violation by the certified company, partnership or corporation employing such certified technician.

E. In the case of a company, partnership or corporation engaged in the business of installing, servicing, repairing, modifying or renovating fill stations, a separate certificate shall be issued by the ~~Department of Central Services~~ Office of Management and Enterprise Services to that individual company, partnership or corporation. This certificate is for the express purpose of recognizing that the company, partnership or corporation is an authorized fill station installation business and employs state-certified alternative fuels compression technicians or electric vehicle technicians. Any violations by a certified alternative fuels compression technician or electric vehicle technician shall be deemed a violation by the certified company, partnership or corporation employing such certified technician.

F. In conjunction with subsection A of this section, the ~~Department of Central Services~~ Office of Management and Enterprise Services shall issue an Alternative Fuels Equipment Installation Certification to any public entity or private company, partnership or corporation that operates commercial, private or public fleets of vehicles and employs ten (10) or more auto service technicians per location. The certification shall be based on the ability of the applicant to provide their own alternative fuels equipment technician training program which shall be certified by the

~~Department of Central Services~~ Office of Management and Enterprise Services, Committee of Alternative Fuels Technician Examiners. This subsection shall not apply to allow certification of any alternative fuels compression technician training programs.

G. All alternative fuels equipment technician certificates, alternative fuels compression technician certificates, and electric vehicle technician certificates shall be nontransferable and it shall be unlawful for any person certified pursuant to the provisions of the Alternative Fuels Technician Certification Act to loan or allow the use of such certificate by any other person, except as specifically provided in the Alternative Fuels Technician Certification Act.

H. The standards for the storage and handling of liquefied petroleum gases adopted by the National Fire Protection Association and published in the latest edition of its Pamphlet No. 58 and the standards for the installation of compressed natural gas vehicular fuel systems adopted by the National Fire Protection Association and published in its Pamphlet No. 52 shall be the accepted standards for this state. The accepted standards for this state for electric vehicle charge stations shall be the National Electric Code (NEC). The ~~Department of Central Services~~ Office of Management and Enterprise Services is authorized, and it shall be its duty to adopt and promulgate such rules or specifications relating to safety in the manufacture, assembly, sale, installation and use of vehicular

alternative fuel systems. The ~~Department of Central Services~~ Office of Management and Enterprise Services is further authorized to modify or amend such rules or specifications as it deems reasonable and necessary.

SECTION 828. AMENDATORY 74 O.S. 2011, Section 130.17, is amended to read as follows:

Section 130.17 A. 1. All applications for examination, certification or renewal of certification shall be made in writing to the ~~Department of Central Services~~ Office of Management and Enterprise Services on forms provided, if necessary, by the ~~Department of Central Services~~ Office of Management and Enterprise Services. All applications shall be accompanied by the appropriate fee.

2. If a person holds a valid Class I Dealer Permit properly issued by the Oklahoma Liquefied Petroleum Gas Board, pursuant to Section 420.4 of Title 52 of the Oklahoma Statutes, the requirements of this section for certification or renewal of certification shall not be required.

B. The following shall be the fees charged under the Alternative Fuels Technician Certification Act.

Alternative Fuels Equipment Technician Examination	$50.00
Alternative Fuels Compression Technician Examination	$50.00
Electric Vehicle Technician Examination	$50.00
Alternative Fuels Equipment Technician Certificate	$50.00

Alternative Fuels Compression Technician Certificate	$50.00
Electric Vehicle Technician Certificate	$50.00
Certificate renewal, if made within thirty (30) days after expiration:	
Alternative Fuels Equipment Technician Certificate	$50.00
Alternative Fuels Compression Technician Certificate	$50.00
Electric Vehicle Technician Certificate	$50.00
Penalty for Late Certification Renewal:	
Alternative Fuels Equipment Technician Certificate	$10.00
Alternative Fuels Compression Technician Certificate	$10.00
Electric Vehicle Technician Certificate	$10.00
Certificate fee if certified after March 1 of each year:	
Alternative Fuels Equipment Technician Certificate	$25.00
Alternative Fuels Compression Technician Certificate	$25.00
Electric Vehicle Technician Certificate	$25.00
Certificate fee if certified after June 1 of each year:	
Alternative Fuels Equipment Technician Certificate	$12.50
Alternative Fuels Compression Technician Certificate	$12.50
Electric Vehicle Technician Certificate	$12.50
Company, Partnership or Corporation Certificate	$100.00
Annual Renewal for Company, Partnership or Corporation Certificate	$100.00
Training Program Certification (one-time fee)	$500.00
Alternative Fuels Installation Certification	

Per Location $1,000.00

Annual Renewal of Alternative Fuels Installation

Certification Per Location $1,000.00

SECTION 829. AMENDATORY 74 O.S. 2011, Section 130.18, is amended to read as follows:

Section 130.18. The ~~Department of Central Services~~ Office of Management and Enterprise Services shall adopt rules and guidelines for the expiration of certificates for alternative fuels equipment technicians, alternative fuels compression technicians, and electric vehicle technicians, and for determining the recertification of alternative fuels equipment technicians, alternative fuels compression technicians, and electric vehicle technicians.

SECTION 830. AMENDATORY 74 O.S. 2011, Section 130.19, is amended to read as follows:

Section 130.19 A. A person or persons designated by the Director of the ~~Department of Central Services~~ Office of Management and Enterprise Services and the Committee shall act as the Alternative Fuels Technician Hearing Board and shall comply with the provisions of the Administrative Procedures Act.

B. The Alternative Fuels Technician Hearing Board may, upon its own motion, and shall, upon written complaint filed by any person, investigate the business transactions of any certified alternative fuels equipment or compression technician, or electric vehicle technician. The Board shall suspend or revoke any certificate or

registration obtained by false or fraudulent representation. The Board shall also suspend or revoke any certificate or registration for any of the following:

1. Making a material misstatement in the application for a certificate or registration, or the renewal of a certificate or registration;

2. Loaning or illegally using a certificate;

3. Demonstrating incompetence to act as an alternative fuels equipment technician, alternative fuels compression technician, or electric vehicle technician;

4. Violating any provisions of the Alternative Fuels Technician Certification Act, or any rule or order prescribed by the ~~Department of Central Services~~ Office of Management and Enterprise Services; or

5. Willfully failing to perform normal business obligations without justifiable cause.

Any person whose alternative fuels equipment technician certificate, alternative fuels compression technician certificate, or electric vehicle technician certificate has been revoked by the Alternative Fuels Technician Hearing Board may apply for a new certificate one (1) year from the date of such revocation.

SECTION 831. AMENDATORY 74 O.S. 2011, Section 130.21, is amended to read as follows:

Section 130.21 Any holder of a certificate or registration issued in accordance with the provisions of the Alternative Fuels

Technician Certification Act shall promptly notify the ~~Office of Public Affairs~~ Office of Management and Enterprise Services of any change in such holder's address.

SECTION 832. AMENDATORY 74 O.S. 2011, Section 130.22, is amended to read as follows:

Section 130.22 All monies received by the ~~Department of Central Services~~ Office of Management and Enterprise Services under the Alternative Fuels Technician Certification Act shall be deposited with the State Treasurer and credited to the "Alternative Fuels Technician Certification Revolving Fund". The revolving fund shall be a continuing fund not subject to fiscal year limitations and shall be under the control and management of the ~~Department of Central Services~~ Office of Management and Enterprise Services. Expenditures from this fund shall be made pursuant to the purposes of the Alternative Fuels Technician Certification Act and shall include, but not be limited to, payment of operating costs, costs of programs designed to promote public awareness of the alternative fuels industry, expenditures for the preparation and printing of regulations, bulletins or other documents and the furnishing of copies of the documents to those persons engaged in the alternative fuels industry or the public, and expenses the ~~Department~~ Office incurs to support program operations. Warrants for expenditures shall be drawn by the State Treasurer based on claims signed by the ~~Department of Central Services~~ Office of Management and Enterprise

Services and approved for payment by the Director of ~~State Finance~~ the Office of Management and Enterprise Services.

SECTION 833. AMENDATORY 74 O.S. 2011, Section 150.19a, is amended to read as follows:

Section 150.19a There is hereby created in the State Treasury a revolving fund for the Oklahoma State Bureau of Investigation to be designated the "OSBI Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of any monies received from the sale of surplus property, fees and receipts collected pursuant to the Oklahoma Open Records Act, fines, forfeitures, fees, charges, receipts, donations, gifts, bequests, contributions, devises, interagency reimbursements, federal funds unless otherwise provided by federal law or regulation, or any other source. All monies accruing to the credit of said fund are hereby appropriated and may be budgeted and expended by the Oklahoma State Bureau of Investigation for operating expenses of the Bureau, for the purpose of implementing the Oklahoma Reward System pursuant to Section 150.18 of this title, and to purchase equipment and provide training to law enforcement agencies located in the state, pursuant to Section 62.9 of this title. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 834. AMENDATORY 74 O.S. 2011, Section 150.25, is amended to read as follows:

Section 150.25 There is hereby created in the State Treasury a revolving fund for the Oklahoma State Bureau of Investigation, to be designated the "A.F.I.S. Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies received by the Oklahoma State Bureau of Investigation, from appropriations, federal grants and assessments levied to said fund pursuant to law. All monies accruing to the credit of said fund are hereby appropriated and shall be budgeted and expended by the Oklahoma State Bureau of Investigation for the purpose of maintaining and operating the Automated Fingerprint Identification System (A.F.I.S.) until the indebtedness for the purchase of the automated fingerprint identification system equipment has been satisfied and to purchase equipment and provide training to law enforcement agencies located in the state, pursuant to Section 62.9 of this title. After the indebtedness has been satisfied, any monies not necessary for the maintenance, operating and upgrading expenses of the A.F.I.S. may be used for purchase, renovation or leasing of buildings, upgrading of laboratory equipment, and other capital expenditures of the Oklahoma State Bureau of Investigation and to purchase equipment and provide training to law enforcement agencies located in the state, pursuant to Section 62.9 of this title. Expenditures from said fund shall be made upon warrants

issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 835. AMENDATORY 74 O.S. 2011, Section 150.32, is amended to read as follows:

Section 150.32 A. There is hereby established the "Firearms Laboratory Improvement Fund". The fund shall be a continuing fund for the Oklahoma State Bureau of Investigation. The fund shall not be subject to fiscal year limitations and shall consist of monies received from all state agencies which seize assets pursuant to the Uniform Controlled Dangerous Substances Act during the fiscal year ending June 30, 1994. Each agency's contribution shall be determined on a pro rata basis based on the percentage of forfeitures collected by the agency during the fiscal year ending June 30, 1993, in relation to the total monetary value of all forfeitures collected by all agencies contributing to the fund. The amount each agency is to contribute shall be determined by the Director of ~~State Finance~~ the Office of Management and Enterprise Services and the Cabinet Secretary for Safety and Security. Funds shall be transferred pursuant to a time schedule established by the Director of ~~State Finance~~ the Office of Management and Enterprise Services and the Cabinet Secretary for Safety and Security, but all such funds shall be transferred as available. The total amount of money to be paid into the fund shall not exceed One Hundred Forty-

five Thousand Dollars ($145,000.00). Funds collected in the Drugfire Project Fund during the 1994 fiscal year shall be carried over into the Firearms Laboratory Improvement Fund. Expenditures from the fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

B. The Firearms Laboratory Improvement Fund shall be used to upgrade the firearms laboratory services of the Oklahoma State Bureau of Investigation criminalistics laboratory. Expenditures from the fund shall be used only for training of personnel, matching funds for federal grants to obtain laboratory instrumentation, the purchase of laboratory instrumentation and equipment, and to upgrade existing laboratory instrumentation and equipment. If the Firearms Laboratory Improvement Fund is not expended by June 30, 1996, funds contributed by agencies shall be repaid to the agencies.

SECTION 836. AMENDATORY 74 O.S. 2011, Section 150.35, is amended to read as follows:

Section 150.35 There is hereby created in the State Treasury a revolving fund for the Oklahoma State Bureau of Investigation to be designated the "Forensic Science Improvement Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all appropriated funds, any funds from state, federal or other grants, the funds collected from

assessments provided by Section 1313.4 of Title 20 of the Oklahoma Statutes, any monies transferred from the OSBI Revolving Fund; and any other monies designated to or deposited to the benefit of this fund. All monies accruing to the credit of this fund are hereby appropriated and may be budgeted and expended by the Oklahoma State Bureau of Investigation for the purpose of improvement of the forensic science services of the Oklahoma State Bureau of Investigation including, but not limited to:

1. Purchase, construction, renovation, financing or leasing of facilities and equipment;

2. Purchase, rental, upgrades, repair, and maintenance of instrumentation and equipment;

3. Salaries, benefits, training, equipment, supplies, and overhead expenses for agency personnel;

4. Education, training and development of OSBI personnel;

5. Destruction of seized property and chemicals;

6. Accreditation and quality assurance expenses;

7. Professional services contracts;

8. Purchase equipment and provide training to law enforcement agencies located in this state, pursuant to Section 62.9 of this title; and

9. Enhancement or implementation of forensic technologies.

Expenditures from the fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the

Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 837. AMENDATORY 74 O.S. 2011, Section 152.5, is amended to read as follows:

Section 152.5 A. All monies received from fines and forfeitures for violations of the provisions of this act on behalf of the Bureau, when collected by the court clerk, shall be deposited by such clerk as follows:

1. Fifty percent (50%) thereof with the county treasurer to be credited to the general fund of the county and so reported; and

2. Fifty percent (50%) shall be transmitted to the Oil and Gas Theft Recovery Fund by cash voucher and so reported.

B. All transmittals of monies under this section shall be accompanied by a report showing the name of the court, the number of the case, the style of the case and the amount of fine and forfeiture in each separate instance.

C. There is hereby created in the State Treasury a revolving fund for the Bureau, to be designated the "Oil and Gas Theft Recovery Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies received by the Bureau, from fines and forfeitures received pursuant to this act. All monies accruing to the credit of said fund are hereby appropriated and may be budgeted and expended by the Bureau for the purpose of effectuating the provisions of this act.

Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 838. AMENDATORY 74 O.S. 2011, Section 166.5, is amended to read as follows:

Section 166.5 A. The Commission for Rehabilitation Services shall have the powers and duties to:

1. Adopt bylaws and promulgate rules for the regulation of its affairs and the conduct of its business;

2. Formulate policies and adopt rules for the effective administration of the duties of the State Department of Rehabilitation Services;

3. Adopt an official seal;

4. Establish an office;

5. Sue and to be sued, subject to the provisions of The Governmental Tort Claims Act;

6. Make and enter into all contracts necessary or incidental to the performance of its duties and the execution of its powers;

7. Purchase or lease equipment, furniture, materials and supplies, and incur such other expenses as may be necessary to maintain and operate the Commission and the State Department of Rehabilitation Services, or to discharge its duties and responsibilities or to make any of its powers effective;

8. Acquire by purchase, lease, gift, solicitation of gift or by any other manner, and to maintain, use and operate or to contract for the maintenance, use and operation of or lease of any and all property of any kind, real, personal or mixed or any interest therein unless otherwise provided by this act; provided that, all contracts for real property shall be subject to the provisions of Section 63 of this title;

9. Appoint such officers, agents and employees as it deems necessary to operate and maintain the Commission and to prescribe their duties and to fix their compensation;

10. Perform such other acts as shall be necessary for the accomplishment of the purposes of Chapter 5A of this title; and

11. Serve as trustee for the trust created in subsection B of this section for the benefit of the Oklahoma School for the Blind and the Oklahoma School for the Deaf.

B. 1. The Commission for Rehabilitation Services is hereby authorized and directed to create a trust into which all real property held by the Commission for the benefit of the Oklahoma School for the Blind and the Oklahoma School for the Deaf shall be transferred.

2. The property placed in trust:

a. shall be held for the sole benefit of the Oklahoma School for the Blind and the Oklahoma School for the Deaf,

b. if not needed for use by the schools, may be leased or rented to others and all income received from such leases or rentals shall be payable to the Commission and deposited in the Rehabilitation Services Disbursing Fund for use by the Commission to fulfill the purposes of the Oklahoma School for the Blind and the Oklahoma School for the Deaf, and

c. may be sold if the commissioners, acting as trustees, determine that the sale is in the best interest of the Oklahoma School for the Blind or the Oklahoma School for the Deaf. The proceeds from the sale of the property shall be held in the trust corpus and shall be invested by the State Treasurer. Income derived from the corpus shall be used by the Commission for the purposes of the Oklahoma School for the Blind and the Oklahoma School for the Deaf.

3. The corpus of the trust may be disbursed only upon legislative approval.

4. The trust may be dissolved only upon legislative approval.

C. Upon the creation of the trust authorized in subsection B of this section, the ~~Department of Central Services~~ Office of Management and Enterprise Services shall provide all necessary assistance to the Department of Rehabilitation Services to identify and transfer all real property held by or for the benefit of the

Oklahoma School for the Blind and the Oklahoma School for the Deaf to the trust.

SECTION 839. AMENDATORY 74 O.S. 2011, Section 166.7, is amended to read as follows:

Section 166.7 There is hereby created in the State Treasury a revolving fund for the Commission on Rehabilitation Services, to be designated the "Rehabilitation Services Disbursing Fund" provided that the fund may be designated by fiscal year designations as the Commission may determine. The fund shall be a continuing fund, not subject to fiscal year limitations. The fund shall consist of receipts from the federal government, monies appropriated to the Department of Rehabilitation Services by the State Legislature, and other receipts of the Department of Rehabilitation Services as shall be directed by the Commission for Rehabilitation Services. All monies accruing to the credit of said fund are hereby appropriated and may be budgeted and expended by the Commission for Rehabilitation Services as may be necessary in order to carry out the duties imposed upon the said Commission by law. Expenditures from the Rehabilitation Services Disbursing Fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 840. AMENDATORY 74 O.S. 2011, Section 166.9, is amended to read as follows:

Section 166.9 A. Each state individual income tax return form and each corporate income tax return form for tax years commencing after December 31, 2001, shall contain a designation for donations of tax refunds to the Oklahoma School for the Blind/Oklahoma School for the Deaf.

B. The monies generated pursuant to subsection A of this section shall be paid to the State Treasurer by the Oklahoma Tax Commission and placed to the credit of the Oklahoma School for the Deaf/Oklahoma School for the Blind Revolving Fund.

C. There is hereby created in the State Treasury a revolving fund for the State Department of Rehabilitation Services to be designated the "Oklahoma School for the Deaf/Oklahoma School for the Blind Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies apportioned to the fund pursuant to the provisions of this section. All monies accruing to the credit of the fund are hereby appropriated and may be budgeted and expended by the State Department of Rehabilitation Services for the purpose of funding programs at the Oklahoma School for the Deaf and the Oklahoma School for the Blind. Such monies shall be equally divided between the two designated schools. Expenditures from the fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

D. If a taxpayer makes a donation pursuant to subsection A of this section in error, such taxpayer may file a claim for refund at any time within three (3) years from the due date of the tax return pursuant to Section 2373 of Title 68 of the Oklahoma Statutes. Prior to the apportionment set forth in this section, an amount equal to the total amount of refunds made pursuant to this subsection during any one (1) year shall be deducted from the total donations received pursuant to this section during the following year and such amount deducted shall be paid to the State Treasurer and placed to the credit of the Income Tax Withholding Refund Account.

SECTION 841. AMENDATORY 74 O.S. 2011, Section 168, is amended to read as follows:

Section 168. A. The ~~Department of Central Services~~ Office of Management and Enterprise Services is hereby authorized to transfer to the Oklahoma Capitol Improvement Authority, for the purpose of erecting, operating and maintaining a building for the Library for the Blind and Physically Handicapped, the land described as a part of the Northwest Quarter of Section 27, Township 12 North, Range 3 West of the Indian Meridian, Oklahoma County, Oklahoma, more particularly described as follows: Beginning at the Southeast corner of the said NW 1/4 of the said Section 27; thence S 89 degrees 59' 33" W, a distance of 152.77 feet to a point; thence S 89 degrees 59' 29" W, a distance of 479.34 feet to a point; thence N 0

degrees 46' 09" E, a distance of 341.21 feet to the point and place of beginning; thence S 89 degrees 59' 29" W, a distance of 121.90 feet to a point; thence N 0 degrees 03' 26" W, a distance of 138.82 feet to a point; thence S 89 degrees 59' 29" W, a distance of 290.00 feet to a point; thence W 0 degrees 07' 52" W, a distance of 334.28 feet to a point; thence N 89 degrees 59' 29" E, a distance of 320.00 feet to a point; thence N 89 degrees 58' 51" E, a distance of 99.15 feet to a point; thence S 0 degrees 46' 09" W, a distance of 473.17 feet to the point and place of beginning, retaining an easement for vehicular access over and across a ~~forty (40) feet~~ forty-foot-wide strip of land, said strip being the Westerly forty (40) feet of the above described property, containing three and fifty-nine one-hundredths (3.59) acres.

B. For the purpose of paying the costs of the project authorized in subsection A of this section, the Oklahoma Capitol Improvement Authority is hereby authorized to borrow money on the credit of rental payments made by the Department of Human Services and, in anticipation of the collection of such rental payments, to issue negotiable bonds not to exceed the sum of Two Million Five Hundred Thousand Dollars ($2,500,000.00) as may be necessary for such purpose as determined by the Authority. The Authority may retain such legal counsel as it deems necessary for this purpose subject to all requirements of the Public Competitive Bidding Act of 1974.

In order to prevent any defaults or threatened defaults in the payment of said bonds, the Authority is hereby authorized to require the State Department of Rehabilitation Services to be housed in said building and to pay rent for the use and occupancy of said building. Rents paid by the State Department of Rehabilitation Services shall be placed in the Oklahoma Capitol Improvement Authority Fund for the purpose of maintenance of the building, retiring said bonds, and related expenses. When all bonds issued for the construction of this building have been paid in full, the building shall become the property of the State Department of Rehabilitation Services and shall thereafter be under the full and exclusive supervision of the State Department of Rehabilitation Services.

C. The State Treasurer is hereby authorized to purchase said negotiable bonds.

D. The interest rate on the bonds issued pursuant to this section shall not exceed ten percent (10%) per annum.

E. Insofar as they are not in conflict with the provisions of this section, the provisions of Section 151 et seq. of Title 73 of the Oklahoma Statutes shall apply to this section.

SECTION 842. AMENDATORY 74 O.S. 2011, Section 212, is amended to read as follows:

Section 212. A. STATE TREASURER AND OKLAHOMA TAX COMMISSION

1. The State Treasurer and the Oklahoma Tax Commission shall prepare annual financial statements in accordance with the reporting

requirements set forth by the Governmental Accounting Standards Board (GASB). The State Treasurer and the Tax Commission shall prescribe and implement sound internal control, accounting and recordkeeping practices consistent with and to facilitate compliance with all reporting requirements as set forth by law.

2. The annual financial statements of the State Treasurer and the Tax Commission shall be delivered by the State Treasurer and the Tax Commission to the State Auditor and Inspector within ninety (90) calendar days after the close of the state fiscal year.

3. The State Auditor and Inspector shall perform an audit of the annual financial statements of the State Treasurer and the Tax Commission for each state fiscal year. Such audits shall be conducted in accordance with auditing standards generally accepted in the United States and the standards applicable to financial audits contained in Government Auditing Standards, latest revised edition, issued by the Comptroller General of the United States. The State Auditor and Inspector shall complete the audits not later than ninety (90) calendar days after the financial statements are delivered to the State Auditor and Inspector. The annual audit reports and related financial statements shall be delivered by the State Auditor and Inspector to the Governor, President Pro Tempore of the Senate, and Speaker of the House of Representatives. The annual audit report and related financial statements of the State Treasurer shall also be delivered to the Attorney General and the

members of the Cash Management and Investment Oversight Commission created by Section 71.1 of Title 62 of the Oklahoma Statutes. The annual audit report and related financial statements of the Tax Commission shall also be delivered to the Director of ~~State Finance~~ the Office of Management and Enterprise Services and the Legislative Service Bureau. The State Auditor and Inspector shall conduct unannounced cash audits of the State Treasury at least once each quarter.

4. The audit of the Tax Commission shall be continuous in nature. The Tax Commission shall furnish the necessary office space for the employees of the State Auditor and Inspector making the audit and, to the extent of the amount included in the Tax Commission's appropriation therefor, the Tax Commission shall pay the expenses of the audits, including personal services, equipment and supplies, from the appropriation.

B. STATE AGENCIES

1. Except as otherwise provided by law, the State Auditor and Inspector shall audit at least once every two (2) fiscal years the books and accounts of all state agencies whose duty it is to collect, disburse or manage funds of the state. The State Auditor and Inspector shall audit a state agency each fiscal year if that state agency is required to be audited on an annual basis pursuant to the federal Single Audit Act of 1984, as amended, 31 U.S.C.,

Section 7501 et seq. If the state agency is audited only once every two (2) fiscal years, the audit shall cover both fiscal years.

2. Except as otherwise provided by law, the scope of audits performed by the State Auditor and Inspector shall include all funds collected, disbursed, or managed by a state agency including, but not limited to, all special, revolving, depository, canteen, or other nonstate funds.

3. As used in this section, "state agency" means every agency, board, or commission included in the primary government of the State of Oklahoma. For purposes of this paragraph, the primary government of the State of Oklahoma includes all agencies, boards, and commissions included in the primary government in the State of Oklahoma Comprehensive Annual Financial Report. The agencies, boards, and commissions included in the primary government of the State of Oklahoma shall be determined using criteria set by the Governmental Accounting Standards Board.

4. As used in this subsection, "audit" means any of the following:

a. "financial audit", which means an audit of financial statements in order to express an opinion on the fairness with which they are presented in conformity with generally accepted accounting principles or any other comprehensive basis of accounting, as defined by the American Institute of Certified Public

Accountants' Professional Standards, latest revised edition. Financial audits must be conducted in accordance with auditing standards generally accepted in the United States and the standards applicable to financial audits contained in Government Auditing Standards, latest revised edition, issued by the Comptroller General of the United States,

b. "operational audit", which means an audit conducted in accordance with applicable Government Auditing Standards, the purpose of which is to evaluate management's performance in administering assigned responsibilities in accordance with applicable laws, administrative rules, and other policies and guidelines and to determine the extent to which the internal control, as designed and placed in operation, promotes and encourages the achievement of management's control objectives in the categories of compliance, reliability of financial records and reports, and safeguarding of assets,

c. "performance audit", which means an audit of a program, activity, or function of a state agency conducted in accordance with applicable Government Auditing Standards. The term includes, but is not limited to, an audit to assess program, activity, or

function effectiveness, economy and efficiency, internal control, or compliance,

d. "special or investigative audit", which means an audit with respect to a particular situation which may be, but is not required to be, conducted in accordance with applicable Government Auditing Standards, and

e. any other type of engagement conducted in accordance with Government Auditing Standards.

C. GUBERNATORIAL REQUEST

Whenever called upon to do so by the Governor, it shall be the duty of the State Auditor and Inspector to examine the books and accounts of any officer of the state or any of the officer's predecessors. The cost of the audit shall be borne by the entity to be audited.

D. COUNTY TREASURER

The State Auditor and Inspector shall examine without notice all books and accounts of each county treasurer of the state twice each year.

E. DISTRICT ATTORNEYS

1. The State Auditor and Inspector shall annually audit the books and accounts of the several offices of the district attorneys of this state. The audits shall be reported in separate reports for each entity. The audit may include, but shall not be limited to, the audit of the financial records, performance measures, and

compliance with state or federal statutes and rules, and compliance with any regulations of state or federal programs. The expense of the audits shall be paid by the entity audited.

2. The State Auditor and Inspector shall examine and file a report of the accounts established within the office of each district attorney for bogus check programs, drug task force programs, child support collection programs, and any other programs receiving any nonstate funds. The reports shall be filed with the President Pro Tempore of the Senate, the Speaker of the House of Representatives, and the Executive Coordinator of the District Attorneys Council.

F. DEPARTMENT OF CORRECTIONS

The State Auditor and Inspector shall perform an annual audit, as defined in paragraph 4 of subsection B of this section, of the books and accounts of the Department of Corrections. The scope of the audit shall be determined by the State Auditor and Inspector using a risk-based approach. The audit may include, but shall not be limited to, the audit of the financial records, performance measures, and compliance with any state or federal statutes and rules, and compliance with any regulations of state or federal programs. The expense of the audits shall be paid by the Department of Corrections.

G. OKLAHOMA ~~STATE AND EDUCATION~~ EMPLOYEES ~~GROUP~~ INSURANCE AND BENEFITS BOARD

The State Auditor and Inspector shall cause to be audited the books and accounts of the office of the ~~Oklahoma State and Education Employees Group Insurance Board (OSEEGIB)~~ Oklahoma Employees Insurance and Benefits Board. The audit may include, but shall not be limited to, the audit of the financial records, performance measures, compliance with any state or federal statutes and rules, and compliance with any regulations of state programs. The audit shall be contracted out to private audit firms. The cost of the audit shall be borne by the ~~Oklahoma~~ State and Education Employees Group Insurance Board.

H. DISTRICT ATTORNEY REQUEST

Whenever called upon to do so by any of the several district attorneys of the state, it shall be the duty of the State Auditor and Inspector to examine the books and accounts of any officer of any public entity. The cost of the audit shall be borne by the entity audited.

I. COUNTY OFFICERS BY REQUEST

Upon request of the county commissioners of any county or the Governor, the State Auditor and Inspector shall examine the books and accounts of all or any of the officers or custodians of the various funds of the county; and payment for such examination shall be made by the county so examined.

J. AUDITORS

The State Auditor and Inspector shall have power to employ auditors. No auditor shall examine the books or records of the county of the auditor's residence in counties of under two hundred thousand (200,000) population according to the most recent Federal Decennial Census. The State Auditor and Inspector may employ on an as-needed basis only, legal counsel to carry out the statutory duties of the Office of the State Auditor and Inspector.

K. EXAMINATION OF LEVIES

It shall be the duty of the State Auditor and Inspector to examine all levies to raise public revenue to see that they are made according to law and constitutional provisions. The State Auditor and Inspector shall have the power to order all excessive or erroneous lines (levies) to be corrected by the proper officers, and shall report any irregularities to the Governor, the Speaker of the House of Representatives and the President Pro Tempore of the Senate.

L. PETITION AUDITS

1. The State Auditor and Inspector shall audit the books and records of any subdivision of the State of Oklahoma upon petition signed by the requisite number of voters registered in the subdivision and meeting the requirements set out in this subsection.

2. The petition must contain the number of signatures equivalent to ten percent (10%) of the registered voters of the subdivision as determined by the county election board or, if the

county election board determines that the number of registered voters in the subdivision cannot be determined due to boundary lines not conforming to precinct lines, the required number of petitioners shall be twenty-five percent (25%) of the total number of persons voting in the last subdivision-wide general election held in the subdivision. If the subdivision is a public trust, the required number of petitioners shall be the same as those required for an audit of its beneficiary. The appropriate county election board shall provide the number of signatures so required upon request.

3. The petition shall be in the form of an affidavit wherein the signatory shall declare upon oath or affirmation that the information given is true and correct and that he or she is a citizen of the entity to be audited. The petition shall clearly state that falsely signing shall constitute perjury. It shall include the signature of the individual, the name of the signatory in printed form, the individual's residential address, the date of signing, the public entity to be audited and the anticipated range of the cost of the audit provided by the State Auditor and Inspector.

4. Any person desiring to petition for an audit shall list the areas, items or concerns they want to be audited, and request from the State Auditor and Inspector the anticipated range of cost of the audit. Within thirty (30) days from the receipt of the request, the State Auditor and Inspector shall mail a petition form to the person

requesting the information which shall state the anticipated range of the cost and the items or concerns to be audited. The circulators of the petition shall have thirty (30) days from the date the petition is mailed by the State Auditor and Inspector to obtain the requisite number of signatures and return it to the State Auditor and Inspector.

5. Upon collection of the required number of signatures, the person desiring the audit shall present the signed petitions to the State Auditor and Inspector. Within thirty (30) days of receipt of the petitions, the State Auditor and Inspector shall present the petitions to the county election board located in the county in which the subdivision is located.

6. The county election board shall determine whether the signers of the petition are registered voters of the county in which the subdivision to be audited is located and whether the petition has the requisite number of signatures of such registered voters. The county election board shall certify the petition as having the required number of signatures or as failing to have the required number of signatures and return it to the State Auditor and Inspector.

7. The cost of the audit shall be borne by the public entity audited. Upon notification by the State Auditor and Inspector of receipt of the petition, certified by the county election board as having the required number of signatures, the public entity shall

encumber funds in an amount specified by the State Auditor and Inspector, which shall be within the range of anticipated cost stated on the petition from any funds not otherwise specifically appropriated or allocated. Payment for the audit from such encumbered funds shall be made as work progresses, and final payment shall be made on or before its publication.

8. The names of the signers of any petition shall be confidential and neither the State Auditor and Inspector, the county election board nor the county treasurer may release them to any other person or entity except upon an order from a court of competent jurisdiction.

M. PENALTIES FOR NONPAYMENT

Except as otherwise provided by law, the cost of any services provided by the State Auditor and Inspector or as specified in an audit contract shall be borne by the entity or fund audited and shall be due and payable upon receipt of progress billing during the course of an audit. Any such costs not paid within ninety (90) days of the date of receipt of billing shall incur a penalty of Ten Dollars ($10.00) per day for each day from the date of receipt of billing.

SECTION 843. AMENDATORY 74 O.S. 2011, Section 212A, is amended to read as follows:

Section 212A. A. 1. Except as otherwise provided by law, all government entities, as defined by the Governmental Accounting

Standards Board, shall have an audit conducted in accordance with auditing standards generally accepted in the United States of America and Government Auditing Standards. Copies of any audit, performance audit, agreed-upon-procedures report, or other attestation engagement report produced by a person other than the State Auditor shall be filed with the State Auditor and Inspector by that person. The expense of the audit shall be paid by the government entity. For fiscal years ending after December 31, 1995, all government entities receiving public funds that are included in the reporting entity of the State of Oklahoma shall file a copy of the audit required by this paragraph with the Director of ~~State Finance~~ the Office of Management and Enterprise Services no later than four (4) months after the end of the fiscal year of the government entity. For purposes of this paragraph, the reporting entity of the State of Oklahoma includes all government entities included in the State of Oklahoma Comprehensive Annual Financial Report. The government entities included in the State of Oklahoma reporting entity shall be determined by the Director of ~~State Finance~~ the Office of Management and Enterprise Services using criteria set by the Governmental Accounting Standards Board.

2. Any public accountant or certified public accountant filing an audit, performance audit, agreed-upon-procedures report or other attestation engagement report with the State Auditor and Inspector pursuant to this section shall be required to pay a filing fee of

One Hundred Dollars ($100.00) for the purposes of processing such reports and ensuring compliance with the provisions of this section. Such payments shall be deposited in the State Auditor and Inspector Revolving Fund, created pursuant to Section 227.9 of this title.

B. All registrants, as defined in the Oklahoma Accountancy Act, before entering into audit contracts required under this section, shall satisfy the Oklahoma Accountancy Board and the State Auditor and Inspector that such registrant meets Government Auditing Standards and has a current permit to practice issued by the Oklahoma Accountancy Board.

The State Auditor and Inspector shall receive annual reports from the Oklahoma Accountancy Board of all registrants meeting the requirements of this subsection. The Oklahoma Accountancy Board shall provide changes and updates to the annual report to the State Auditor and Inspector upon request.

C. Schedules of federal awards expended will be in a form consistent with the guidance in the most recent audit guide for state and local governments prepared by "The American Institute of Certified Public Accountants". State agencies or other pass-through grantors of federal awards expended will not place reporting requirements on a grantee or subrecipients in addition to the required federal compliance reports and schedules of federal awards expended, without approval of the State Auditor and Inspector.

D. All governmental entities shall report grant funds received, administered or used by the entity and all grant funds under the direct or indirect control of the governmental entity or any of its employees in their employment capacity. A copy of the report shall be filed with the State Auditor and Inspector and the Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services within four (4) months after the end of the fiscal year of the governmental entity. The State Auditor and Inspector may audit any funds reported. The cost of the audit shall be paid by the governmental entity unless the grant provides for the cost of audits from grant funds.

SECTION 844. AMENDATORY 74 O.S. 2011, Section 213.2, is amended to read as follows:

Section 213.2 A. There is hereby created in the Office of the State Auditor and Inspector a Performance Audit Division, subject to the discretion of the State Auditor and Inspector. An Assistant State Auditor and Inspector may be appointed to direct the operations of the Division, subject to the supervision and control of the State Auditor and Inspector at all times.

B. The State Auditor and Inspector, deputies and agents of the Performance Audit Division may examine all books and accounts of all public officers, institutions and other governmental entities specified in Sections 212 through 227.9 of this title to instruct the proper officers thereof in the performance of their duties and

to prescribe cost-effective methods of operating such governmental entities; provided, however, the State Auditor and Inspector shall perform the examinations authorized in this subsection upon receiving a written request to do so by the Governor, the chief executive officer of a governmental entity or pursuant to a joint or concurrent resolution of the Legislature. A copy of the examination shall be given to the examined entity. A copy of any examination conducted pursuant to this subsection shall be submitted to the Governor, the Speaker of the House of Representatives, the President Pro Tempore of the Senate, the appropriations and budget chairs of the House of Representatives and the Senate, and the Minority Leader of the House of Representatives and of the Senate.

C. The cost of the examinations authorized pursuant to subsection B of this section shall be borne by the examined agency in an amount not to exceed the actual costs of the examination. Prior to the start of such an examination, the State Auditor and Inspector shall prepare in writing and present to the affected state agency an estimate of the cost of the examination. If the estimate requires revision, the State Auditor and Inspector shall notify the agency in a prompt manner. Except as otherwise provided, the State Auditor and Inspector shall recover its costs for the examination pursuant to monthly progress billings presented by the State Auditor and Inspector to the ~~Office of State Finance~~ Office of Management and Enterprise Services detailing current monthly costs for each

examination. In addition, the State Auditor and Inspector shall provide a copy of the billing to the affected state agency. The ~~Office of State Finance~~ Office of Management and Enterprise Services may deduct the amounts billed from the next subsequent allotment for the corresponding state agency and transfer the funds to the State Auditor and Inspector Revolving Fund.

D. The salaries and traveling expenses of the Assistant State Auditor and Inspector, deputies and agents of the Performance Audit Division and the costs of material, supplies and equipment for the Division shall be paid from funds made available through appropriation by the Legislature.

E. The State Auditor and Inspector shall submit an annual report of the Performance Audit Division to the Governor, the President Pro Tempore of the Senate, the Speaker of the House of Representatives, appropriations and budget chairs of the House of Representatives and the Senate, and the Minority Leader of the Senate and of the House of Representatives.

SECTION 845. AMENDATORY 74 O.S. 2011, Section 227.9, is amended to read as follows:

Section 227.9 There is hereby created in the State Treasury a revolving fund for the Office of the State Auditor and Inspector to be designated the "State Auditor and Inspector Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all money paid to and received by

the State Auditor and Inspector from state agencies, boards and commissions authorized by statute to pay the expense of audits and consulting services, money received for performance of audits and consulting services pursuant to contract entered into under the authority of Section 227.8 of this title, funds received from state agencies, boards and commissions receiving federal grants of funds which require periodic audits under said grants or any federal regulations, all money received from counties, cities, towns and public trusts in payment of audit expense, funds appropriated to state agencies, boards and commissions for payment of audit expense, and fees collected pursuant to Section 212A of this title. All monies accruing to the credit of said fund are hereby appropriated and may be budgeted and expended by the Office of the State Auditor and Inspector for expenses necessary for the performance of duties imposed upon the Office of the State Auditor and Inspector by law. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment. The State Auditor and Inspector shall at the close of each fiscal year pay into the General Revenue Fund of the state any unencumbered balance remaining in said revolving fund in excess of Eight Hundred Fifty Thousand Dollars ($850,000.00).

SECTION 846. AMENDATORY 74 O.S. 2011, Section 291.2, is amended to read as follows:

Section 291.2 The Board on Legislative Compensation created by ~~Article 5,~~ Section 21~~,~~ of Article V of the Oklahoma Constitution shall meet on the third Tuesday of October in every odd-numbered year at nine o'clock a.m. in the State Capitol Building, at which meeting the Board shall review the compensation paid to members of the State Legislature and, if necessary, change the compensation. The Board may, at the call of its chairman or upon a majority vote of its membership, hold such additional meetings as are necessary to carry out its official duties. Any change in legislative compensation shall be made by the Board no later than the third Tuesday of November in said odd-numbered year. Five members of the Board shall constitute a quorum and a majority vote of such quorum shall be necessary for the Board to act. The appointed members of said Board shall serve terms which run concurrently with the terms of the respective appointing authorities and shall serve at their pleasure. The Director of ~~State Finance~~ the Office of Management and Enterprise Services shall serve as Secretary to the Board. The Board shall elect such other officers as they deem needed from their membership. No member of the Board shall be a lobbyist as required to be registered pursuant to the Oklahoma Campaign Compliance and Ethical Standards Act.

SECTION 847. AMENDATORY 74 O.S. 2011, Section 292.12, is amended to read as follows:

Section 292.12 A. The ~~Administrator~~ Director of the ~~Office of Personnel Management~~ Office of Management and Enterprise Services is hereby directed to implement a direct deposit system for employees who are subject to the provisions of the Oklahoma State Employees' Direct Deposit Act. There shall be no service charge of any type paid by the state employee at any time which shall decrease the net amount of the employee's salary deposited to the financial institution of the personal choice of the employee as a result of the implementation and administration of the Oklahoma State Employees' Direct Deposit Act.

1. Employees hired after December 31, 2004, shall participate in the direct deposit system. At the time the employee enters on duty, the employee shall identify a financial institution that will serve as a personal depository agent for the employee.

2. Employees hired before December 31, 2004, shall participate in the direct deposit system. No later than June 30, 2007, each employee hired before December 31, 2004, who is not a participant in the direct deposit system, shall identify a financial institution that will serve as a personal depository agent for the employee.

B. The ~~Administrator~~ Director of the ~~Office of Personnel Management~~ Office of Management and Enterprise Services shall promulgate rules as necessary for implementation and administration

of the system, which shall include limited exceptions to required participation by employees.

C. All employers shall begin offering direct deposit to any eligible employee not later than January 1, 1992.

SECTION 848. AMENDATORY 74 O.S. 2011, Section 324.20b, is amended to read as follows:

Section 324.20b There is hereby created in the State Treasury a revolving fund for the State Fire Marshal to be designated the "State Fire Marshal Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of monies received from the sale of surplus property, fees and receipts collected pursuant to the Oklahoma Open Records Act, fines, forfeitures, fees, charges, receipts, donations, gifts, bequests, contributions, devises, interagency reimbursements, federal funds unless otherwise provided by federal law or regulation, or any other source. The fund shall consist of no more than Five Hundred Fifty Thousand Dollars ($550,000.00). All monies accruing to the credit of the fund are hereby appropriated and may be budgeted and expended by the State Fire Marshal for authorized purposes. Expenditures from the fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 849. AMENDATORY 74 O.S. 2011, Section 325.4, is amended to read as follows:

Section 325.4 There is hereby created in the State Treasury a revolving fund for the Office of the State Fire Marshal to be designated the "Firefighter Training Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of monies received by the Office of the State Fire Marshal from the General Revenue Fund or any source pursuant to the provisions of any law or agreement. All monies accruing to the credit of the fund are hereby appropriated and may be budgeted and expended by the Office of the State Fire Marshal for payment of the firefighter training programs through Oklahoma State University Fire Service Training. Expenditures from the fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 850. AMENDATORY 74 O.S. 2011, Section 452.10, is amended to read as follows:

Section 452.10 A. Each state agency shall furnish copies of financial audits, compliance audits, and program reviews on its entity to the ~~Office of State Finance~~ Office of Management and Enterprise Services, the State Auditor and Inspector, and the Legislative Service Bureau.

B. Each state agency shall furnish copies of all audits performed on its entity to the Legislature as required by the Legislative Review of State Audits Act.

C. Copies of audits furnished to the State Auditor and Inspector shall be furnished in accordance with the provisions of Section 212A of this title.

SECTION 851. AMENDATORY 74 O.S. 2011, Section 452.12, is amended to read as follows:

Section 452.12 For purposes of the Legislative Review of State Audits Act:

1. "Agency" includes, but is not limited to, any constitutionally or statutorily created board, bureau, commission, office, institution, authority, university, college, and any other person or administrative division of state government expending or encumbering state funds, handling money on behalf of the state, or holding any trust funds on behalf of the state from any source derived. The term "agency" shall not include the Governor, the Legislature or any branch, committee or officer thereof, the courts or any political subdivision of the state;

2. "Audit" includes all types of audits as defined by Government Auditing Standards issued by the United States Comptroller General and includes, but is not limited to, an examination, an investigation or a review required by or performed as a result of state or federal law or program or rules thereof or

any examination, investigation or review in which any agency, state or federal funds or both state and federal funds are expended for any agency matter relating to:

a. compliance by an agency with all applicable state and federal laws and rules,

b. internal controls,

c. the efficiency and the economy of agency financial operations. Economy and efficiency audits include determining:

(1) whether the agency is acquiring, protecting and using its resources economically and efficiently,

(2) the causes of inefficiencies or uneconomical practices, and

(3) whether the agency has complied with laws and rules concerning economy and efficiency, or

d. the effectiveness of an agency in achieving desired program results. Program audits include determining:

(1) the extent to which the desired results or benefits established by the Legislature or other body are being achieved,

(2) the effectiveness of organizations, programs, activities or functions, and

(3) whether the agency has complied with significant laws and rules applicable to the program.

The term "audit" shall not include position audits or payroll audits performed by the ~~Office of Personnel Management~~ Office of Management and Enterprise Services, inmate sentence audits conducted by the Oklahoma Department of Corrections or confidential requests made by any member of the Legislature or the Governor's office;

3. "Auditor" means any person, corporation, partnership, federal agency or state agency, or other legal public or private entity performing any service meeting the definition of "practice of public accounting" in the Oklahoma Accountancy Act on an agency;

4. "Audit report" means the final report in a written document which contains the comments and recommendations of the auditor. The audit report shall also include, if any, comments of the agency on which the audit was performed; and

5. "Records" includes, but is not limited to, books, papers, maps, photographs, cards, tapes, recordings, or other documentary materials, regardless of physical form or characteristics, prepared, owned, used, or in the possession of or retained by the auditor, or the agency, or both the auditor and agency.

SECTION 852. AMENDATORY 74 O.S. 2011, Section 456.7, is amended to read as follows:

Section 456.7 A. For purposes of this section, the term "unit of state government" shall mean the state, or any department, board, commission, institution or agency thereof.

B. A copy of the inventory required pursuant to Section 204 of Title 61 of the Oklahoma Statutes shall be sent to the Director of the Division of Planning and Management Analysis in the Office of the Governor.

C. Upon the determination, by any unit of state government that:

1. Any real property owned or under its control is surplus;

2. It is anticipated that such property will no longer be used for its current purpose; or

3. The operation of such property is no longer necessary or economically feasible;

the unit of state government shall send written notice of such determination to the ~~Department of Central Services~~ Office of Management and Enterprise Services. Upon receipt of such determination, the ~~Department of Central Services~~ Office of Management and Enterprise Services shall notify the Director of the Division of Planning and Management Analysis in the Office of the Governor of the information. The Director of the Division of Planning and Management Analysis shall then conduct a study, in cooperation with any affected community in which the real property is located, detailing and prescribing alternate uses of such real property. The Director of the Division of Planning and Management Analysis shall provide for the public notification of such study and shall notify other units of state government, and the county

governmental officials and any officers of the municipality in which such real property is located. The study shall also include whether the real property is especially suited to the special needs of any particular unit of state government or may be used advantageously by a particular unit of state government in carrying out its assigned duties or functions. Upon completion of such study, the Director of the Division of Planning and Management Analysis shall submit a written report to the Speaker of the House of Representatives, the President Pro Tempore of the Senate, the Governor and the affected unit of state government detailing his findings and recommendations concerning such real property.

D. The provisions of this section shall apply to all real property and interests in real property except railroad and highway right-of-ways owned by the state or by any department, board, commission, institution or agency thereof or the real property and improvements described in subsection C of Section ~~1~~ 6201 of this ~~act~~ title.

SECTION 853. AMENDATORY 74 O.S. 2011, Section 500.2, is amended to read as follows:

Section 500.2 A. Officials and employees of the state, traveling on authorized state business, may be reimbursed for expenses incurred in such travel in accordance with the provisions of the State Travel Reimbursement Act and existing statutes relating to state travel. Persons who are not state employees, but who are

performing substantial and necessary services to the state which have been directed or approved by the appropriate department official shall enjoy the protection of the sovereign immunity of the state to the same extent as a paid employee. Such persons may be reimbursed for expenses incurred during authorized official travel under these same statutory provisions, provided it is indicated on the claim the person is not a state employee, a description of services performed is entered, and the agency head by approval of the claim certifies such services were substantial and necessary, and germane to the duties and functions of the reimbursing agency. Travel expenses incurred by a person during the course of seeking employment with a state agency, unless such travel is performed at the request of the employing agency, shall not be considered expenses incurred in performing substantial and necessary services to the state and shall not be reimbursed under the provisions of the State Travel Reimbursement Act.

B. The chief administrative officer of the Department of Public Safety, the Oklahoma State Bureau of Investigation, the Oklahoma State Bureau of Narcotics and Dangerous Drugs Control, the Military Department of the State of Oklahoma, the Department of Corrections, the ~~Department of Central Services~~ Office of Management and Enterprise Services, the Alcoholic Beverage Laws Enforcement Commission, the Oklahoma Department of Agriculture, Food, and Forestry, the Oklahoma Department of Emergency Management, the State

Fire Marshal, and the State Department of Health may arrange for and charge meals and lodging for a contingent of state personnel moved into an area for the purpose of preserving the public health, safety, or welfare or for the protection of life or property. The cost for meals or lodging so charged shall not exceed the amount authorized in the State Travel Reimbursement Act. The chief administrative officer of each agency involved in such an operation shall require the vendor furnishing meals, lodging, or both meals and lodging to submit an itemized statement for payment. When a claim for lodging is made for a contingent of state personnel, individual members of the contingent may not submit a claim for lodging. When a claim for meals is made for a contingent of state personnel, individual members of the contingent may not submit a claim for meals.

C. The Oklahoma Department of Commerce, the Oklahoma Center for the Advancement of Science and Technology, and the Oklahoma Department of Agriculture, Food, and Forestry are hereby authorized to enter into contracts and agreements for the payment of food, lodging, meeting facility and beverage expenses as may be necessary for sponsoring seminars and receptions relating to economic development and science and technology issues. Such expenses may be paid directly to the contracting agency or business establishment. The Director of the Oklahoma Department of Commerce, the President of the Oklahoma Center for the Advancement of Science and

Technology, and the Commissioner of Agriculture shall each provide a quarterly report of such expenditures to the Governor, the Speaker of the House of Representatives and the President Pro Tempore of the Senate.

D. The Native American Cultural and Educational Authority is hereby authorized to enter into contracts and agreements for the payment of food, lodging, and meeting facility as may be necessary to pursue the promotion of fund-raising, marketing, and development of Native American educational programs and cultural projects, or to sponsor luncheons, seminars, and receptions relating to Native American educational, cultural, museum, and economic development issues. Such expenses may be paid directly to the contracting agency or business establishment. The Executive Director shall provide a monthly report of expenditures to the Board.

E. For purposes of this section:

1. "State agency" means any constitutionally or statutorily created state board, commission, or department, including the Legislature and the Courts;

2. State agencies are authorized to enter into contracts and agreements for the payment of food and lodging expenses as may be necessary for employees or other persons who are performing substantial and necessary services to the state by attending official conferences, meetings, seminars, workshops, or training sessions or in the performance of their duties. Such expenses may

be paid directly to the contracting agency or business establishment, provided the meeting qualifies for overnight travel for the employees and the cost for food and lodging for each employee shall not exceed the total daily rate as provided in the State Travel Reimbursement Act;

3. State agencies are authorized to enter into contracts and agreements for the payment of conference registration expenses as may be necessary for employees or other persons who are performing substantial and necessary services to the state by attending official conferences, meetings, seminars, workshops, or training sessions. Such expenses may be paid directly to the contracting agency or business establishment; and

4. State agencies are authorized to enter into contracts and agreements for the payment of food and lodging expenses as may be necessary for employees attending an official course of instruction or training conducted or sponsored by any state agency. Expenses may be paid directly to the contracting agency or business establishment. The cost for food and lodging for each employee shall not exceed the total daily rate as provided in the State Travel Reimbursement Act.

F. State agencies are authorized to make direct purchases of commercial airline tickets for use by employees in approved out-of-state travel. Each claim or invoice submitted to the Director of ~~State Finance~~ the Office of Management and Enterprise Services for

the payment of the purchase shall bear the airline identifying ticket number, the name of the airline, total cost of each ticket purchased, class of accommodation, social security number, and name of the employee for whom the ticket was purchased, and shall be filed on claim forms as prescribed by the Director of ~~State Finance~~ the Office of Management and Enterprise Services. The employee shall sign an affidavit stating that the employee did use any direct purchase commercial airline ticket received for his or her approved out-of-state travel.

G. 1. The ~~Administrator of the Office of Personnel Management~~ Director of the Office of Management and Enterprise Services is hereby authorized to enter into contracts and agreements for the payment of food, lodging, and other authorized expenses as may be necessary to host, conduct, sponsor, or participate in conferences, meetings, or training sessions. The ~~Administrator~~ Director may establish accounts as necessary for the collection and distribution of funds, including funds of sponsors and registration fees, related to such conferences, meetings, and training sessions. Expenses incurred may be paid directly to the contracting agency or business establishment.

2. The cost of food for persons attending any conferences, meetings, and training sessions that do not require overnight travel shall not exceed the total daily rate as provided in the State Travel Reimbursement Act.

H. 1. The Commissioner of the Department of Mental Health and Substance Abuse Services is hereby authorized to enter into contracts and agreements for the payment of food, lodging, and other authorized expenses as may be necessary to host, conduct, sponsor, or participate in conferences, meetings, or training sessions. The Commissioner may establish accounts as necessary for the collection and distribution of funds, including funds of sponsors and registration fees, related to such conferences, meetings, and training sessions. Any expenses incurred may be paid directly to the contracting agency or business establishment.

2. The cost of food for persons attending any conferences, meetings, and training sessions that do not require overnight travel shall not exceed the total daily rate as provided in the State Travel Reimbursement Act.

I. The Oklahoma Indigent Defense System is hereby authorized to enter into contracts and agreements for the payment of lodging as necessary for employees to carry out their duties in representing any client whom the System has been properly appointed to represent. Such expenses may be paid directly to the contracting agency or business establishment. The cost for lodging for each employee shall not exceed the daily rate as provided in the State Travel Reimbursement Act.

J. The Oklahoma Tourism and Recreation Department is hereby authorized to enter into contracts and agreements for the payment of

food, lodging, and meeting facility and beverage expenses as may be necessary for seminars and receptions relating to familiarization tours and tourism development. The expenses may be paid directly to the contracting agency or business establishment. The Executive Director of Oklahoma Tourism and Recreation Department shall provide a monthly report of any such expenditures to the Oklahoma Tourism and Recreation Commission.

K. The Oklahoma Tourism and Recreation Department is hereby authorized to enter into contracts and agreements for the payment of exhibitor fees and display space charges at expositions to promote the Department's recreational facilities and the tourism and recreation industry. The expenses may be paid directly to the contracting agency or business establishment; provided that no payment shall be made prior to the event unless it conveys a property right to the state for future availability and use.

L. 1. The Oklahoma Highway Safety Office of the Department of Public Safety is hereby authorized to enter into contracts and agreements for the payment of food, lodging, and other authorized expenses as may be necessary, to host, conduct, sponsor, or participate in highway-safety-related conferences, workshops, seminars, meetings, or training sessions. The payments shall be for all persons in attendance, including, but not limited to, employees of political subdivisions or employees of the state or federal government. For purposes specified in this paragraph, only federal

highway safety funds may be used in accordance with federal guidelines and regulations, and no appropriated state funds shall be used.

2. The cost of food for persons attending any highway safety conferences, workshops, seminars, meetings, and training sessions that do not require overnight travel shall not exceed the total daily rate as provided in the State Travel Reimbursement Act.

M. 1. The Director of the Oklahoma State Bureau of Investigation is hereby authorized to enter into contracts and agreements for the payment of food, lodging and other authorized expenses as may be necessary to host, conduct, sponsor or participate in any conference, meeting, training session or initiative to promote the mission and purposes of the Bureau. The payments may be for all persons in attendance, including, but not limited to, employees of political subdivisions or employees of the state or federal government.

2. The cost of food for persons that do not require overnight travel shall not exceed the total daily rate as provided in the State Travel Reimbursement Act.

N. The Oklahoma Homeland Security Director is hereby authorized to enter into contracts and agreements for the payment of food, lodging and other authorized expenses as may be necessary to host, conduct, sponsor, or participate in homeland security related conferences, meetings, workshops, seminars, exercises or training

sessions. The expenses may be paid directly to the contracting agency or business establishment.

O. 1. The Insurance Commissioner of the Insurance Department of the State of Oklahoma is hereby authorized to enter into contracts and agreements for the payment of food, lodging, and other authorized expenses as may be necessary to host, conduct, sponsor, or participate in conferences, meetings, or training sessions. The Commissioner may establish accounts as necessary for the collection and distribution of funds, including funds of sponsors and registration fees, related to such conferences, meetings, and training sessions. Any expenses incurred may be paid directly to the contracting agency or business establishment.

2. The cost of food for persons attending any conferences, meetings, and training sessions that do not require overnight travel shall not exceed the total daily rate as provided in the State Travel Reimbursement Act.

P. 1. The State Regents for Higher Education is hereby authorized to enter into contracts and agreements for the payment of food, lodging, and other authorized expenses as may be necessary to host, conduct, sponsor, or participate in conferences, meetings, or training sessions. The State Regents for Higher Education may establish accounts as necessary for the collection and distribution of funds, including funds of sponsors and registration fees, related to such conferences, meetings, and training sessions. Any expenses

incurred may be paid directly to the contracting agency or business establishment.

2. The cost of food for persons attending any conferences, meetings, and training sessions that do not require overnight travel shall not exceed the total daily rate as provided in the State Travel Reimbursement Act.

SECTION 854. AMENDATORY 74 O.S. 2011, Section 500.6A, is amended to read as follows:

Section 500.6A A. No person shall travel on any aircraft owned, leased, chartered, or operated by the state to or from any place where such person:

1. Attends an event sponsored by, or an event in support of or in opposition to, a political party, a political action committee, or a political candidate;

2. Performs a service for which the person or any member of the immediate family of the person has or will receive compensation, including honoraria, other than the salary the person receives from the state;

3. Attends an event at which others in attendance have been or will be charged an admission fee or at which a donation of money or other thing of value is directly or indirectly charged, requested, solicited, demanded, exacted, sought, accepted, assigned, or received, unless:

a. the admission fee or donation is charged, requested, solicited, demanded, exacted, sought, accepted, assigned, or received by a charitable or nonprofit association, or

b. the admission fee is the regular and usual fee charged for admission to such event, and such event is not in any manner associated with, sponsored by, or designed to benefit a political party, a political candidate, or is otherwise intended to further a partisan political purpose; and

4. Attends an event at which an audience was charged an admission fee to see or hear the person, unless the admission fee is charged by a charitable or nonprofit association.

B. The ~~Office of State Finance~~ Office of Management and Enterprise Services shall prescribe a travel log form, to be designated the "Travel Use Log", to record information to be used by a state entity providing the aircraft when a person travels on any aircraft owned, leased, chartered, or operated by the state. The information provided by the Travel Use Log form shall include:

1. The date and time of the flight;

2. The registration number of the aircraft flown;

3. The trip itinerary, including the date and time and each location from which the aircraft takes off or at which the aircraft lands during a trip;

4. The purpose of each landing during a trip, including but not limited to whether the landing is:

a. for the purpose of giving a speech or other presentation,

b. for attendance at a meeting, event, or other gathering, or

c. for the performance of a service;

5. The name of the group sponsoring the speech, presentation, meeting, event, or gathering, or receiving the service specified in paragraph 4 of this subsection;

6. The printed name of each person traveling on the aircraft, including the person, each crew member, and any other passengers traveling on the aircraft, and the location at which each such person, crew member, or passenger boarded and disembarked;

7. The state entity on whose behalf the passenger or crew member was traveling;

8. Total flight time;

9. Trip charges, including fuel costs, landing or hangar fees, pilot waiting time and total trip mileage;

10. Beginning and ending tachometer or Hobbs reading; and

11. Flight conditions and number of day and night landings.

C. The state entity providing an aircraft for travel shall promulgate rules establishing procedures to ensure:

1. That those persons who travel on such aircraft provide in a legible manner all information required by the Travel Use Log form;

2. That the Travel Use Log forms are maintained and made available upon request pursuant to the provisions of the Oklahoma Open Records Act;

3. That summaries of the Travel Use Log on the use of the aircraft compiled by a state entity be filed with the Governor, the ~~Office of State Finance~~ Office of Management and Enterprise Services, the Speaker of the House of Representatives and the President Pro Tempore of the Senate annually. The summaries shall contain the following information:

a. a chronological listing of the date and time of flights,

b. a listing of each location from which the aircraft takes off or at which the aircraft lands during each trip,

c. a listing of the names of each passenger,

d. total flight time, and

e. total cost of trip based on the number of hours of flight time at a standard hourly rate which shall be approximately the cost of chartering a comparable aircraft.

D. The signature on the Travel Use Log form of each crew member shall constitute certification that the information provided on the

Travel Use Log form is true and correct to the best of the information and belief of that crew member.

E. The state entity providing an aircraft for travel by a person shall keep a copy of the completed Travel Use Log form required by this section for the time period required by the Archives and Records Act for each such trip.

F. The provisions of this section shall not be construed to prohibit immediate family members of the Governor or Lieutenant Governor from accompanying the Governor or Lieutenant Governor on a trip made in compliance with the provisions of this section on a state aircraft. As used in this section, "immediate family members" means a parent, a spouse, a child, a stepchild, a foster child, and any individual claimed by the Governor or Lieutenant Governor or the spouse of the Governor or Lieutenant Governor as a dependent for tax purposes.

G. The provisions of this section shall not be construed to prohibit a person from using an aircraft owned, leased, chartered, or operated by the state to travel to or from any place where the person is attending a function sponsored by an organization to which the State of Oklahoma pays membership dues even though the organization provides time on the agenda for functions separately sponsored by partisan political organizations.

SECTION 855. AMENDATORY 74 O.S. 2011, Section 500.9, is amended to read as follows:

Section 500.9 A. Reimbursement for overnight lodging, while in official travel status, may be made at not to exceed an amount authorized by the provisions of the Internal Revenue Code of 1986, as amended, for deductibility of expenses for travel while away from home without additional documentation or the actual cost, if lower, per night except as provided in subsections C, D and F of this section and Section 500.9A of this title. Receipts issued by the hotel, motel or other public lodging place shall accompany claims for reimbursement.

B. A per diem allowance in lieu of subsistence may be authorized by a travel claim issued in accordance with Section 500.3 of this title, which shall include all charges for meals and lodging. Not to exceed an amount authorized by the provisions of the Internal Revenue Code of 1986, as amended, for deductibility of expenses for travel while away from home without additional documentation may be authorized on the travel claim for the performance of travel within the State of Oklahoma and not to exceed Thirty-six Dollars ($36.00) per diem may be authorized for the performance of travel outside the State of Oklahoma. In computing the per diem allowance, a day shall be a period of twenty-four (24) hours. Reimbursement for each one-fourth (1/4) day consisting of six (6) hours or major fraction thereof, more than three (3) hours, may be made at the rate of the daily allowable rate. Provided, however, that no per diem shall be allowed pursuant to this section

for periods of less than overnight in travel status. Reimbursement for expenses other than meals and lodging may also be made in accordance with the provisions of this act.

C. State officers or employees attending meetings, workshops, conferences or other objectives of trips which are conducted at a designated hotel, motel or other public lodging place or where lodging has been arranged for by the blocking of rooms or by rate reductions for the participants by the sponsor as evidenced by the announcement or notice of the meeting, workshop, conference or other objective shall be reimbursed the actual lodging expense not to exceed the single occupancy room rate charged by the designated hotel, motel or other public lodging place, provided that the officials or employees are in official travel status approved by the agency head or designee. Provided further, those state officers or employees attending meetings, workshops, conferences or other objectives of trips, which are conducted at a designated hotel, motel or other public lodging place as provided by this subsection, who choose to acquire less expensive lodging at another hotel, motel or other public lodging place shall be reimbursed the actual lodging expense not to exceed the single occupancy room rate charged by the designated hotel, motel or other public lodging place. Provided further, those state officers or employees so choosing this option shall be reimbursed for local transportation costs incurred traveling between such optional lodging and the designated hotel,

motel or other public lodging place not to exceed the difference between the cost of the designated lodging and the cost of the optional lodging. Receipts issued by the hotel, motel or other public lodging place shall accompany claims for reimbursement.

D. State officers and employees who have been required to attend hearings or meetings of any congressional committee or subcommittee or any federal agency, board or commission shall be reimbursed for their actual and necessary travel and lodging expenses; however, the agency head must approve any claims in connection with such expenses.

E. Reimbursement for meals and lodging on out-of-state trips shall not begin more than twenty-four (24) hours before the meeting, workshop, conference or other objective of trip begins and shall not continue more than twenty-four (24) hours after said meeting, workshop, conference or other objective of trip ends.

F. Reimbursement for meals and lodging incurred in official travel in areas outside of the United States to implement the objectives of contracts, grants, agreements or gifts for which funds from these sources are furnished shall be reimbursed from said funds at actual cost not to exceed the amount authorized United States Government employees in its periodical publication entitled "Standard Regulations (Government Civilians, Foreign Areas), Department of State, Washington, DC". Provided, however, travel to points outside of the United States, whether performed under

authority of contract, grant, agreement or otherwise, shall not begin more than forty-eight (48) hours before or end more than forty-eight (48) hours after the objective of the trip.

G. Claims submitted to the Director of ~~State Finance~~ the Office of Management and Enterprise Services for payment under the provisions of this section shall be certified to by the principal fiscal officer or contract and grant administrator of each agency. Such officer shall certify that such claim complies with and is authorized under this section.

SECTION 856. AMENDATORY 74 O.S. 2011, Section 500.14, is amended to read as follows:

Section 500.14 The Director of ~~State Finance~~ the Office of Management and Enterprise Services shall reject any travel claim or voucher not in conformity with the provisions of this act or existing statutes relating to reimbursement for travel expenses.

SECTION 857. AMENDATORY 74 O.S. 2011, Section 500.15, is amended to read as follows:

Section 500.15 All claims for reimbursement of travel expenses shall be submitted on the regular authorized form of travel expense claim, and shall be signed by the official or employee performing the travel, and approved by the official or employee designated in 62 O.S. 1971, Section 41.26, for the agency in which the employee works. Receipts may be provided to the ~~Office of State Finance~~ Office of Management and Enterprise Services in electronic form. No

travel claim shall be awarded if the filer of the claim has benefited from the personal receipt of frequent travel miles unless those miles are used to offset future claims against the state.

SECTION 858. AMENDATORY 74 O.S. 2011, Section 500.16, is amended to read as follows:

Section 500.16 Standard blank forms of travel claims to be used to carry out the purposes of this act~~,~~ shall be prescribed by the Director of ~~State Finance~~ the Office of Management and Enterprise Services.

SECTION 859. AMENDATORY 74 O.S. 2011, Section 500.16A, is amended to read as follows:

Section 500.16A A. The Director of ~~State Finance~~ the Office of Management and Enterprise Services shall establish a procedure to expedite payment for a proper claim of a state employee for expenses recompensable pursuant to the provisions of the State Travel Reimbursement Act.

B. The procedure provided for in subsection A of this section shall:

1. Require payment within forty-five (45) days from the date on which a proper claim is submitted by the employee to the appropriate office of the agency for which the expenses were incurred; and

2. Provide for the payment of interest from the thirtieth day after receipt by the appropriate office of a proper claim for which payment has not been mailed, transmitted or delivered to the

employee by the close of business on the forty-fifth day. Interest shall be at an annualized rate as reported by the State Treasurer to the Director of ~~State Finance~~ the Office of Management and Enterprise Services based on an average of the interest rate for thirty-day time deposits of state funds during the last calendar quarter of the last preceding fiscal year.

C. For purposes of this section, "proper claim" means a claim for reimbursement of incurred expenses supported by all requisite documentation and complete in all respects for processing for payment.

D. Any employee, after the passage of the forty-five day limit provided for in subsection B of this section, who is aggrieved by the delay in payment of a proper claim with interest or who failed to receive interest as provided for in this section may file a grievance with the Office of the Governor. The grievance shall be transmitted from the Office of the Governor to the Director of ~~State Finance~~ the Office of Management and Enterprise Services who, within fifteen (15) days after receipt of the grievance, shall:

1. Pay the claim with interest as provided for in this section; or

2. Report to the Governor and the aggrieved employee why such payment cannot be made.

SECTION 860. AMENDATORY 74 O.S. 2011, Section 500.18, is amended to read as follows:

Section 500.18 A. Except for members of the Legislature, the Governor and the Lieutenant Governor, provisions of Sections 500.1 through 500.18 of this title shall be mandatory for all officials and employees of all departments, boards, commissions and institutions of the state, regardless of the provisions of any other act of the Legislature, except as provided by this section. The enactment of any measure in the future providing for travel reimbursement of state officers and employees on the basis of "actual and necessary" expenses or in any other manner inconsistent with Sections 500.1 through 500.18 of this title shall be deemed to provide for reimbursement in accordance with Sections 500.1 through 500.18 of this title unless a contrary intent is explicitly expressed in this section. Sections 500.1 through 500.18 of this title shall not apply, however, to travel reimbursements made by political subdivisions of this state, except as otherwise provided by law.

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

1. Oklahoma Department of Agriculture, Food, and Forestry:

a. The actual and reasonable expenses of travel and subsistence in pursuing and developing markets for Oklahoma agricultural products incurred by the Commissioner, Deputy Commissioner and such employees

designated by the State Board of Agriculture within the marketing development programs of the Oklahoma Department of Agriculture, Food, and Forestry shall be reimbursed to the employee incurring such expenses. Reimbursement of such expenses shall be in accordance with rules adopted by the Board. Expenses claimed shall, prior to reimbursement, be reviewed by the Board at a regular meeting and individually approved or disapproved.

b. The actual and necessary expenses of out-of-state travel and subsistence incurred by employees of the Forestry Division authorized to evaluate and acquire federal excess property or surplus property in other states for use in its fire protection program, shall be reimbursed to the employee incurring such expenses.

2. Wheat Utilization, Research and Market Development Commission:

The actual and reasonable expenses of travel, lodging and subsistence in pursuing and developing markets for Oklahoma wheat and wheat products incurred by the Commission, staff and such persons authorized by the Commission shall be reimbursed to the person incurring such expenses. Expenses of wheat trade officials on wheat trade missions from foreign countries and from other states can be reimbursed to the person previously authorized by the

Commission to incur the expense. No actual and reasonable expenses shall be paid except for time spent working with wheat trade officials on wheat trade missions. Reimbursement of such expenses shall be made in accordance with rules adopted by the Commission. Expenses claimed shall, prior to reimbursement, be reviewed by the Commission at each regular meeting and individually approved or disapproved.

3. Department of Public Safety:

When traveling with the Governor or at the Governor's request, personnel assigned by the Commissioner for executive security and pilots on executive assignment shall be allowed their actual and necessary traveling expenses, upon claims approved by the Commissioner.

4. Department of Corrections:

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

5. Oklahoma Tourism and Recreation Department:

The Oklahoma Tourism and Recreation Commission and Department staff who promote in-state and out-of-state business for Oklahoma's state-operated or state-owned parks, lodges, and golf courses and

the tourism and recreation industry, may be reimbursed for the actual and necessary expense of travel, subsistence and entertainment for this purpose. The Director of the Oklahoma Tourism and Recreation Department may reimburse the Publisher of Oklahoma Today magazine and its staff for expenses for meals and other entertainment in order to gain advertising and promotion for Oklahoma Today magazine. The Oklahoma Tourism and Recreation Department may reimburse the Director of the Office of the Oklahoma Film and Music Commission and staff for the actual and necessary expenses for meals and other entertainment in order to promote the film and music industries in this state. Reimbursement of all actual and necessary expenses shall be in accordance with rules adopted by the Oklahoma Tourism and Recreation Commission.

6. Oklahoma Department of Commerce:

a. The actual and necessary expenses incurred by the Director and other employees of the Department authorized by the Director for the purpose of business recruitment shall be reimbursed. Reimbursement of expenses shall be in accordance with rules adopted by the Director of the Oklahoma Department of Commerce. Expenses claimed shall, prior to reimbursement, be reviewed by the Director and individually approved or disapproved.

b. The Department, at the discretion of the Director, may charter aircraft for the purposes of carrying out its duties and responsibilities related to business recruitment and performing the duties of the Director. The cost of such charter shall be exempt from the provisions of Section 500.6 of this title. Claims filed with the ~~Office of State Finance~~ Office of Management and Enterprise Services shall bear the following certification:

The best interests of the citizens of Oklahoma were better served in that conventional ground transportation was not practical or feasible for this trip, aircraft from the Department of Public Safety were not available for this trip, and no other claim has been or will be filed as a payment for the cost of transportation in connection with this trip.

7. ~~Department of Central Services~~ The Office of Management and Enterprise Services:

The actual and necessary expenses of travel and subsistence incurred by the Director, any state employee approved by his or her appointing authority, or state officials, for travel outside the state in performance of duties related to bond financing shall be reimbursed to the employee or state official incurring such expenses. Reimbursement for lodging expenses shall be supported by

three telephone bids from hotels within a reasonable distance of the activity for which the travel was approved.

8. Oklahoma Futures:

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

9. Oklahoma Development Finance Authority:

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

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

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

11. Center for International Trade Development:

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

12. Oklahoma State Bureau of Investigation:

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

13. Department of Human Services:

a. The actual and necessary expenses of travel, lodging and subsistence incurred by employees of the Legal

Division in the performance of their duties for the purpose of representing the Department of Human Services or any of its officials, employees, institutions or hospitals at any proceeding, including depositions, held before any court, administrative body or representative thereof, shall be reimbursed to the employee incurring such expenses. Expenses claimed shall be approved by the General Counsel and the Director of Human Services prior to reimbursement.

b. The Department, at the discretion of the Director, may charter aircraft when determined by the Director such charter would be more practical or less expensive than normal modes of transportation and when aircraft of the Department of Public Safety are unavailable. The costs of such charter shall be exempt from the provisions of Section 500.6 of this title.

14. Oklahoma Health Care Authority:

The actual and necessary expenses of travel, lodging and subsistence incurred by employees of the Legal Division in the performance of their duties for the purpose of representing the Authority or any of its officials or employees, at any proceeding, including depositions, held before any court, administrative body or representative thereof, shall be reimbursed to the employee

incurring such expenses. Expenses claimed shall be approved by the Administrator prior to reimbursement.

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

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

16. University Hospitals:

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

17. Oklahoma Historical Society:

The actual and necessary expenses of travel, subsistence and entertainment incurred by the Executive Director, Deputy Director and any employees designated by the Executive Committee of the Oklahoma Historical Society Board of Directors in pursuing and developing programs and projects for the preservation and marketing of Oklahoma history shall be reimbursed to the person incurring the expenses. Reimbursement of expenses shall be in accordance with rules adopted by the Oklahoma Historical Society Board of Directors. Prior to reimbursement, expenses claimed shall be reviewed by the Executive Committee at a regularly scheduled meeting and each claim shall be individually approved or disapproved.

18. The Oklahoma Department of Mines:

The actual and necessary expenses of travel, lodging and subsistence incurred by employees of the Department in the performance of their duties for the purpose of representing the Department or any of its officials or employees, at any proceeding, hearing or meeting with federal agencies, boards, commissions, congressional representatives, congressional committees or staff, shall be reimbursed to the employee incurring such expenses. Expenses claimed shall be approved by the Executive Director prior to reimbursement.

19. The Office of Attorney General:

The actual and necessary expenses of travel, lodging and subsistence incurred by its employees in the performance of their

duties for the purpose of representing the state, the Legislature, any state board, agency or commission, or any employee or official of the state entitled to representation, at any proceeding, including depositions, held before any court, administrative body or any representative thereof, and the actual and necessary expenses incurred by employees as a result of conducting investigations shall be reimbursed to the employee incurring the expenses. The expenses shall be approved by the Attorney General prior to reimbursement.

20. District Attorneys Council:

The actual and necessary expenses of travel, lodging and subsistence incurred by each district attorney and other employees of the district attorney authorized by the district attorney in the performance of their duties for any district other than the district for which they are employed for the purpose of representing the state, any county, or any employee or official of the state entitled to representation at any proceeding, including depositions held before any court, administrative body or any representative of a court or administrative body, and the actual and necessary expenses incurred as a result of conducting investigations shall be reimbursed to each employee incurring the expenses. Reimbursement of the expenses shall be in accordance with rules adopted by the District Attorneys Council. Prior to reimbursement, expenses claimed shall be reviewed by the Council and individually approved or disapproved.

21. The Department of Securities:

The actual and necessary expenses of travel, lodging and subsistence incurred by the Administrator and other employees of the Department of Securities in the performance of their duties for the purpose of representing the Department of Securities, at any proceeding, including depositions, held before any court, administrative body or any representative thereof, conducting on-site examinations, or conducting investigations, shall be reimbursed to each employee incurring the expenses. The expenses shall be approved by the Administrator of the Department of Securities prior to reimbursement.

22. Corporation Commission:

The actual and necessary travel expenses incurred by the staff of the Public Utility Division as a result of conducting audits and/or reviews of utility service providers shall be reimbursed to each such employee incurring the expense. Reimbursement of the expenses shall be as set forth in procedures established by the appointing authority.

23. The Department of Human Services:

Employees of the Department of Human Services shall be reimbursed for their actual and necessary expenses of travel, lodging and subsistence incurred in the performance of their duties for the purpose of escorting and transporting children or adults in the care or custody of the Department:

a. for out-of-state visitation, care, treatment and placement of a child welfare client,

b. for out-of-state treatment for or placement of an adult protective services client,

c. for out-of-state treatment for or placement of a resident of a state resource center, or

d. for out-of-state treatment for or placement of an individual with a developmental disability who is living in the community in community residential services.

Expenses claimed shall be approved by the appropriate Division Administrator or Associate Director prior to reimbursement.

24. The Banking Department:

The actual and necessary expenses of travel and lodging incurred by the Commissioner and other employees of the Banking Department in the performance of their duties for the Banking Department shall be paid or reimbursed by the Banking Department to each employee incurring the expenses. The expenses shall be approved by the Banking Commissioner prior to payment or reimbursement.

25. Oklahoma Office of Homeland Security:

The actual and necessary expenses of travel, lodging, and subsistence incurred by the Oklahoma Homeland Security Director, as a result of the duties and responsibilities of the Director, shall be paid or reimbursed by the Oklahoma Office of Homeland Security.

26. The Grand River Dam Authority:

The actual and necessary expenses of travel and lodging incurred by the Board of Directors and other employees of the district in the performance of their duties for the Grand River Dam Authority shall be paid or reimbursed by the district to each Director or employee incurring the expenses. The expenses shall be approved by the General Manager of the Grand River Dam Authority prior to payment or reimbursement.

27. The Native American Cultural and Educational Authority:

The actual and necessary expenses incurred by the Directors and employees of the Native American Cultural and Educational Authority in performances of duties. The expenses shall be approved by the Director prior to payment or reimbursement.

28. Oklahoma Department of Career and Technology Education:

The actual and necessary expenses incurred by the Director and other employees of the Department, authorized by the Director, for the purpose of business recruitment, training, and the provision of technical assistance shall be reimbursed. Reimbursement of expenses shall be in accordance with rules adopted by the State Board of Career and Technology Education. Expenses claimed, prior to the reimbursement, will be reviewed by the Board and individually approved or disapproved.

C. The agencies listed in subsection B of this section shall be required to report annually the actual expenses excepted or exempted

from Sections 500.1 through 500.18 of this title to the Governor, the President Pro Tempore of the Senate, and the Speaker of the House of Representatives. The report shall be submitted no later than the first day of September following the end of each fiscal year.

SECTION 861. AMENDATORY 74 O.S. 2011, Section 500.54, is amended to read as follows:

Section 500.54 Any agency transferring an employee who comes under the provisions of Sections 500.51 through 500.55 of this title shall forward to the ~~Office of Public Affairs~~ Office of Management and Enterprise Services a requisition requesting that the household goods and manufactured home of the employee be moved at state expense. Upon receipt of said requisition the ~~Office of Public Affairs~~ Office of Management and Enterprise Services shall obtain bids from carriers registered and approved by the Corporation Commission. The most responsible carrier submitting the lowest bid shall be awarded the moving contract.

SECTION 862. AMENDATORY 74 O.S. 2011, Section 588, is amended to read as follows:

Section 588. As used in the Oklahoma Privatization of State Functions Act:

1. "Agency" means an agency, board, commission or other entity of state government;

2. "Cost analysis" means a study that includes, but is not limited to:

a. all direct personnel costs, materials and supplies, equipment, capital and equipment depreciation costs, rent, maintenance and repairs, utilities, insurance, travel, operations overhead, and general administrative overhead associated with privatization of a function, program, service, unit, or division,

b. a feasibility study determining whether other state agencies could perform the function, program, service, unit, or division sought to be privatized,

c. an analysis of the cost savings and quality enhancements expected to be gained by privatizing, and

d. any other provisions that may be required by rules adopted by the ~~Department of Central Services~~ Office of Management and Enterprise Services related to privatization~~.~~;

3. "Cost analysis report" means a written report of the cost analysis; and

4. "Privatize" means to enter into contract for the performance of a duty or function which is currently being performed by a state employee.

SECTION 863. AMENDATORY 74 O.S. 2011, Section 588.1, is amended to read as follows:

Section 588.1 A. Before any agency contracts to privatize a function, program, service, unit, or division valued at One Hundred Thousand Dollars ($100,000.00) or more, the agency must perform a cost analysis and provide a copy of the cost analysis report to the ~~Department of Central Services~~ Office of Management and Enterprise Services.

B. The ~~Department of Central Services~~ Office of Management and Enterprise Services shall review the cost analysis report and make a finding as to whether it fulfills the content requirements of the Oklahoma Privatization of State Functions Act and the rules of the ~~Department~~ Office. If the cost analysis report is found not to meet the requirements of the Oklahoma Privatization of State Functions Act or the rules of the ~~Department~~ Office, the ~~Department~~ Office shall return the cost analysis report to the agency with instructions.

C. The Director of the ~~Department of Central Services~~ Office of Management and Enterprise Services shall promulgate rules necessary to implement the provisions of the Oklahoma Privatization of State Functions Act.

SECTION 864. AMENDATORY 74 O.S. 2011, Section 589, is amended to read as follows:

Section 589. A. Upon a finding by the ~~Department of Central Services~~ Office of Management and Enterprise Services pursuant to Section ~~2~~ 588.1 of this ~~act~~ title that the agency has complied with

the requirements of the Oklahoma Privatization of State Functions Act, and before any agency can contract to privatize a function, program, service, unit or division, the agency must allow its employees the opportunity to submit proposals for improving the operations, efficiency or organization of the entity being considered for privatization.

B. The privatization process shall begin with:

1. Notification to employees impacted by the proposed privatization by the agency of its intent to privatize a function, program, service, unit, or division of the agency;

2. A specific statement that employees have an opportunity to submit proposals to the agency; and

3. Notification by the agency simultaneously with the notice required pursuant to paragraph 1 of this subsection, to the Director of the ~~Office of State Finance and the Director of the Department of Central Services~~ Office of Management and Enterprise Services of the intent of the agency to privatize a state function.

C. The agency shall provide information about the delivery of services to its employees as they develop proposals to be considered. This information shall include revenue expenditure data, wage and salary data, an inventory of the supplies, equipment, and facilities associated with the program being privatized, and the cost analysis performed by the agency.

D. Proposals submitted by agency employees shall remain confidential and be considered simultaneously in the bid or proposal process with nonemployee bids.

E. After an agency has decided to privatize a function, program, service, unit or division and has met the requirements of subsection D of this section, the agency shall notify the Director of ~~State Finance~~ the Office of Management and Enterprise Services of its intent to solicit bids by interested parties. Prior to solicitation of bids from other interested parties, the agency shall notify the Governor, President Pro Tempore of the Senate, and Speaker of the House of Representatives of the intent of the agency to solicit bids and a statement that the agency has given the opportunity to its employees to submit proposals pursuant to this section prior to the decision to privatize.

F. The agency shall provide a comprehensive written analysis of the contract cost based upon the designated bid, specifically including the costs of transition from public to private operation, severance payments to agency employees, and monitoring and otherwise administering contract performance.

G. The agency shall require the following information prior to entering into a contract to privatize a function, program, service, unit, or division:

1. Financial stability of the vendor, past and present litigation, and references related to past government contract performance information; and

2. Detail how the vendor will perform the contract, including staffing and equipment information.

H. The agency shall establish a plan and cost analysis on how to return the privatized function, program, service, unit, or division to the state if there is a contract cancellation.

I. Any contract with a vendor to privatize a function, program, service, unit, or division shall require that the payment to the contractor be linked to performance. The contract shall provide that the amount agreed upon in the contract may be reduced if the agency experiences a budget shortfall.

J. Each privatization contract shall contain provisions requiring the contractor to offer available employee positions pursuant to the contract to qualified regular employees of the agency whose state employment is terminated because of the privatization contract and who satisfy the hiring criteria of the contractor.

SECTION 865. AMENDATORY 74 O.S. 2011, Section 589.1, is amended to read as follows:

Section 589.1 Each agency deciding to privatize an agency function shall certify in writing to the Governor, President Pro Tempore of the Senate, Speaker of the House of Representatives, and

the ~~Department of Central Services~~ Office of Management and Enterprise Services that:

1. The provisions of the Oklahoma Privatization of State Functions Act and all other applicable laws regarding the privatization of the respective state functions have been complied with;

2. The quality and cost of the services to be provided by the selected bidder are likely to exceed the quality and cost benefit standards for the state function as formerly delivered by agency employees; and

3. The proposed privatization contract is in the best interest of the public.

SECTION 866. AMENDATORY 74 O.S. 2011, Section 666, is amended to read as follows:

Section 666. A. There is hereby created the Oklahoma Commission on the Status of Women. The Commission shall consist of thirty (30) members. The members shall be appointed as follows: ten members appointed by the Governor, ten members appointed by the President Pro Tempore of the Senate and ten members appointed by the Speaker of the House of Representatives. All members shall be appointed by the appropriate appointing authority for a term of five (5) years commencing with the date that the previous appointee's term expired. In making such appointments to the Commission, consideration shall be given to making the membership broadly

representative of the geographic areas of the state and the several racial, religious and ethnic groups residing in the state. Each member shall hold office until the successor of the member is appointed and has qualified. A member of the Commission may be removed by the appropriate appointing authority for cause. A member appointed to fill a vacancy occurring before the expiration of a term of a member separated from the Commission for any cause shall be appointed for the remainder of the term of the member whose office has been so vacated. Members of the Commission shall receive no salary, but shall be entitled to travel reimbursement as provided by the State Travel Reimbursement Act, Section 500.1 et seq. of this title, from funds available to the appropriate appointing authority.

B. The ~~Office of Personnel Management~~ Office of Management and Enterprise Services shall provide staff support to the Oklahoma Commission on the Status of Women.

SECTION 867. AMENDATORY 74 O.S. 2011, Section 669.1, is amended to read as follows:

Section 669.1 There is hereby created in the State Treasury a revolving fund for the Office of ~~Personnel Management~~ Management and Enterprise Services designated the "Oklahoma Commission on the Status of Women Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all gifts and donations contributed to support the work of the Oklahoma Commission on the Status of Women. All monies accrued to

the credit of the fund are hereby appropriated and may be budgeted and expended by the ~~Administrator~~ Director of the ~~Office of Personnel Management~~ Office of Management and Enterprise Services on behalf of the Oklahoma Commission on the Status of Women for the purposes prescribed by the Legislature in creating the Commission. Expenditures from the fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 868. AMENDATORY 74 O.S. 2011, Section 840-1.3, is amended to read as follows:

Section 840-1.3 As used in the Oklahoma Personnel Act, unless otherwise provided in Sections 840-1.1 through 840-6.9 of this title:

1. "Agency" means any office, department, board, commission or institution of the executive branch of state government;

2. "Employee" or "state employee" means an elected or appointed officer or employee of an agency unless otherwise indicated;

3. "Appointing authority" means the chief administrative officer of an agency;

4. "Classification" means:

a. the process of placing an employee into an appropriate job family and level within the job family, consistent

with the allocation of the position to which the employee is assigned, or

b. an employee's job family and the level at which work is assigned;

5. "Classification plan" means the orderly arrangement of positions within an agency into separate and distinct job families so that each job family will contain those positions which involve similar or comparable skills, duties and responsibilities;

6. "Classified service" means state employees and positions under the jurisdiction of the Oklahoma Merit System of Personnel Administration;

7. "Copy" means the duplication of an original document or recording. The copy may be provided in an electronic format generated from technology having electrical, digital, magnetic, wireless, optical, electromagnetic, or similar capabilities;

8. "Entrance examination" means any employment test used by the ~~Office of Personnel Management~~ Office of Management and Enterprise Services to rank the names of applicants who possess the minimum requirements of education, experience, or licensure for a job or group of similar jobs on a register of eligibles established by the ~~Office of Personnel Management~~ Office of Management and Enterprise Services;

9. "Job" means a position or job family level in a job family;

10. "Job family" means:

a. jobs which require similar core skills and involve similar work, and

b. a logical progression of roles in a specific type of occupation in which the differences between roles are related to the depth and breadth of experience at various levels within the job family and which are sufficiently similar in duties and requirements of the work to warrant similar treatment as to title, typical functions, knowledge, skills and abilities required, and education and experience requirements;

11. "Job family level" means a role in a job family having distinguishable characteristics such as knowledge, skills, abilities, education, and experience;

12. "Job family descriptor" means a written document that:

a. describes a job family, including, but not limited to, the basic purpose, typical functions performed, various levels within the job family, and the knowledge, skills, abilities, education, and experience required for each level, and

b. identifies the pay band assigned for each level;

13. "Promotional examination" means any employment test designated by the ~~Office of Personnel Management~~ Office of Management and Enterprise Services to determine further the qualifications of a permanent classified employee of a state agency

for employment in a different job for which the employee possesses the minimum qualifications of education, experience, or licensure within that agency;

14. "Interagency transfer" means an action in which an employee leaves employment with one agency and enters employment with another agency while continuously employed with the state;

15. "Intra-agency transfer" means moving an employee from one position to another position with the same agency either with or without reclassification;

16. "Job-related organization" means a membership association which collects annual dues, conducts annual meetings and provides job-related education for its members and which includes state employees, including any association for which payroll deductions for membership dues are authorized pursuant to paragraph 5 of subsection B of Section 7.10 of Title 62 of the Oklahoma Statutes;

17. "Lateral transfer" means the reassignment of an employee to another state job with the same pay band assignment as the job family level in which the employee was classified prior to the lateral transfer;

18. "Merit Rules" or "Merit Rules for Employment" or "Merit System of Personnel Administration Rules" means rules adopted by the ~~Administrator~~ Director of the ~~Office of Personnel Management~~ Office of Management and Enterprise Services or the Oklahoma Merit Protection Commission pursuant to the Oklahoma Personnel Act;

19. "Noncompetitive appointment" means the appointment of a person to a noncompetitive job level within a job family;

20. "Noncompetitive job" means an unskilled or semiskilled job designated by the ~~Office of Personnel Management~~ Office of Management and Enterprise Services as noncompetitive. Noncompetitive jobs do not require written examinations for placement on registers of eligibles;

21. "Permanent classified employee" means a classified service employee who has acquired permanent status in accordance with the Oklahoma Personnel Act, and rules adopted pursuant thereto, and who has the right to appeal involuntary demotion, suspension without pay, and discharge to the Commission;

22. "Presiding official" means a person serving the Oklahoma Merit Protection Commission in the capacity of administrative hearing officer, mediator, or other alternative dispute resolution arbitrator or facilitator;

23. "Progressive discipline" means a system designed to ensure the consistency, impartiality and predictability of discipline and the flexibility to vary penalties if justified by aggravating or mitigating conditions;

24. "Reclassification" means the process of changing a classified employee from one job family to another job family or from one job family level to another job family level in the same

job family, resulting in a change in the employee's assigned job code;

25. "Regular and consistent" means, in connection with the work assignments of an employee, the usual and normal work assignments of the employee, excluding incidental, casual, or occasional tasks and activities the employee assumes without direction to do so. Temporary work assignments of less than sixty (60) days in any twelve (12) consecutive months period shall not be considered regular and consistent;

26. "Regular unclassified service employee" means an unclassified service employee who is not on a temporary or other time-limited appointment;

27. "Supervisor" means a classified or unclassified officer or employee who has been assigned authority and responsibility for evaluating the performance of subordinates;

28. "Unclassified service" or "exempt service" means employees and positions excluded from coverage of the Oklahoma Merit System of Personnel Administration;

29. "Merit System" means the Oklahoma Merit System of Personnel Administration;

30. ~~"Administrator"~~ "Director" means the appointing authority of the ~~Office of Personnel Management~~ Office of Management and Enterprise Services;

31. "Executive Director" means the appointing authority of the Oklahoma Merit Protection Commission;

32. "Office" means the ~~Office of Personnel Management~~ Office of the Management and Enterprise Services;

33. "Commission" means the Oklahoma Merit Protection Commission;

34. "Veteran" means a person who has been honorably discharged from the Armed Forces of the United States and has been a resident of Oklahoma for at least one (1) year prior to the date of the examination; and

35. "Voluntary out" means the voluntary separation of employees from the state service in exchange for benefits offered by an agency in order to reduce or eliminate the adverse impact of an imminent reduction-in-force.

SECTION 869. AMENDATORY 74 O.S. 2011, Section 840-1.18, is amended to read as follows:

Section 840-1.18 A. The administrative expenses and costs of operating the Merit System shall be paid by the various divisions of the state government included within the Merit System, and each such agency shall be authorized to include in its budget estimates its pro rata share of such costs, and shall remit such shares quarterly from departmental or agency funds to the ~~Office of Personnel Management~~ Office of Management and Enterprise Services who shall

deposit such shares to the credit of the General Revenue Fund of the State Treasury.

B. The ~~Administrator~~ Director shall maintain accurate records reflecting the costs of administering its provisions, and at the close of each quarter-year period shall summarize said costs, and shall bill each department or agency included within the terms of the Oklahoma Personnel Act with a pro rata share of the administrative costs based on the relationship between the quarterly average number of employees in the classified service of such department or agency, and the quarterly average number of employees in the classified service of the state.

C. The ~~Administrator~~ Director shall separately categorize and estimate expenditures and budget needs for other services performed which are not appropriately charged to state agencies on a pro rata basis.

D. Any state agency for which the ~~Administrator~~ Director provides payroll services shall pay for such services at a rate established by the ~~Administrator~~ Director, which shall be based upon the cost to the ~~Administrator~~ Director of providing such services. Each agency shall remit payment for such services quarterly from departmental or agency funds to the ~~Administrator~~ Director who shall deposit such payments into the ~~Office of Personnel Management~~ Office of Management and Enterprise Services Revolving Fund created in Section 840-1.20 of this title.

E. No state disbursing or auditing officer shall make or approve or take any part in making or approving any payment for personal service to any person holding a position in the state classified service, brought under the Oklahoma Personnel Act unless the payroll voucher or account of such pay bears the certification of the appointing authority or designee, that the persons named therein have been appointed and employed in accordance with the provisions of the Oklahoma Personnel Act and the rules promulgated hereunder. The appointing authority or designee may for proper cause withhold certification from an entire payroll or from any specific item or items thereon.

Any citizen may maintain a suit to restrain a disbursing officer from making any payment in contravention of any provision of the Oklahoma Personnel Act or rules promulgated hereunder. Any sum paid contrary to any provision of the Oklahoma Personnel Act or any rule promulgated hereunder may be recovered in an action maintained by any citizen, from any officer who made, approved or authorized such payment or who signed or countersigned a voucher, payroll, check or warrant for such payment, or from the sureties on the official bond of any such officer. All monies recovered in any such action shall be paid into the State Treasury.

Any person appointed or employed in contravention of any provision of the Oklahoma Personnel Act or any rules or orders promulgated hereunder, whose employment is brought within the terms

of the Oklahoma Personnel Act, who performs service for which he or she is not paid, may maintain an action against the officer or officers who purported to appoint or employ the person to recover the agreed pay for such services, or the reasonable value thereof if no pay was agreed upon. No officer shall be reimbursed by the state at any time for any sum paid to such person on account of such services.

If the appointing authority or designee wrongfully withholds certification of the payroll voucher or account of any employee, such employee may maintain an action or proceeding in the courts to compel the appointing authority or designee to certify such payroll voucher or account.

SECTION 870. AMENDATORY 74 O.S. 2011, Section 840-2.3, is amended to read as follows:

Section 840-2.3 The appointing authority in each agency of each branch of state government is responsible for affirmative action efforts and progress; provided, he or she may employ or assign a person to assist the agency in affirmative action and equal opportunity subject to the following provisions:

1. Any state agency with two hundred or more full-time-equivalent employees shall designate an individual as an affirmative action officer. This provision shall not require the hiring of additional employees.

2. The affirmative action officer shall report directly to the appointing authority. Nothing in this section shall prevent the appointment or designation of assistants to affirmative action officers in agencies as the appointing authority deems appropriate for the implementation of agency affirmative action plans and objectives; and

3. The affirmative action officer shall be knowledgeable of federal and state civil rights and equal opportunity legislation and regulations, of current social and economic conditions and inter-relationships of majority and minority groups, of grievance investigation and interviewing techniques and of report writing. Any person designated as an affirmative action officer shall meet the minimum qualifications and pass all examination requirements as established by the ~~Office of Personnel Management~~ Office of Management and Enterprise Services.

SECTION 871. AMENDATORY 74 O.S. 2011, Section 840-2.4, is amended to read as follows:

Section 840-2.4 The ~~Administrator~~ Director of the ~~Office of Personnel Management~~ Office of Management and Enterprise Services shall promulgate rules and standards for defining progress toward a balanced and representative work force for state government.

SECTION 872. AMENDATORY 74 O.S. 2011, Section 840-2.7, is amended to read as follows:

Section 840-2.7 ~~Beginning July 1, 1993, all~~ All state agencies, boards, commissions, departments and offices, excluding entities within The Oklahoma State System of Higher Education, shall utilize the central payroll system administered by the ~~state Office of Personnel Management~~ Office of Management and Enterprise Services. This provision shall not prohibit state institutions of higher education from utilizing the central payroll system at their discretion.

SECTION 873. AMENDATORY 74 O.S. 2011, Section 840-2.10, is amended to read as follows:

Section 840-2.10 A. There is hereby created a State Employee Assistance Program within the ~~Office of Personnel Management~~ Office of Management and Enterprise Services. The program may provide assistance to state agencies in their management of employees whose personal problems may have a negative impact on job performance. The program may also provide for assessment, referral, consultation, and problem resolution assistance to state employees and their family members seeking corrective help with medical or mental health problems, including alcohol or drug abuse and emotional, marital, familial, financial or other personal problems. Participation in the State Employee Assistance Program shall be on a voluntary basis.

B. The ~~Administrator~~ Director of the ~~Office of Personnel Management~~ Office of Management and Enterprise Services is hereby directed to:

1. Promulgate rules necessary for the administration of the State Employee Assistance Program and the maintenance and release of participant records;

2. Conduct training specific to the State Employee Assistance Program; and

3. Establish evaluation methods to assess the effectiveness of the State Employee Assistance Program.

C. Nothing in this act is intended to nullify any agency's existing employee assistance program or to prohibit any state agency from establishing its own employee assistance program; provided, however, such programs established by state agencies shall be subject to compliance with rules promulgated by the ~~Administrator~~ Director of the ~~Office of Personnel Management~~ Office of Management and Enterprise Services to ensure equitable treatment of employees.

D. Records that relate to participation by an individual in the State Employee Assistance Program or an employee assistance program established by a state agency shall be maintained separate and apart from regular personnel records and shall not become part of an employee's personnel file. Such records relating to an individual's participation in an employee assistance program shall be confidential and neither the records nor the testimony of an Employee Assistance Program professional shall be subject to subpoena unless a participant poses a threat to deliberately harm the participant or others. Such determination shall be made by an

Employee Assistance Program Professional. A participant in an employee assistance program shall have a right of access to his or her own employee assistance program records.

E. No provision of this section or the rules promulgated pursuant to this section shall be construed to conflict with an appointing authority's responsibility and authority to maintain discipline or to take disciplinary measures against employees for misconduct or unacceptable performance. Further, participation or nonparticipation in any state employee assistance program shall not excuse an employee from discipline or otherwise affect the terms and conditions of such employee's employment status or opportunities for advancement with the state.

F. 1. There is hereby created the Employee Assistance Program Advisory Council to assist in the implementation of the state's employee assistance program. The Council shall advise the ~~Administrator~~ Director on policy issues and provide support to expand and improve program services that are available to state employees and their families.

2. The Employee Assistance Program Advisory Council shall consist of the current nine (9) members who shall continue to hold their current positions through June 30, 1995. Effective July 1, 1995, three members shall be appointed by the Governor, three members shall be appointed by the Speaker of the House of Representatives, and three members shall be appointed by the

President Pro Tempore of the Senate. All members shall serve two-year terms, unless removed prior to the expiration of a term by the respective individual making the appointment. Any vacancy in office shall be filled by the individual who made the initial appointment. The Council shall select a chair and vice-chair from among its membership. A majority of the members of the Council shall constitute a quorum to transact business, but no vacancy shall impair the right of the remaining members to exercise all of the powers of the Council and every act of a majority of the members present shall be deemed the act of the Council.

3. Members of the Council shall receive no compensation for serving on the Council, but shall receive necessary travel reimbursement by the employing agency for members who are state employees or appointing authorities of agencies pursuant to the State Travel Reimbursement Act. Any member employed in state government shall receive the reimbursement from their employing entity. Members who are not employed in state government shall receive travel reimbursement from the ~~Office of Personnel Management~~ Office of Management and Enterprise Services.

4. The Council shall not have authority to adopt rules pursuant to the Administrative Procedures Act.

G. The Legislature and the judicial branch of state government may utilize the services of the State Employee Assistance Program at their discretion.

SECTION 874. AMENDATORY 74 O.S. 2011, Section 840-2.13, is amended to read as follows:

Section 840-2.13 A. The ~~Administrator~~ Director of the ~~Office of Personnel Management~~ Office of Management and Enterprise Services shall establish a Personnel Management Information System to provide various management reports to facilitate decision making within agencies, and to promote the efficient utilization of personnel resources by providing a method for tracking, monitoring and reporting positions and employee transactions. The System shall include information on both the classified and unclassified services within the executive branch of government, but shall not require institutions within The Oklahoma State System of Higher Education to participate.

B. The ~~Administrator~~ Director of the ~~Office of Personnel Management~~ Office of Management and Enterprise Services shall promulgate rules regarding the Personnel Management Information System as necessary to implement the provisions of this section. Such rules shall establish a schedule to ensure the orderly implementation of such Personnel Management Information System.

C. The Personnel Management Information System shall be implemented for all state agencies under the Merit System by July 1, 1993, and for all other executive branch state agencies by July 1, 1994.

D. State agencies shall assist the ~~Office of Personnel Management~~ Office of Management and Enterprise Services as necessary to ensure the orderly completion of implementation as provided for in this section.

E. Appointing authorities in the legislative or judicial branches of state government may participate in the Personnel Management Information System at their option.

SECTION 875. AMENDATORY 74 O.S. 2011, Section 840-2.14, is amended to read as follows:

Section 840-2.14 A. The intent of the Legislature is to increase individual agency skill and accountability in managing the costs associated with personnel and in applying controls that will enhance the ability of the State of Oklahoma to manage the overall costs of human resources as efficiently as possible, while continuing to maintain fairness to employees.

B. All agencies, boards, and commissions shall report all reallocation decisions for both classified and unclassified positions and all adjustments to pay grades or salary assignments for classes in the unclassified service to the ~~Office of Personnel Management~~ Office of Management and Enterprise Services on a semiannual basis. The ~~Office of Personnel Management~~ Office of Management and Enterprise Services shall submit the semiannual reports to the Governor, the President Pro Tempore of the Senate,

and the Speaker of the House of Representatives, along with an analysis of statewide reallocation decisions.

C. All agencies, boards, and commissions shall report to the ~~Office of Personnel Management~~ Office of Management and Enterprise Services on a semiannual basis all transactions in both the classified and unclassified service involving the establishment of new positions that have not been authorized specifically by legislative action. Agencies shall report the transactions for the six-month period ending June 30 or December 31. The ~~Office of Personnel Management~~ Office of Management and Enterprise Services shall forward the semiannual reports to the Governor, President Pro Tempore of the Senate, and Speaker of the House of Representatives, accompanied by an analysis of agency decisions concerning such positions.

D. As a further control on human resource costs, the Governor may declare a financial emergency or implement a freeze in hiring, by declaring this section to be in effect. CompSource Oklahoma shall not be subject to the provisions of this subsection. During such periods, no audits of classified positions or reallocation of unclassified positions shall be initiated or conducted at the request of an agency except at the direction of the Governor. The provisions of the Oklahoma Personnel Act relating to agency-requested audits may be suspended during such periods to the extent that they are in conflict with this section. Provided, an audit at

the request of an employee who files a classification grievance shall be conducted during such periods in accordance with the provisions of Section 840-4.3 of this title.

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

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

SECTION 876. AMENDATORY 74 O.S. 2011, Section 840-2.17, is amended to read as follows:

Section 840-2.17 A. Unless otherwise provided by the Oklahoma Constitution, language in law which authorizes the setting or fixing of compensation, pay or salary of state officers and employees shall not be construed to authorize any agency, board, commission, department, institution, bureau, executive officer or other entity of the executive branch of state government to award, grant, give, authorize, or promise any officer or employee of the State of Oklahoma a raise, including, but not limited to, a cost-of-living raise or any other type of raise that would be given to state

employees on an across-the-board basis, except as herein provided. Such raises are prohibited unless authorized by the Legislature and by Merit System of Personnel Administration Rules promulgated by the ~~Administrator~~ Director. This prohibition applies to all classified and unclassified officers and employees in the executive branch of state government, excluding institutions under the administrative authority of the Oklahoma State Regents for Higher Education.

B. However, nothing in this section shall be construed to prohibit the following actions if the action is made in good faith and not for the purpose of circumventing subsection A of this section, and if the appointing authority certifies that the action can be implemented for the current fiscal year and the subsequent fiscal year without the need for additional funding to increase the personal services budget of the agency:

1. Salary advancements on promotion or direct reclassification to a job family level or class with a higher salary band;

2. Salary adjustments resulting from a pay band change for a job family level or class adopted by the ~~Office of Personnel Management~~ Office of Management and Enterprise Services;

3. Increases in longevity payments pursuant to Section 840-2.18 of this title;

4. Payment of overtime, special entrance rates, pay differentials;

5. Payment of wages, salaries, or rates of pay established and mandated by law;

6. Market adjustments for job family levels tied to market competitiveness;

7. Intra-agency lateral transfers, provided that the adjustment does not exceed five percent (5%) and the adjustment is based on the needs of the agency;

8. Skill-based adjustments. Such adjustments, which are implemented before November 1, 2006, other than lump-sum payments, shall become permanent after twenty-four (24) months from the date such salary adjustment is implemented and may not later be removed from an employee's base salary if a furlough or reduction-in-force is implemented by the appointing authority granting such salary adjustment. Skill-based pay adjustments, which are implemented on or after November 1, 2006, and which are paid to an employee, shall be paid as long as the employee remains employed in the position and performs the skills for which the differential is due, but shall not be included as a part of the employee's base salary;

9. Equity-based adjustments;

10. Performance-based adjustments for employees who received at least a "meets standards" rating on their most current performance rating;

11. Career progression increases as an employee advances through job family levels; or

12. Salary adjustments not to exceed five percent (5%) for probationary classified employees achieving permanent status following the initial probationary period and permanent classified employees successfully completing trial periods after intra-agency lateral transfer or promotion to a different job family level or following career progression to a different job family level.

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

D. The pay movement mechanisms described in paragraphs 6 through 11 in subsection B of this section shall be implemented pursuant to rules promulgated by the ~~Administrator~~ Director of the ~~Office of Personnel Management~~ Office of Management and Enterprise Services for the classified service.

E. Appointing authorities may implement the pay movement mechanisms in paragraphs 6 through 12 in subsection B of this section subject to the availability of funds within the agency's budget for the current fiscal year and subsequent fiscal year without the need for additional funding to increase the personal services budget of the agency. Failure by the appointing authority to follow the provisions of this subsection may cause the withdrawal of the use of the pay movement mechanisms provided in paragraphs 6,

7, 9, 10 and 11 of subsection B of this section within the agency during the next appropriations cycle.

F. The provisions in subsection B of this section shall not apply to chief executive officers of any agency, board, commission, department or program except for paragraphs 3 and 5 of subsection B of this section.

SECTION 877. AMENDATORY 74 O.S. 2011, Section 840-2.18, is amended to read as follows:

Section 840-2.18 A. A longevity pay plan is hereby adopted. This plan applies to all state classified, unclassified, and exempt employees, excluding members of boards and commissions, institutions under the administrative authority of the State Regents for Higher Education, employees of public school districts, and elected officials. The plan shall also apply to those employees of the Oklahoma School for the Blind and the Oklahoma School for the Deaf who qualify for longevity pay in accordance with subsection ~~D~~ G of Section 1419 of Title 10 of the Oklahoma Statutes.

B. The Oklahoma Conservation Commission is hereby authorized to establish a longevity pay program for employees of the conservation districts employed under Section 3-3-103 of Title 27A of the Oklahoma Statutes. Such longevity pay program shall be consistent with the longevity pay program for state employees authorized under this title and payments shall be made in a manner consistent with procedures for reimbursement to conservation districts.

C. To be eligible for longevity pay, employees must have been continuously employed in the classified or unclassified service of the state for a minimum of two (2) years in full-time status or in part-time status working more than one thousand (1,000) hours a year.

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

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

Years of Service	Annual Longevity Payment
At least 2 years but less than 4 years	$250.00
At least 4 years but less than 6 years	$426.00
At least 6 years but less than 8 years	$626.00

At least 8 years but less than 10 years	$850.00
At least 10 years but less than 12 years	$1,062.00
At least 12 years but less than 14 years	$1,250.00
At least 14 years but less than 16 years	$1,500.00
At least 16 years but less than 18 years	$1,688.00
At least 18 years but less than 20 years	$1,900.00
At least 20 years	$2,000.00

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

The total amount of the annual longevity payment made to an employee by any and all state agencies in any year shall not exceed the amount shown on the table corresponding to that employee's years of service with the state, except as otherwise provided by Sections 840-2.27D and 840-2.28 of this title. Further, no employee shall receive duplicating longevity payments for the same periods of

service with any and all agencies, except as otherwise provided by Sections 840-2.27D and 840-2.28 of this title.

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

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

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

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

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

G. Years of service shall be certified through the current employing agency by the appointing authority on a form approved by

the ~~Office of Personnel Management~~ Office of Management and Enterprise Services. ~~Said~~ The form shall be completed and posted as directed by the ~~Administrator~~ Director of the ~~Office of Personnel Management~~ Office of Management and Enterprise Services by the current employing agency when the employee initially enters on duty with the agency and thereafter whenever the employee's anniversary date is changed.

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

Eligible employees who would not otherwise receive annual longevity payments because their employment includes regular periods

of leave without pay in excess of thirty (30) calendar days shall receive one (1) lump-sum annual payment, based on the formula in subsection L of this section, during:

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

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

Except as otherwise provided by Sections 840-2.27D and 840-2.28 of this title, employees terminated as a result of a reduction-in-force or retiring from state employment shall receive upon said termination or retirement the proportionate share of any longevity payment which may have accrued as of the date of termination or retirement. Provided further that, the proportionate share of any longevity payment which may have accrued as of the date of death of an employee shall be made to the surviving spouse of the employee or if there is no surviving spouse to the estate of the employee.

I. Periods of leave without pay taken in accordance with Section 840-2.21 of this title shall be counted as service. Other periods of nonpaid leave status in excess of thirty (30) calendar days shall not mark a break in service; however, they shall:

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

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

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

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

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

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

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

O. As of July 1, 1998, years of service with a city-county health department for employees who left a city-county health department for employment with the Department of Environmental Quality or the ~~State~~ Oklahoma Department of Agriculture, Food, and Forestry, between July 1, 1993, and July 1, 1998, and who are now employed in a job classification that is eligible for longevity pay pursuant to this section, shall be included in years of service for purposes of determining longevity pay subsequent to July 1, 1998.

P. As of July 1, 2003, years of service with a local conservation district shall be included in years of service for purposes of determining longevity pay for local conservation district employees transferred to the Oklahoma Conservation Commission pursuant to the provisions of ~~Enrolled Senate Bill No. 149 of the 1st Session of the 49th Legislature~~ this section.

SECTION 878. AMENDATORY 74 O.S. 2011, Section 840-2.19, is amended to read as follows:

Section 840-2.19 A. The Director of ~~State Finance~~ the Office of Management and Enterprise Services shall not approve any payroll claim for payment for any agency unless said claim contains or is accompanied by the certification by the administrative head of said agency or an authorized employee of said agency that the persons named in said claim have been appointed and employed in accordance with the provisions of the Oklahoma Personnel Act and the rules and orders promulgated pursuant to the provisions of the Oklahoma Personnel Act. For purposes of this section, "payroll claim" shall also include longevity payments made pursuant to Section 840-2.18 of this title.

B. If, as a result of a payroll audit, the ~~Office of Personnel Management~~ Office of Management and Enterprise Services finds that an agency has made payments of salaries or wages contrary to the provisions of the Oklahoma Personnel Act and the rules promulgated pursuant to the provisions of the Oklahoma Personnel Act:

1. Audit findings shall be promptly transmitted to the appointing authority of the agency certifying the payroll claim or claims involved; ~~and~~

2. An audit conference with said agency shall be scheduled within fifteen (15) days, at which time the audit exceptions will be resolved or become a determination of error unless the parties to the conference agree to a further review; ~~and~~

3. If underpayments or overpayments made by said agency are deemed to be the result of administrative error, the agency which certified the payroll claim or claims in error shall refund to the employee the balance of the actual amounts due and owing to the payee or shall seek repayment from the payee of any amount paid in excess of the actual amount due and owing the payee; ~~and~~

4. If an agency neglects or refuses to seek repayment after a determination that an error in payroll amount or amounts has been made, or to properly adjust a then current salary or wage, the ~~Office of Personnel Management shall notify the~~ Director ~~of State Finance~~ of the Office of Management and Enterprise Services shall note an unresolved audit exception stating the agency involved and the person to whom said exception refers; ~~and~~

5. Upon receipt of notification that a procedure to initiate repayment has been instituted by the certifying agency or that a protest has been filed with the Oklahoma Merit Protection Commission, said notice shall be withdrawn or waived by the ~~Office of Personnel Management, in writing, to the~~ Director of ~~State Finance~~ the Office of Management and Enterprise Services. Implementation of procedures provided in this section shall not operate to deny or delay payment of proper salaries or wages to any employee of this state; ~~and~~

6. The provisions of this section regarding collections of any overpayment of salaries or wages by any agency to any state employee

or officer shall not include any such overpayment made prior to July 1, 1983;

7. Recovery of overpayments from an employee shall include all overpayments occurring within one (1) year prior to the determination of error. Disbursement of underpayments to an employee shall include all underpayments made within a period of two (2) years prior to the determination of error; and

8. If an agency discovers overpayment or underpayment errors through an internal audit, the agency shall recover overpayments from the employee or disburse underpayment amounts in accordance with this section. Prior to initiation of recovery of overpayments from an employee, the agency shall provide the employee with adequate notice and an opportunity to respond.

C. The Director of ~~State Finance~~ the Office of Management and Enterprise Services shall not approve any payroll claim for payment for any agency for which ~~the Office of Personnel Management has filed with the Director of State Finance~~ a notification of an unresolved audit exception pursuant to this section has been filed, unless the person named in the audit exception has been removed from the payroll by the certifying agency, the overpayment has been converted by the agency, or the exception has been withdrawn or waived in writing by the ~~Office of Personnel Management~~ Office of Management and Enterprise Services.

D. Any sum on a payroll claim found to have been paid in excess of the actual amount due and owing may be recovered from the payee through the following procedures:

1. Upon the determination that an error in payroll amount has been made, the agency which certified the claim or claims shall notify the payee in writing within ten (10) days from said determination. The notice to the payee shall contain:

a. the amounts paid in error~~; and~~,

b. the dates of said payments~~; and~~,

c. the options available for repayment~~;~~, and

d. the right of the payee to protest the findings.

Said notice shall also provide space for the payee to indicate an election of a repayment option or to protest the findings. Said election shall be required within thirty (30) days after the notification~~.~~;

2. If the payee is, at the time of said notification, an officer or employee of the agency seeking repayment, options available for repayment shall be by:

a. lump-sum cash repayment~~; or~~,

b. reduction of the corrected current salary or miscellaneous payroll deduction in a lump sum or in installments over a term not to exceed the term in which the erroneous payments were made~~; or~~,

c. reduction in accrued annual leave by an amount of time at the then current correct salary level equal in value to the total of the amount or amounts to be repaid~~;~~, or

d. any combination thereof~~.~~;

3. If the payee is, at the time of said notification, an officer or employee of an agency of the state other than the agency seeking repayment, the options provided by paragraph 2 of this subsection may be exercised by the payee with the approval of the then current employing agency. Payment of amounts deducted or charged against annual leave shall be paid to the agency seeking repayment by an appropriate miscellaneous claim for interagency payment. If a payroll deduction is elected pursuant to the provisions of this paragraph and employment is subsequently terminated, any balance remaining shall be deducted from any final payment otherwise due to the employee~~.~~;

4. If a payee who is, at the time of said notification, a permanent classified officer or employee of any agency of this state protests the determination of the error or the amount of said determination, the agency seeking repayment shall present, within five (5) days of the return of said protest, the facts in writing, the notice, and the protest of the payee, to the Oklahoma Merit Protection Commission. The Oklahoma Merit Protection Commission shall treat any such protest as a complaint pursuant to Section 840-

1.9 of this title. The Commission and Executive Director, after investigation and hearing, shall make a determination which shall be binding on the agency. The salary or wages of any payee exercising the right to the protest shall not be suspended or reduced until a determination has been issued by the Oklahoma Merit Protection Commission and Executive Director~~.~~;

5. If the payee is no longer an employee of the state but agrees to repay the amount or amounts paid in error, repayment may be accepted:

a. by lump-sum cash repayment~~;~~, or

b. in installments over a period not to exceed twelve (12) months~~.~~;

6. If the payee is no longer an employee of the state, and does not respond or cannot be located within ten (10) days after mailing of the determination of error, or refuses repayment, the agency seeking repayment shall present the facts in writing to the Attorney General and shall send a copy to the ~~Office of Personnel Management~~ Office of Management and Enterprise Services. The Attorney General shall determine what action may be taken to recover said amount~~.~~; and

7. Repayments other than by reduction in present salary or reduction in accrued annual leave for a payee currently employed by the agency seeking repayment shall be deposited in the General Revenue Fund unless the fund to which the amount in error was

originally charged can be identified and was other than a General Revenue Fund appropriation. Said deposits shall be treated as nonrevenue receipts.

SECTION 879. AMENDATORY 74 O.S. 2011, Section 840-2.20, is amended to read as follows:

Section 840-2.20 A. The ~~Administrator~~ Director of the ~~Office of Personnel Management~~ Office of Management and Enterprise Services shall promulgate such emergency and permanent rules regarding leave and holiday leave as are necessary to assist the state and its agencies.

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

1. Eligible employees who enter on duty or who are reinstated after a break in service shall receive leave benefits in accordance with the schedule outlined below. Leave shall be accrued based upon hours worked, paid leave, and holidays, but excluding overtime, not to exceed the total possible work hours for the pay period. Years of service shall be based on cumulative periods of employment calculated in the manner that cumulative service is determined for longevity purposes pursuant to Section 840-2.18 of this title. Employees may accumulate more than the maximum annual leave accumulation limits shown in the schedule below, provided that such

excess is used during the same calendar year in which it accrues or within twelve (12) months of the date on which it accrues, at the discretion of the appointing authority. If an employee whose job duties include providing fire protection services, law enforcement services or services with the Department of Corrections is unable to use excess leave as provided for in this paragraph because the employee's request for leave is denied by the employee's appointing authority and the denial of leave is due to extraordinary circumstances such that taking leave could pose a threat to public safety, health or welfare, the employee shall receive compensation at the employee's regular rate of pay for the amount of excess leave the employee is unable to use. Such compensation shall be paid at the end of the time period during which the excess leave was required to have been used~~.~~;

2. From November 1, 2001, the following accrual rates and accumulation limits apply to eligible employees as follows:

		ACCRUAL RATES		ACCUMULATION LIMITS
	Cumulative Years of Service	Annual Leave	Sick Leave	Annual Leave
Persons employed	0-5 yrs =	15 day/yr	15 days/yr	30 days
	5-10 yrs =	18 day/yr	15 days/yr	60 days
	10-20 yrs =	20 day/yr	15 days/yr	60 days

over 20 yrs = 25 day/yr 15 days/yr 60 days

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

4. Employees shall not be entitled to retroactive accumulation of leave as a result of amendments to this section~~.~~;

5. The ~~Administrator~~ Director of the ~~Office of Personnel Management~~ Office of Management and Enterprise Services and the Executive Director of the Oklahoma Merit Protection Commission shall cooperate to assist agencies in developing policies to prevent violence in state government workplaces without abridging the rights of state employees. Such policy shall include a paid administrative leave provision as a cooling-off period which the ~~Administrator~~ Director of the ~~Office of Personnel Management~~ Office of Management and Enterprise Services is authorized to provide pursuant to the Administrative Procedures Act. Such leave shall not be charged to annual or sick leave accumulations~~.~~;

6. State employees who terminated their employment in the state service on or after October 1, 1992, may be eligible to have sick leave accrued at the time of termination of employment restored if they return to state employment, provided that the state employees' enter-on-duty dates for reemployment occur on or before two (2)

years after their termination of employment and they are eligible to accrue sick leave before the two (2) years expire~~.~~;

7. Employees who are volunteer firefighters pursuant to the Oklahoma Volunteer Firefighters Act and who are called to fight a fire shall not have to use any accrued leave or need to make up any time due to the performance of their volunteer firefighter duties~~.~~;

8. Employees who are reserve municipal police officers pursuant to Section 34-101 of Title 11 of the Oklahoma Statutes and who miss work in performing their duties in cases of emergency shall not have to use any accrued leave or need to make up any time due to the performance of their reserve municipal police officer duties~~.~~; and

9. Employees who are reserve deputy sheriffs pursuant to Section 547 of Title 19 of the Oklahoma Statutes and who miss work in performing their duties in case of emergency shall not have to use any accrued leave or need to make up any time due to the performance of their reserve deputy sheriff duties.

B. Nothing in the Oklahoma Personnel Act is intended to prevent or discourage an appointing authority from disciplining or terminating an employee due to abuse of leave benefits or absenteeism. Appointing authorities are encouraged to consider attendance of employees in making decisions regarding promotions, pay increases, and discipline.

C. Upon the transfer of a function in state government to an entity outside state government, employees may, with the agreement

of the outside entity, waive any payment for leave accumulations to which the employee is entitled and authorize the transfer of the leave accumulations or a portion thereof to the outside entity.

SECTION 880. AMENDATORY 74 O.S. 2011, Section 840-2.20A, is amended to read as follows:

Section 840-2.20A A. When an agency of the State of Oklahoma or part of such an agency is closed because of an imminent peril threatening the public health, safety, or welfare of state employees or the public, the appointing authority shall place employees who are scheduled to work in the closed area on paid administrative leave or shall assign them to work in another location. Employees who are on paid administrative leave shall be in standby or on-call status during their normal scheduled duty hours. The appointing authority may call such employees to return to their normal duties and work location or respond to the demands of the situation as necessary.

B. When the Governor or a designee of the Governor authorizes agencies or parts of agencies to maintain basic minimum services because hazardous weather conditions impede or delay the movement of employees to and from work, employees responsible for providing such basic minimum services shall report to work. Appointing authorities of agencies shall be responsible for determining essential agency functions and ensuring that employees who staff such functions are so informed. Leave alternatives for those employees not responsible

for basic minimum services shall be established by the ~~Administrator~~ Director of the ~~Office of Personnel Management~~ Office of Management and Enterprise Services.

C. Appointing authorities of affected agencies shall notify the ~~Office of Personnel Management~~ Office of Management and Enterprise Services of agency closings and reductions in services pursuant to this section.

D. The provisions of this section are applicable to agencies and employees in the executive department of state government, including those on temporary and other limited term appointments. The provisions of this section shall not be applicable to employees of institutions within The Oklahoma State System of Higher Education.

E. The ~~Administrator~~ Director of the ~~Office of Personnel Management~~ Office of Management and Enterprise Services shall adopt rules necessary to implement the provisions of this section.

SECTION 881. AMENDATORY 74 O.S. 2011, Section 840-2.21, is amended to read as follows:

Section 840-2.21 A. If a state employee, whether in the classified or unclassified service, is absent because of an illness or injury arising out of and sustained in the course of his or her employment with the state, and for which workers' compensation benefits have been filed, the employing agency shall place the employee on leave without pay if the employee so requests; provided,

leave without pay pursuant to this section shall not for any purpose be considered a break in service.

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

C. An employee placed on leave without pay pursuant to the provisions of this section shall continue receiving basic plan insurance coverage as defined in Section 1363 of this title and dependent insurance benefit allowance pursuant to paragraph 2 of subsection C of Section 1370 of this title paid by the agency during the leave without pay.

D. An employee on leave without pay pursuant to the provisions of this section shall have the right to be returned to his or her original position in accordance with rules promulgated by the ~~Office of Personnel Management~~ Office of Management and Enterprise Services. If it is found necessary for the good of the state to fill the position during the period the employee is on leave without pay the employee filling the position shall vacate the position upon the return of the employee on leave without pay, subject to layoff, transfer or demotion rights earned under the Oklahoma Personnel Act and rules of the ~~Office of Personnel Management~~ Office of Management and Enterprise Services. The right to return to the original

position shall expire one (1) year from the date of the start of leave without pay. ~~Notwithstanding the provisions of Section 1 et seq. of Title 85 of the Oklahoma Statutes, the~~ The employee may be separated in accordance with the Oklahoma Personnel Act and ~~Merit~~ Office of Management and Enterprise Services Rules if the employee has not returned to the original position of the employee or some other position within the agency within one (1) year from the date of the start of leave without pay.

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

F. If the employee becomes medically able with reasonable accommodation to perform the duties of his or her original position, the employee shall be returned to such position. If the employee is unable to perform the duties of the original position with reasonable accommodation, but is medically able with reasonable accommodation to perform the duties of any other position within the agency for which the employee is qualified, and appointment to such other position does not constitute a promotion, the employee shall have first preference for any such position which becomes vacant within the agency, notwithstanding any other preference provisions of the Oklahoma Personnel Act or of other laws of the State of Oklahoma. An employee accepting another position pursuant to this

subsection shall not forfeit his or her right to be returned to the original position within twelve (12) months after the start of leave without pay pursuant to the provisions of subsection D of this section.

G. An ill or injured employee shall be eligible to participate in the Disability Insurance Program established pursuant to the provisions of Section 1331 et seq. of this title in accordance with rules promulgated by the ~~State and Education Employees Group Insurance Board~~ Office of Management and Enterprise Services.

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

I. A classified employee who is separated pursuant to subsection D of this section shall be eligible for reinstatement to employment with any state agency for twelve (12) months after the date of separation whether in the classified or unclassified service in accordance with rules adopted by the ~~Administrator~~ Director of the ~~Office of Personnel Management~~ Office of Management and Enterprise Services provided the employee is qualified for the position to which reinstated. An unclassified employee who is

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

SECTION 882. AMENDATORY 74 O.S. 2011, Section 840-2.22, is amended to read as follows:

Section 840-2.22 The ~~Administrator~~ Director of the ~~Office of Personnel Management~~ Office of Management and Enterprise Services shall promulgate emergency and permanent leave rules as necessary to implement the federal Family and Medical Leave Act of 1993 and rules thereto. Such leave rules shall permit an employee to select any one or a combination of the following types of leave to account for authorized absences covered by the Family and Medical Leave Act of 1993: leave without pay; annual and sick leave accumulated by the

employee; and annual and sick leave donated by other state employees; and compensatory time.

SECTION 883. AMENDATORY 74 O.S. 2011, Section 840-2.26, is amended to read as follows:

Section 840-2.26 A. In order to provide increased services to the public, to assist state employees in meeting the needs of their families, improve employee morale and productivity, appointing authorities are encouraged to consider the adoption of flextime attendance policies and alternative work schedules.

B. For purposes of this section, "flextime" means a regular, eight-hour-day work schedule that permits the use of alternative starting and ending times within limits set by the appointing authority and that includes a common work period during which all employees are expected to be present.

C. The ~~Administrator~~ Director of the ~~Office of Personnel Management~~ Office of Management and Enterprise Services shall provide technical assistance to agencies in developing flextime policies and alternative work schedules and shall promulgate rules pursuant to the Administrative Procedures Act as necessary for such policies.

SECTION 884. AMENDATORY 74 O.S. 2011, Section 840-2.27C, is amended to read as follows:

Section 840-2.27C A. At least sixty (60) days before the scheduled beginning of reduction-in-force separations or as

otherwise provided by law, the appointing authority shall post in each office of executive branch agencies affected by the proposed reduction-in-force notice that a reduction-in-force will be conducted in accordance with the Oklahoma Personnel Act and Merit rules. The reduction-in-force implementation plan shall be provided to the Director of ~~State Finance~~ the Office of Management and Enterprise Services and any state employee association representing state employees at such time. The notice shall not be posted unless approved by the cabinet secretary for the agency conducting the reduction-in-force. If there is no incumbent cabinet secretary for the agency, the cabinet-secretary-notice-approval requirement shall not be applicable. If the appointing authority is governed by an elected official, the cabinet-secretary-notice-approval requirement shall not be applicable. The approved notice shall be posted in each office affected by the proposed plan for five (5) days. The appointing authority shall provide a copy of the notice to the Administrator. A reduction-in-force shall not be used as a disciplinary action.

B. The reduction-in-force implementation plan and subsequent personnel transactions directly related to the reduction-in-force in executive branch agencies shall be in compliance with rules adopted by the Administrator. The reduction-in-force implementation plan, including the description of and reasons for displacement limits and protections from displacement actions, and severance benefits that

will be offered pursuant to Section 840-2.27D of this title shall be posted in each office affected by the plan within five (5) business days after posting of the reduction-in-force notice. The reduction-in-force implementation plan shall:

1. Provide for the appointing authority to determine the specific position or positions to be abolished within specified units, divisions, facilities, agency-wide or any parts thereof;

2. Provide for retention of affected employees based on type of appointment;

3. Require the separation of probationary classified affected employees in affected job family levels, except those affected employees on probationary status after reinstatement from permanent classified status without a break in service, prior to the separation or displacement of any permanent classified affected employee in an affected job family level;

4. Provide for retention of permanent classified affected employees in affected job family levels and those affected employees on probationary status after reinstatement from permanent classified status without a break in service based upon consideration of years of service;

5. Provide for exercise of displacement opportunities by permanent classified affected employees and those affected employees on probationary status after reinstatement from permanent classified

status without a break in service if any displacement opportunities exist; and

6. Provide outplacement assistance and employment counseling from the Oklahoma Employment Security Commission and any other outplacement assistance and employment counseling made available by the agency to affected employees regarding the options available pursuant to the State Government Reduction-in-Force and Severance Benefits Act prior to the date that a reduction-in-force is implemented.

C. If an agency implements a reduction-in-force then it shall give a veteran's preference over affected nonveterans who have equal retention points to the affected veteran.

D. The Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services shall review the fiscal components of the reduction-in-force implementation plan and within five (5) business days of receipt reject any plan that does not:

1. Demonstrate that funds are available to cover projected costs;

2. Contain an estimate of the number of affected employees likely to participate in the education voucher program established in Section 840-2.27D of this title; and

3. Contain an estimate of the cost savings or reduced expenditures likely to be achieved by the agency.

If the reduction-in-force is conducted pursuant to a reorganization, the fiscal components of the reduction-in-force implementation plan shall contain reasons for the reorganization, which may include, but not be limited to, increased efficiency, improved service delivery, or enhanced quality of service.

E. The appointing authority may limit displacement of affected employees at the time of a reduction-in-force. Displacement limits shall not be subject to the approval of the Administrator. Any limitation shall be based upon reasonable, written, articulated criteria as certified by the appointing authority. If displacement is limited, the appointing authority shall take action to avoid or minimize any adverse impact on minorities or women.

1. The appointing authority may protect from displacement action up to twenty percent (20%) of projected post-reduction-in-force employees in affected positions within displacement limits; provided, that any fractional number resulting from the final mathematical calculation of the number of those positions shall be rounded to the next higher whole number. The appointing authority must explain why affected employees are being protected.

2. If the affected employee has not held within the last five (5) years a position in the job family level or predecessor class in which the affected employee is otherwise eligible for a displacement opportunity, the appointing authority may determine that the

affected employee does not possess the recent relevant experience for the position and deny in writing the displacement opportunity.

3. An affected permanent classified employee may exercise a displacement privilege, if one exists, if the affected employee has received an overall rating of at least "meets standards", or its equivalent, on the most recent annual service rating. If an affected employee has not been rated in accordance with the time limits established in Section 840-4.17 of this title, the employee shall be deemed to have received an overall rating of at least "meets standards" or its equivalent on the most recent service rating.

4. An affected employee who exercises a displacement privilege pursuant to this section shall:

a. be required, as a condition of continued employment by the agency, to sign an agreement, in a form to be prescribed by the ~~Administrator~~ Director of the Office of ~~Personnel Management~~ Management and Enterprise Services, acknowledging that the employee had an opportunity to receive severance benefits and affirmatively elected to exercise a displacement privilege and to forego such benefits. An affected employee who signs the agreement required by this subparagraph waives any privilege which might otherwise have been available to the affected employee

pursuant to the agreement for the provision of severance benefits, and

b. not have the right to exercise any subsequent right to receive severance benefits from the agency for which the affected employee performs services on the date that the employee exercises a displacement privilege. The provisions of this section shall not prohibit any person from exercising a displacement privilege in, or accepting severance benefits from, more than one agency during employment with the State of Oklahoma or from the agency which the affected employee exercised a displacement privilege in any future reduction-in-force.

F. An affected employee who does not agree pursuant to Section 840-2.27E of this title to accept severance benefits and who does not have a displacement opportunity or does not accept a displacement opportunity shall be separated by the reduction-in-force and shall not receive any severance benefits that would have otherwise been provided pursuant to Section 840-2.27D of this title.

G. Permanent classified affected employees and those affected employees on probationary status after reinstatement from permanent classified status without a break in service who were removed from a job family level by taking a position in another job family level through displacement or separated after foregoing severance benefits

shall be recalled by the agency to the job family level from which they were removed in inverse order of removal before the agency may appoint other persons to the job family level, from the employment register, by internal action or from Priority Reemployment Consideration Rosters as provided by this section. Upon declination of an offer of reappointment to the job family level from which the employee was removed or eighteen (18) months after the date of removal from the job family level, whichever is first, this right to be recalled shall expire.

H. The names of permanent classified affected employees and those affected employees on probationary status after reinstatement from permanent classified status without a break in service who have been separated pursuant to the State Government Reduction-in-Force and Severance Benefits Act, who apply and meet all requirements for state jobs in the classified service shall be placed on Priority Reemployment Consideration Rosters for a maximum of eighteen (18) months after the date of separation. Before any vacant position is filled by any individual eligible for initial appointment from the employment register, individuals on the Priority Reemployment Consideration Rosters shall be given priority consideration for reemployment by any state agency within eighteen (18) months after the date of the reduction-in-force. Upon declination of an offer of reemployment to a job family level having the same or higher pay band than the job family level from which the employee was removed,

or eighteen (18) months after the date of separation, whichever is first, this priority consideration for reemployment shall expire. If an agency has posted a reduction-in-force plan and implementation schedule, all affected employees in positions covered by the plan and any within the displacement limits established by the appointing authority of the agency who have been separated shall be eligible for priority reemployment consideration.

I. If an agency or any part thereof is scheduled to be closed or abolished as a result of legislation or a court order, the affected employees, who would be eligible for Priority Reemployment Consideration after their separation in accordance with subsection H of this section, may apply and, if qualified and eligible, shall be accorded Priority Reemployment Consideration not to exceed twelve (12) months before the scheduled date of separation. If an agency has posted a reduction-in-force plan and implementation schedule, all affected employees in positions covered by the plan and any within the displacement limits established by the appointing authority of the agency shall be eligible for Priority Reemployment Consideration beginning with the date the schedule is posted, not to exceed twelve (12) months before the scheduled date of separation.

J. When the Legislature is not in session, the Contingency Review Board may, upon the request of the Governor, direct agencies, boards and commissions to reduce the number of employees working for the agency, board or commission whenever it is deemed necessary and

proper. Such reduction shall be made pursuant to reduction-in-force plans as provided in this section.

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

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

3. Notwithstanding existing laws or provisions to the contrary, members of state boards and commissions shall not receive per diem expenses during periods of mandatory furlough. The Contingency Review Board shall additionally call upon elected officials, members

of the judiciary, and other public officers whose salary or emoluments cannot be altered during current terms of office, to voluntarily donate to the General Revenue Fund any portion of their salary which would otherwise have been affected by a mandatory furlough.

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

M. The appointing authority of an agency which has an approved reduction-in-force plan pursuant to the State Government Reduction-in-Force and Severance Benefits Act may request the ~~Administrator~~ Director of the Office of ~~Personnel~~ Management and Enterprise Services to appoint an interagency advisory task force for the purpose of assisting the agency and its employees with the implementation of the reduction-in-force. The appointing authority of state agencies requested by the Administrator to participate on a task force shall assign appropriate administrative personnel necessary to facilitate the necessary assistance required for the efficient implementation of the approved reduction-in-force.

SECTION 885. AMENDATORY 74 O.S. 2011, Section 840-2.27D, is amended to read as follows:

Section 840-2.27D A. Agencies shall provide severance benefits to affected employees who are separated from the state service as a result of a reduction-in-force due to a reorganization or any other action by an agency which results in affected positions being abolished and affected employees being severed from the state service. Severance benefits shall be given to the following categories of affected employees: permanent classified affected employees and affected employees on probationary status after reinstatement from permanent classified status without a break in service; provided, however, affected employees of the University Hospitals Authority must have been continuously employed in the state service since on or before January 1, 1995, to receive severance benefits. Pursuant to this section and Section 840-5.1A of this title, state agencies may provide severance benefits provided by this subsection to regular unclassified employees with one (1) year or more continuous state service who are separated from the state service for budgetary reasons; however, state agencies shall offer regular unclassified state employees with one (1) year or more continuous state service who are separated from the state service the same severance benefit as the affected employees in a reduction-in-force if the unclassified employees' separation is as a result of the conditions causing the agency to implement a reduction-in-force. Affected employees who qualify for severance benefits pursuant to this section, in addition to the payment of any

compensable accrued leave or other benefits an affected employee is eligible to receive upon separation from the state service, shall receive severance benefits consisting of the following elements:

1. All agency severance benefits shall provide the following:

a. payment equal to the affected employee's current health insurance premium for the affected employee only for eighteen (18) months based on the cost of the premium at the time of the reduction-in-force. The appointing authority of the agency can ask the Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services to waive the severance benefit provision in this subparagraph or to reduce the length of coverage or subsequent severance benefit payment upon demonstration of the agency's inability to fund the full benefit,

b. a longevity payment, as prescribed by Section 840-2.18 of this title, in the amount which would otherwise be paid to the affected employee on the affected employee's next anniversary date. For the purposes of this subparagraph, the University Hospitals Authority shall calculate longevity for affected employees who were members of the University Hospitals Authority Model Personnel System pursuant to Section 3211 of Title 63 of the Oklahoma Statutes for all state

service as would otherwise be determined by Section 840-2.18 of this title, and

c. outplacement assistance and employment counseling prior to and after the reduction-in-force from the Oklahoma Employment Security Commission and other state or private entities that the entity may contract with to assist individuals who may be impacted by a reduction-in-force;

2. In addition to the severance benefits provided by paragraph 1 of this subsection, agencies may give affected employees, except as otherwise provided by paragraph 3 of this subsection, severance benefit packages based on any combination of the following options, provided that all affected employees who receive severance benefits in the reduction-in-force shall be accorded uniform treatment pursuant to the State Government Reduction-in-Force and Severance Benefits Act:

a. up to one (1) week of pay, calculated by dividing the affected employee's current annual salary by the whole number fifty-two (52), for each year of service,

b. a maximum lump-sum payment of Five Thousand Dollars ($5,000.00), and

c. payment for accumulated sick leave or extended illness benefits at up to one-half (1/2) of the affected

employee's hourly rate not otherwise used pursuant to law for conversion to credited retirement credit; and

3. An affected employee may direct payment of all or a portion of the affected employee's severance benefits to the options authorized by this paragraph by exercising an option to receive education vouchers for use in connection with the Reduction-in-Force Education Voucher Action Fund subject to the following requirements and rules of the ~~Administrator~~ Director of the Office of ~~Personnel Management~~ Management and Enterprise Services, provided that the agency offers to match employee severance funds pursuant to this paragraph. In such case:

a. the affected employee may purchase One Dollar ($1.00) in voucher credit for each One Dollar ($1.00) contributed by the affected employee to the fund subject to a maximum affected employee contribution of Three Thousand Dollars ($3,000.00) which may be matched by a maximum agency contribution of Three Thousand Dollars ($3,000.00); provided, that the agency contribution shall not exceed the contribution of the affected employee,

b. the affected employee may pay the cost for the voucher program directly, subject to the requirements of subparagraph a of this paragraph, or the employing agency of the affected employee may pay the cost of

the voucher from funds which would otherwise have been used to make payments to the displaced affected employee pursuant to an election by the affected employee to receive severance benefits,

c. no voucher issued pursuant to the provisions of this paragraph shall:

(1) be redeemed by the affected employee for cash or anything of value other than the cost of tuition and fees at a public or private educational institution within the State of Oklahoma, or

(2) be valid longer than a period of four (4) years from the date upon which the voucher is issued to the affected employee,

d. the ~~Administrator~~ Director of the Office of ~~Personnel Management~~ Management and Enterprise Services shall pay tuition and fees directly to the educational institution and shall receive any refunds for payment of tuition and fees from the educational institution which shall be credited to the affected employee's account, and

e. the ~~Administrator~~ Director of the Office of ~~Personnel Management~~ Management and Enterprise Services shall distribute to the affected employee and the agency any monies remaining in the affected employee's account

after the voucher credit has expired. The distribution shall be based on the proportional share of contributions made by the affected employee and the agency.

B. Each affected employee who is separated from state service as a result of a reduction-in-force after July 1, 1998, besides being eligible for the eighteen (18) months of continuation coverages provided by the Public Health Service Act, 42 U.S.C., Section 30066-1 et seq., i.e., health, dental, vision and healthcare reimbursement account options, under this severance benefit, shall also be eligible to elect additional continuation coverage for any life insurance, in twenty-thousand-dollar units, on self or five-thousand-dollar units, on dependents, and to continue participation in the dependent care reimbursement account provided that these additional coverages were in effect immediately prior to the effective date of the reduction-in-force, the date of which shall serve as the qualifying event date. Provided, that no coverage elected for continuation through the Public Health Service Act for the full eighteen-month period is allowed to lapse, then that affected employee may elect to continue those same coverages for an additional eighteen (18) months at whatever rate is then in effect. This additional eighteen-month continuation period of coverage shall be administered by the Oklahoma State Employees Benefits Council following the initial eighteen-month period of continuation which

shall be administered by the COBRA office at the State and Education Employees Group Insurance Board.

C. Part-time affected employees shall receive benefits pursuant to this section on a prorated basis. Part-time employees shall have been compensated for at least one thousand (1,000) hours during the twelve (12) months immediately preceding the effective date of the reduction-in-force to be eligible for severance benefits pursuant to the State Government Reduction-in-Force and Severance Benefits Act.

D. No appointing authority shall grant affected employees in a reduction-in-force severance benefits except as provided in this section.

SECTION 886. AMENDATORY 74 O.S. 2011, Section 840-2.27E, is amended to read as follows:

Section 840-2.27E Any affected employee who receives severance benefits pursuant to the State Government Reduction-in-Force and Severance Benefits Act shall execute a separation agreement with the employing agency, on forms to be prescribed by the ~~Administrator~~ Director of the ~~Office of Personnel Management~~ Office of Management and Enterprise Services. The forms shall comply with applicable federal laws and may include but not be limited to the following elements:

1. Agreement by the affected employee that the receipt of the benefits is in lieu of continued employment with the agency or other severance benefits related to the current reduction-in-force;

2. Agreement by the affected employee that, to the extent allowed by federal or state law, respectively, the affected employee releases the State of Oklahoma and the agency from all claims, liabilities, demands and causes of action known or unknown, fixed or contingent, equitable, legal or administrative, except unemployment insurance;

3. Agreement by the affected employee that, to the extent allowed by federal or state law, respectively, the affected employee releases the State of Oklahoma and the agency from any claim or cause of action which might arise under federal or state laws governing the employment relationship; and

4. Agreement by the affected employee that the affected employee knows and understands that the receipt of severance benefits is in exchange, to the extent allowed by federal or state law, for any rights the affected employee may have had to:

a. continued employment with any agency, and

b. future employment with the agency from which separated for a period of one (1) year from the date of the agreement, provided that nothing in this subparagraph shall prohibit an appointing authority of any agency from employing an affected employee who has received a severance benefit. If an affected employee is reemployed by the agency from which separated as a result of a reduction-in-force within one (1) year of

separation, the affected employee shall repay all severance benefits received pursuant to the State Government Reduction-in-Force and Severance Benefits Act on a proportional basis. The repayment amount of the severance benefits received by or paid on behalf of the affected employee shall be reduced one-three-hundred-sixty-fifths (1/365) for each day after the separation of the affected employee, provided that any education voucher credit benefits shall not include agency contributions.

The provisions of this section shall not prohibit any affected employee from accepting severance benefits from more than one agency during employment with the State of Oklahoma.

SECTION 887. AMENDATORY 74 O.S. 2011, Section 840-2.27F, is amended to read as follows:

Section 840-2.27F A. There is hereby created in the State Treasury a revolving fund for the Office of ~~Personnel Management~~ Management and Enterprise Services to be designated the "Reduction-in-Force Education Voucher Action Fund". The fund shall be a continuing fund, not subject to fiscal year limitations. All monies accruing to the credit of the fund are hereby appropriated and may be budgeted and expended by the ~~Administrator~~ Director of the Office of ~~Personnel Management~~ Management and Enterprise Services for the purposes authorized by subsection B of this section. Expenditures

from the fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services for approval and payment.

B. The fund shall be used for the purpose of providing education vouchers to affected employees exercising rights to severance benefits pursuant to Sections ~~7~~ 840-2.27D and ~~12~~ 840-2.28 of this ~~act~~ title in order to make payment to eligible educational institutions.

C. The Office of ~~Personnel Management~~ Management and Enterprise Services shall establish accounts within the fund for each affected employee who elects to participate in the education voucher opportunity pursuant to Sections ~~7~~ 840-2.27D and ~~12~~ 840-2.28 of this ~~act~~ title, in which shall be placed the affected employee and agency contributions.

SECTION 888. AMENDATORY 74 O.S. 2011, Section 840-2.27G, is amended to read as follows:

Section 840-2.27G A. There is hereby created in the State Treasury a fund for the ~~Office of State Finance~~ Office of Management and Enterprise Services to be designated as the "Reduction-in-Force Emergency Cost Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of appropriations made by the Legislature. All monies accruing to the fund are hereby appropriated and may be budgeted and expended by the

Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services for the purpose of aiding state agencies to pay severance benefits pursuant to the State Government Reduction-in-Force Severance Benefits Act. Expenditures from the fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services for approval and payment.

B. Monies appropriated to the fund may be transferred to an agency upon application to the Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services by the appointing authority proposing to conduct a reduction-in-force and who, because of insufficient resources, is unable to provide severance benefits pursuant to the State Government Reduction-in-Force Severance Benefits Act to eligible affected employees. The appointing authority shall have met the reduction-in-force plan submission and approval requirements of Section ~~6~~ 840-2.27C of this ~~act~~ title. The Director may either:

1. Approve the request; or

2. Deny or reduce the request of an appointing authority if the Director determines that the agency has funds available to pay the severance benefits or if anticipated requests from agencies for funding in a fiscal year will exceed the monies in the fund.

C. The Director shall notify the Contingency Review Board regarding any decision to authorize disbursements from the fund. Any member of the Board may call a meeting to consider the Director's decision within five (5) business days of the notification to the Contingency Review Board. If the Contingency Review Board does not disapprove or otherwise amend the Director's decision within ten (10) business days of notification to the Contingency Review Board, the Director's decision shall be final. If the Director or the Contingency Review Board has authorized the use of the fund, the Director shall transfer the funds to the agency.

D. Agencies must use any monies transferred from the fund solely for the purposes of the State Government Reduction-in-Force and Severance Benefits Act. Any monies not used as a result of the reduction-in-force for which the money was transferred shall be returned to the fund by state agencies, except as provided by Section ~~11~~ 840-2.27H of this ~~act~~ title.

E. Any monies transferred to agencies from the fund shall not be subject to any budgetary limits of an agency.

SECTION 889. AMENDATORY 74 O.S. 2011, Section 840-2.28, is amended to read as follows:

Section 840-2.28 A. Agencies shall be authorized to provide voluntary out benefits to permanent classified employees and regular unclassified employees with one (1) year or more of continuous state

service who are voluntarily separated from the state service in order to reduce or eliminate the adverse impact of an imminent reduction-in-force. For purposes of this section, "agency" or "agencies" shall include agencies, boards, commissions, or departments of all three branches of state government. Voluntary out benefit payments made pursuant to this section, in addition to the payment of any compensable accrued leave and other benefits an employee who voluntarily separates is eligible to receive upon separation from the state service, shall consist of the following elements:

1. All agency voluntary out benefits shall provide the following:

a. payment equal to the employee's current health insurance premium for the employee only for eighteen (18) months based on the cost of the premium at the time of the voluntary separation, and

b. a longevity payment, as prescribed by Section 840-2.18 of this title in the amount which would otherwise be paid to the employee on the employee's next anniversary date. For the purposes of this subparagraph, the University Hospitals Authority shall calculate longevity for employees who were members of the University Hospitals Authority Model Personnel System pursuant to Section 3211 of Title 63 of the

Oklahoma Statutes for all state service as would otherwise be determined by Section 840-2.18 of this title;

2. In addition to the voluntary out benefits provided by paragraph 1 of this subsection, agencies may give employees, except as otherwise provided by paragraph 3 of this subsection, voluntary out benefit packages based on any combination of the following options, provided that all employees who are separated as a result of the agency offer of a voluntary out benefit pursuant to this section in anticipation of the imminent reduction-in-force are accorded uniform treatment pursuant to this section:

a. up to one (1) week of pay, calculated by dividing the employee's current annual salary by the whole number fifty-two (52), for each year of service,

b. a maximum lump-sum payment of Five Thousand Dollars ($5,000.00),

c. payment for accumulated sick leave or extended illness benefits at up to one-half of the employee's hourly rate not otherwise used pursuant to law for conversion to credited retirement credit, and

d. payment of health benefit premiums as provided by the Public Health Service Act, 42 U.S.C., Section 300bb-1 et seq., for a period not to exceed eighteen (18) months. The agency shall not be authorized to make a

cash payment to the employee in lieu of the payment by the agency of the cost of continued health care coverage for the employee; and

3. An employee may direct payment of all or a portion of the employee's voluntary out benefits to the options authorized by this paragraph by exercising an option to receive education vouchers for use in connection with the Reduction-in-Force Education Voucher Action Fund subject to the following requirements and rules of the ~~Administrator~~ Director of the Office of ~~Personnel Management~~ Management and Enterprise Services, provided that the agency offers to match employee voluntary out funds pursuant to this paragraph. In such case:

a. the employee may purchase One Dollar ($1.00) in voucher credit for each One Dollar ($1.00) contributed by the employee to the fund subject to a maximum employee contribution of Three Thousand Dollars ($3,000.00) which may be matched by a maximum agency contribution of Three Thousand Dollars ($3,000.00); provided, that the agency contribution shall not exceed the contribution of the employee,

b. the employee may pay the cost for the voucher program directly, subject to the requirements of subparagraph a of this paragraph, or the employing agency of the employee may pay the cost of the voucher from funds

which would otherwise have been used to make payments to the displaced employee pursuant to an election by the employee to receive voluntary out benefits,

c. no voucher issued pursuant to the provisions of this paragraph shall:

(1) be redeemed by the employee for cash or anything of value other than the cost of tuition and fees at a public or private educational institution within the State of Oklahoma, or

(2) be valid longer than a period of four (4) years from the date upon which the voucher is issued to the employee,

d. the ~~Administrator~~ Director of the Office of ~~Personnel Management~~ Management and Enterprise Services shall pay tuition and fees directly to the educational institution and shall receive any refunds for payment of tuition and fees from the educational institution which shall be credited to the employee's account, and

e. the ~~Administrator~~ Director of the Office of ~~Personnel Management~~ Management and Enterprise Services shall distribute to the affected employee and the agency any monies remaining in the employee's account after the voucher credit has expired. The distribution shall be

based on the proportional share of contributions made by the employee and the agency.

B. Appointing authorities in agencies of the executive branch shall submit to the Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services, prior to offering voluntary out benefits pursuant to this section, a plan with details on why the agency has determined a reduction-in-force is imminent, the anticipated impact of the imminent reduction-in-force on the agency or part of the agency, the voluntary out benefits the agency intends to offer pursuant to this section and their cost, and how the agency intends to execute the offer of the voluntary out benefits. The Director shall review the fiscal components of the plan and have ten (10) business days to disapprove it.

C. Part-time employees who are eligible to receive voluntary out benefits shall receive benefits pursuant to this section on a prorated basis. Part-time employees shall have been compensated for at least one thousand (1,000) hours during the twelve (12) months immediately preceding the separation of the employee due to the employee's acceptance of a voluntary out benefit.

D. An employee who accepts voluntary out benefits pursuant to this section shall not be eligible to accept any future voluntary out benefits pursuant to this section.

SECTION 890. AMENDATORY 74 O.S. 2011, Section 840-2.28A, is amended to read as follows:

Section 840-2.28A A. As used in this section:

1. "Agency" means any state governmental entity, excluding institutions within The Oklahoma State System of Higher Education, making payments to a person accepting a voluntary buyout pursuant to the provisions of Section 840-2.28 of ~~Title 74 of the Oklahoma Statutes~~ this title;

2. "Eligible employee" means a person who, as of the date the voluntary buyout payment is made by an agency, is eligible for a normal retirement, without any reduction in retirement benefits based on an early retirement, from the public retirement system in which the employee is a participant as of the last day of employment with the agency;

3. "Eligible voluntary buyout expenditures" means with respect to any voluntary buyout agreement entered into on or after the effective date of this act for which the agency is able to seek reimbursement from the Voluntary Buyout Agency Reimbursement Revolving Fund:

a. the cost of health care insurance premium amounts pursuant to subparagraph a of paragraph 1 of subsection A of Section 840-2.28 of ~~Title 74 of the Oklahoma Statutes~~ this title,

b. the cost of the longevity pay amount pursuant to subparagraph b of paragraph 1 of subsection A of

Section 840-2.28 of ~~Title 74 of the Oklahoma Statutes~~ this title, and

c. a maximum of Five Thousand Dollars ($5,000.00) for payments made pursuant to subparagraph b of paragraph 2 of subsection A of Section 840-2.28 of ~~Title 74 of the Oklahoma Statutes~~ this title; and

4. "Normal retirement" means the date upon which an employee may retire with an unreduced benefit from a public retirement system based upon the age of the employee or a combination of the age of the employee and the number of years of service accrued by the employee in the applicable retirement system.

B. For eligible voluntary buyout expenditures paid by agencies not later than June 30, 2012, pursuant to a voluntary buyout agreement authorized by paragraph 1 of subsection A of Section 840-2.28 of ~~Title 74 of the Oklahoma Statutes~~ this title and entered into on or after the effective date of this act, but not later than June 30, 2012, the paying agency shall be eligible to be reimbursed the amount of the eligible voluntary buyout expenditures from the Voluntary Buyout Agency Reimbursement Revolving Fund created pursuant to Section ~~3~~ 840-2.28B of this ~~act~~ title.

C. An agency seeking reimbursement pursuant to the provisions of this section shall make application to the ~~Office of State Finance~~ Office of Management and Enterprise Services on such form as

may be prescribed by the ~~Office of State Finance~~ Office of Management and Enterprise Services for that purpose.

D. Before an agency makes a request for reimbursement pursuant to the provisions of this section, the agency shall enter into a contingent agreement with the employee to whom the voluntary buyout payments will be paid. The agreement shall contain the following language which shall be placed at the beginning of the terms of the agreement following any recitations which are not in the nature of a contractual promise to be printed in a font at least as large as the other terms of the agreement and not less than 14-point type regardless of the font size used in other parts of the agreement:

"PAYMENT OF FUNDS PURSUANT TO THIS AGREEMENT IS CONTINGENT UPON CONFIRMATION BY THE ~~OFFICE OF STATE FINANCE~~ OFFICE OF MANAGEMENT AND ENTERPRISE SERVICES THAT FUNDS TO REIMBURSE THE AGENCY ENTERING INTO THIS AGREEMENT ARE AVAILABLE. IF THE AGENCY DOES NOT OBTAIN THE REQUIRED CONFIRMATION OR IF THE ~~OFFICE OF STATE FINANCE~~ OFFICE OF MANAGEMENT AND ENTERPRISE SERVICES COMMUNICATES TO THE AGENCY THAT THE FUNDS TO REIMBURSE THE AGENCY ARE NOT AVAILABLE, THIS AGREEMENT SHALL NOT BE ENFORCEABLE AGAINST THE EMPLOYEE BY THE AGENCY OR BY ANY OTHER ENTITY AND SHALL NOT BE ENFORCEABLE BY THE EMPLOYEE OR ANY PERSON OR ENTITY REPRESENTING THE INTEREST OF THE EMPLOYEE AGAINST THE AGENCY."

E. If an agency receives the confirmation from the ~~Office of State Finance~~ Office of Management and Enterprise Services that the

funds for reimbursement are available, the terms of the voluntary buyout agreement executed pursuant to the provisions of this section shall become final and the agreement may be enforced according to its terms.

F. An agency which has entered into a contingent agreement as provided by subsection D of this section to make payment to an employee for which the agency is eligible to obtain reimbursement from the Voluntary Buyout Agency Reimbursement Revolving Fund shall notify the ~~Office of State Finance~~ Office of Management and Enterprise Services by the fastest method available to the agency, whether by telephone, electronic mail or other form of communication, of the exact amount of funds for which the agency will seek reimbursement based upon payment of eligible voluntary buyout expenses. The ~~Office of State Finance~~ Office of Management and Enterprise Services shall develop a system for the receipt of the communications required by this subsection and shall provide a confirmation to the agency of the sufficiency of funds for reimbursement to the agency based upon the total amount of available funds using the fastest method available to the ~~Office of State Finance~~ Office of Management and Enterprise Services, whether by telephone, electronic mail or other form of communication. Responses to agency requests shall be made by the ~~Office of State Finance~~ Office of Management and Enterprise Services in the order in which the requests were received.

G. Applications for reimbursement shall be processed by the ~~Office of State Finance~~ Office of Management and Enterprise Services according to the order in which confirmations were provided to agencies and any reimbursement from the Voluntary Buyout Agency Reimbursement Revolving Fund shall be subject to the available balance of the fund. Reimbursement shall be made in the full amount requested, subject to verification of eligibility for the expended amount, unless the balance of the fund is insufficient to make full reimbursement. No payments from the fund shall be made on a pro rata basis and if an agency application for reimbursement cannot be made in the full amount requested based upon the unavailability of funds, the application shall be denied.

H. Only payments of eligible voluntary buyout expenditures made to an eligible employee, as defined by paragraph 3 of subsection A of this section, shall be eligible for reimbursement. Any payment of eligible voluntary buyout expenditures made to a person who is not an eligible employee as defined by paragraph 2 of subsection A of this section shall not be eligible for reimbursement.

I. As a condition of receiving reimbursement from the Voluntary Buyout Agency Reimbursement Revolving Fund for one or more particular positions, the agency shall agree that its number of full-time-equivalent employees shall be reduced by the number of such positions for a period of not less than thirty-six (36) months. The agency shall report such information to the ~~Office of State~~

~~Finance~~ Office of Management and Enterprise Services as may be necessary for the ~~Office of State Finance~~ Office of Management and Enterprise Services to ensure that the provisions of this subsection are enforced. If the ~~Office of State Finance~~ Office of Management and Enterprise Services determines that the agency is not substantially in compliance with the provisions of this subsection, the agency shall repay the amount of reimbursement received.

J. Notwithstanding the loss of specific employees resulting from a voluntary buyout pursuant to this section, an agency shall preserve such full-time-equivalent positions as may be required in order to perform the duties imposed upon the agency by law and may, subject to the applicable provisions of the Oklahoma Personnel Act, provide for the performance of the duties formerly performed by an employee accepting a voluntary buyout.

K. The provisions of this section shall not preclude an agency from entering into a voluntary buyout agreement pursuant to Section 840-2.28 of ~~Title 74 of the Oklahoma Statutes~~ this title which does not provide for any reimbursement of funds.

L. Any employee who accepts a voluntary buyout pursuant to the provisions of this section shall be prohibited from being employed by the entity of state government making payment to the employee pursuant to this section for a period of three (3) years from the date as of which the employee is last employed by the state governmental entity making payment to the employee pursuant to the

provisions of this section. After the expiration of the three-year period prescribed by this subsection, the former employee may be hired by the state governmental entity which made payment to the employee pursuant to this section. The provisions of this subsection shall also be applicable to a contract for the performance of services by a former employee of the state governmental entity which made payment pursuant to this section for a period of three (3) years from the date as of which the employee is last employed by the state governmental entity making payment to the employee pursuant to the provisions of this section.

SECTION 891. AMENDATORY 74 O.S. 2011, Section 840-2.28B, is amended to read as follows:

Section 840-2.28B There is hereby created in the State Treasury a revolving fund for the ~~Office of State Finance~~ Office of Management and Enterprise Services to be designated the "Voluntary Buyout Agency Reimbursement Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies received by the ~~Office of State Finance~~ Office of Management and Enterprise Services from such sources as may be designated by law. All monies accruing to the credit of said fund are hereby appropriated and may be budgeted and expended by the ~~Office of State Finance~~ Office of Management and Enterprise Services for the purpose of making reimbursement payments to agencies as provided by Section ~~2~~ 840-2.28A of this ~~act~~ title for eligible

voluntary buyout expenditures. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services for approval and payment.

SECTION 892. AMENDATORY 74 O.S. 2011, Section 840-3.1, is amended to read as follows:

Section 840-3.1 A. Each supervisor employed as of January 1, 1993, by a state agency, board or commission in the executive branch of state government, excluding those within The Oklahoma State System of Higher Education, shall attend, prior to December 31, 1993, a training program for supervisory personnel. The training program shall be established pursuant to subsection C of this section.

B. Employees appointed to supervisory positions after January 1, 1993, shall complete twenty-four (24) hours of training pursuant to subsection C of this section within twelve (12) months of assuming such supervisory position. Thereafter, supervisors are required to complete twelve (12) hours of training pursuant to subsection C of this section each year. The appointing authority of each agency shall ensure each supervisory employee is notified and scheduled to attend such required training and shall make time available for each such employee to complete the training.

C. 1. The ~~Administrator~~ Director of the ~~Office of Personnel Management~~ Office of Management and Enterprise Services shall promulgate any rules necessary to develop and implement training programs for supervisory personnel which shall include courses related to the effective performance of an agency manager or supervisor. Rules authorized by this subsection shall require supervisors to attend such training within a reasonable period of time determined by the ~~Administrator~~ Director.

2. Training programs for supervisors under this section may be approved by the ~~Office of Personnel Management~~ Office of Management and Enterprise Services; provided, however, such programs shall be subject to standards developed by the ~~Office of Personnel Management~~ Office of Management and Enterprise Services. All state agencies, boards and commissions may participate in any such government employee training program established by an institution that is a member of The Oklahoma State System of Higher Education and approved by the ~~Office of Personnel Management~~ Office of Management and Enterprise Services as provided for in this paragraph.

SECTION 893. AMENDATORY 74 O.S. 2011, Section 840-3.2, is amended to read as follows:

Section 840-3.2 There is hereby established within the ~~Office of Personnel Management~~ Office of Management and Enterprise Services, the Carl Albert Public Internship Program. The purposes of the program shall be to assist students at institutions of higher

education in gaining experience and knowledge in state government and to encourage recruitment of such students to pursue careers in state government service. In administering the program, the ~~Administrator~~ Director of the ~~Office of Personnel Management~~ Office of Management and Enterprise Services shall:

1. Consult with the chief administrative officers of the legislative, executive, and judicial branches of government in encouraging the establishment and development of intern positions within their agencies;

2. Coordinate with the State Regents for Higher Education and the appropriate public and private institutions of higher education in Oklahoma in the development of a statewide internship program, soliciting qualified applicants, and selecting participants;

3. Develop and coordinate a selection process for placing individuals in intern positions. This selection process shall provide for equal employment opportunities in accordance with state and federal law;

4. Develop and coordinate a training plan for the internship program which balances the need for training and exposure to new ideas with the intern's and agency's need for on-the-job work experience;

5. Develop guidelines for a compensation plan for interns participating in this program; and

6. Provide for recruitment in the regular state service of persons who have successfully completed the Executive Fellows Program provided for in Section ~~3~~ 840-3.4 of this ~~act~~ title.

SECTION 894. AMENDATORY 74 O.S. 2011, Section 840-3.4, is amended to read as follows:

Section 840-3.4 A. The Carl Albert Public Internship Program shall consist of three individual internship programs:

1. An Undergraduate Internship Program consisting of a temporary position for students enrolled in an institution of higher education and working toward an undergraduate degree;

2. A Senior Undergraduate Internship Program consisting of a job placement of up to twenty-four (24) months for students enrolled in an institution of higher education with ninety (90) semester hours or more of completed coursework towards a bachelor's degree. To remain in the Senior Internship a student must continue to be working toward an undergraduate degree at an institution of higher education with at least a two point five (2.5) grade point average calculated on a four point zero (4.0) scale in all undergraduate coursework. The intern occupying this position shall not be converted to the classified service upon graduation or completion of the internship; and

3. An Executive Fellows Program consisting of six-month to two-year placements in professional or managerial level positions for students who have:

a. successfully completed a baccalaureate degree and at least six (6) semester hours of approved graduate level work with at least a three point zero (3.0) grade point average calculated on a four point zero (4.0) scale in all graduate coursework,

b. demonstrated a substantial interest in public sector management,

c. been recommended by the institution of higher education at which they are enrolled, and

d. such additional requirements as determined by the ~~Office of Personnel Management~~ Office of Management and Enterprise Services.

B. Employing agencies shall rate the performance of participants in the Executive Fellows Program in accordance with Section 840-4.17 of this title.

C. State employees, who otherwise meet the qualifications of the program, shall be eligible to participate in the Carl Albert Public Internship Program upon the written recommendation of the chief administrative officer of the applicant's agency.

SECTION 895. AMENDATORY 74 O.S. 2011, Section 840-3.5, is amended to read as follows:

Section 840-3.5 The ~~Office of Personnel Management~~ Office of Management and Enterprise Services shall promulgate rules to provide that:

1. Upon successful completion of a two-year internship in the Executive Fellows Program, a participant who has met all requirements of education and experience shall be eligible for appointment to a position in the classified or unclassified service of the state and shall be deemed as meeting all other statutory requirements;

2. Persons leaving classified or unclassified positions in state government in order to take an internship shall:

a. have the right to return to the previous position at any time during the internship or upon completion of the internship, and

b. continue to receive all fringe benefits they would have received in their previous classified or unclassified positions;

3. Participants in the Undergraduate Internship Program who were not public employees prior to accepting a position in the program shall be employed in accordance with paragraph 8 of subsection A of Section 840-5.5 of this title;

4. Participants in the Senior Undergraduate Internship Program who were not public employees prior to accepting a position in the program shall be employed in accordance with paragraph 10 of subsection A of Section 840.5.5 of this title, except that they shall be granted leave benefits commensurate with regular state employees;

5. Participants in the Executive Fellows Program who were not public employees prior to accepting a position in the program shall be appointed in accordance with paragraph 10 of subsection A of Section 840-5.5 of this title, except that they shall be granted leave benefits commensurate with regular state employees;

6. Selection of interns shall be coordinated by the ~~Office of Personnel Management~~ Office of Management and Enterprise Services, but shall permit appropriate involvement by institutions of higher education and state agencies in order to ensure the integrity of the program, permit the appropriate match between interns and agency assignments, and to benefit the employing agency;

7. The ~~Administrator~~ Director of the ~~Office of Personnel Management~~ Office of Management and Enterprise Services may waive the completion of six (6) semester hours of approved graduate level work required by Section 840-3.4 of this title for participation in the Executive Fellows Program for an undergraduate intern enrolled in six (6) semester hours of approved graduate level work and currently employed by a state agency;

8. Establish compensation plans for interns; and

9. Empower the ~~Office of Personnel Management~~ Office of Management and Enterprise Services to intercede in an internship when the Office determines, at the request of the intern, the agency, or the institution of higher education at which the intern is enrolled, that an internship is not functioning in accordance

with guidelines established for the program and that are necessary for the efficiency and integrity of the program.

SECTION 896. AMENDATORY 74 O.S. 2011, Section 840-3.11, is amended to read as follows:

Section 840-3.11 The ~~Administrator~~ Director of the ~~Office of Personnel Management~~ Office of Management and Enterprise Services is hereby directed to establish programs to facilitate the interchange of employees among state governmental entities, to evaluate the efficient utilization and deployment of state personnel, and to adopt rules necessary to carry out the provisions of the State Personnel Interchange Program. The State Personnel Interchange Program and rules promulgated hereunder shall apply to both unclassified and classified employee services.

SECTION 897. AMENDATORY 74 O.S. 2011, Section 840-3.13, is amended to read as follows:

Section 840-3.13 A. All personnel interchange assignments are intended to be temporary in nature. An individual's period of assignment to any receiving agency shall not exceed twelve (12) months in any thirty-six-month period; except that the period of assignment for mentor executives participating in the mentor program established by Section 840-3.8 of this title shall not exceed twenty-four (24) months in any thirty-six-month period.

B. An individual shall be assigned as a participating employee only upon the individual's freely given written consent, without any

form of coercion or duress. Personnel interchanges shall be executed by mutual consent agreement by the appointing authority of the sending agency, the appointing authority of the receiving agency, and the participating individual.

C. A participating employee shall be considered an employee of the sending agency for all purposes other than supervision. The receiving agency shall be responsible for all costs and liabilities arising from the performance of work assigned to the participating employee by the receiving agency which is found to be contrary to law and public policy by a court of competent jurisdiction.

D. A participating classified or unclassified employee may be assigned to a classified or unclassified position for the duration of the assignment without regard to the status of the employee in the sending agency.

E. Work assigned to a participating employee by a receiving agency shall be exempt from the classification and compensation provisions of the Oklahoma Personnel Act. Further, although all agencies are encouraged to resolve employee complaints at the lowest possible level, nothing in this section shall be construed to require a receiving agency to establish or adopt a grievance procedure pursuant to Section 840-6.2 of this title, to hear formal grievances, or to designate a grievance manager. Whenever an interchange agreement is terminated in accordance with the Oklahoma Personnel Act and rules promulgated by the ~~Administrator~~ Director of

the ~~Office of Personnel Management~~ Office of Management and Enterprise Services, the participating employee shall be entitled to return to the previous class or job family level of the employee or its successor class or job family level, if one exists in the sending agency. Otherwise, the reduction-in-force provision of Section 840-2.27 of this title shall apply.

F. Except as provided in subsection E of this section, a participating employee who is assigned to a receiving agency shall neither lose, or suffer diminution of, any right, power, privilege, or benefit to which the employee would otherwise be entitled, including but not limited to salary, seniority, promotion, reinstatement, insurance, retirement, classified or unclassified status, progressive discipline, and use of grievance and appeals procedures. An employee's class or job family level shall not be adversely affected by another employee's participation in an interchange.

G. Any participating employee who suffers injury, occupational disease, or death, arising out of and in the course of an assignment to a receiving agency or sustained in the discharge of duties in connection with said assignment shall be considered an employee of the sending agency, and shall not be deprived by virtue of participating in said program of any right or expectancy that would otherwise accrue pursuant to the laws of this state governing labor and workers' compensation.

H. Except as provided in this section, a participating employee shall neither receive nor accept any compensation from the receiving agency to which the employee is assigned. Any receiving agency shall, in accordance with any applicable laws and policies, reimburse the per diem and travel expenses of any participating employee assigned thereto.

I. Nothing in the State Personnel Interchange Program is intended to preclude the adoption of rules governing the interchange of employees of state governmental entities via other interchange provisions, such as leaves of absence without pay and career executive appointments.

SECTION 898. AMENDATORY 74 O.S. 2011, Section 840-3.15, is amended to read as follows:

Section 840-3.15 A. There is hereby created the Certified Public Manager Program within the ~~Office of Personnel Management~~ Office of Management and Enterprise Services. The Program shall be administered by the ~~Administrator~~ Director of the ~~Office of Personnel Management~~ Office of Management and Enterprise Services. The purpose of the Program shall be to develop the management skills of those employees and persons who enter into the Program and to assist state agencies and other employers in the identification and development of future managers and leaders. The Program, when space is available, may be available to political subdivisions and not-for-profit employers.

B. The ~~Administrator~~ Director of the ~~Office of Personnel Management~~ Office of Management and Enterprise Services shall adopt rules necessary to implement the Certified Public Manager Program. These shall include:

1. Admission and curriculum requirements for the Program; and

2. Fees sufficient for the operation of the Program. Fees charged to state agencies for their employees who participate in the Program may be less than fees charged to other employers for persons employed by them. The ~~Administrator~~ Director shall also require a nominal fee to be charged individuals who participate in the Program.

SECTION 899. AMENDATORY 74 O.S. 2011, Section 840-3.16, is amended to read as follows:

Section 840-3.16 A. There is hereby created the Executive Development Program for State Officials within the ~~Office of Personnel Management~~ Office of Management and Enterprise Services. The Program shall be administered by the ~~Administrator~~ Director of the ~~Office of Personnel Management~~ Office of Management and Enterprise Services. The purpose of the Executive Development Program for State Officials is to enhance the leadership skills of program participants. This program is designed for cabinet secretaries, agency directors, and senior-level executives within Oklahoma state agencies.

B. The ~~Administrator~~ Director of the ~~Office of Personnel Management~~ Office of Management and Enterprise Services may adopt rules necessary to implement the Executive Development Program for State Officials. The ~~Administrator~~ Director may establish and collect fees for participation in the Program.

SECTION 900. AMENDATORY 74 O.S. 2011, Section 840-4.2, is amended to read as follows:

Section 840-4.2 A. Except as otherwise provided by law, effective on the date an unclassified employee is made subject to the Merit System of Personnel Administration by virtue of an Executive Order issued pursuant to Section 840-4.1 of this title or legislation, the employee shall be given status in the job family level to which the position occupied by the employee is initially allocated by the ~~Office of Personnel Management~~ Office of Management and Enterprise Services. The employee shall not be required to take any examination or qualify for the job family level, and the salary of the employee shall not be reduced as a result of such initial allocation. The status of the employee shall be determined as follows:

1. An employee who has been continuously employed by the agency for a minimum of twelve (12) months immediately preceding the date on which the employee is made subject to the provisions of the Merit System shall be given permanent status in the classified service.

2. An employee who has been continuously employed by the agency for less than twelve (12) months on the date the employee is made subject to the provisions of the Merit System shall be given probationary status in the classified service. Such employee may obtain permanent status in the classified service twelve (12) months after the employee's entry-on-duty date with the agency pursuant to the provisions of the Merit System.

B. Persons appointed to the classified service of any agency under the Merit System shall achieve classified status only in accordance with the Oklahoma Merit System of Personnel Administration Rules promulgated pursuant to the Oklahoma Personnel Act.

C. Any classified employee who is serving in a position on the effective date of the removal of the position from the classified service and placement into the unclassified service shall have the option of retaining the employee's classified status. Any such employee who elects to change from classified to unclassified status shall so indicate in writing. If the employee chooses to remain in the classified service, the position occupied by the employee shall remain in the classified service until the employee either vacates the position or elects unclassified status. All future appointees to such positions shall be in the unclassified service.

SECTION 901. AMENDATORY 74 O.S. 2011, Section 840-4.3, is amended to read as follows:

Section 840-4.3 A. The ~~Office of Personnel Management~~ Office of Management and Enterprise Services shall conduct audits of positions in the classified service to determine the proper job family to which a position is allocated, and may delegate the auditing function to an agency pursuant to subsection E of Section 840-1.15 of this title. Appointing authorities have control of positions within their agency and have the authority to organize their agencies, to create positions, to abolish positions and to prescribe or change the duties and responsibilities assigned to any position or employee at any time and shall determine the level within a job family at which duties and responsibilities are assigned. The ~~Administrator~~ Director of the ~~Office of Personnel Management~~ Office of Management and Enterprise Services shall adopt rules establishing policies and procedures for appointing authorities to follow when determining the job family level at which duties and responsibilities are assigned within their agencies. Such rules shall include a process for review by the ~~Office of Personnel Management~~ Office of Management and Enterprise Services of internal classification grievances of job family level assignments which cannot be resolved at the agency level. Individual audits of positions shall be conducted at the request of the appointing authority based on information provided by the agency. An incumbent employee will be given an opportunity to respond; however, the ~~Office of Personnel Management~~ Office of Management and Enterprise

Services will rely on the appointing authority for an official listing of the duties and responsibilities of the position.

B. The appointing authority has the responsibility to ensure that employees are properly classified and that the work performed conforms to the appropriate job family descriptor describing the position. Employees shall be classified in accordance with the work they are assigned on a regular and consistent basis as an integral part of their normal work assignment and job family descriptor. An employee has the right and responsibility to file a classification grievance, as provided by law and rule, when duties performed on a regular and consistent basis do not conform to the job family descriptor. An employee is entitled to the compensation assigned to the job family level for which duties were performed on a regular and consistent basis. This provision does not entitle the employee to a higher job family level. Agency classification and reclassification decisions shall not be subject to appeal to the Oklahoma Merit Protection Commission. However, the involuntary removal of a permanent employee in permanent status in a job family level to a lower level in the same job family or to another job family level assigned a lower pay band shall be considered a demotion. Such action may be appealed by the employee to the Oklahoma Merit Protection Commission. The ~~Administrator~~ Director of the ~~Office of Personnel Management~~ Office of Management and Enterprise Services shall adopt rules pursuant to subsection A of

this section which shall include a process for review by the ~~Office of Personnel Management~~ Office of Management and Enterprise Services of internal classification grievances of job family level assignments which cannot be resolved at the agency level.

C. Job family descriptors shall be used for the purpose of distinguishing one job family from another as clearly and definitively as possible in order that positions may be properly allocated and employees may be properly classified in accordance with this section. Job family descriptors shall be applied in accordance with the following:

1. The position description questionnaire and job family descriptors shall be interpreted and applied as a composite picture of the job requirements. An employee is not required to perform all of the work operations described in a job family descriptor in order to be eligible for classification thereunder. An employee is not eligible or entitled to classification by reason of performing isolated or singular duties incidental to the job but which are described in another job family descriptor. Employees are entitled to the job family level they are currently assigned.

2. An employee normally performs some of the work of higher-rated jobs and some of the work of lower-rated jobs when required. The normal duties of an employee may include assistance to others.

3. An employee is required to perform the work operations and duties described or appraised as being covered by a job family

descriptor pursuant to that degree or amount of guidance or instruction which is considered regular and consistent in order to qualify for the classification.

SECTION 902. AMENDATORY 74 O.S. 2011, Section 840-4.6, is amended to read as follows:

Section 840-4.6 A. The State of Oklahoma, to recruit, retain and motivate a quality workforce for the purpose of providing quality services to the citizens of Oklahoma, shall provide a pay structure based on internal equity and external competitiveness balanced by the state's fiscal conditions. The state's goal shall be to provide a flexible and adaptable state employee pay system based on the market data found in relevant public and private sector markets.

B. The ~~Administrator~~ Director of the ~~Office of Personnel Management~~ Office of Management and Enterprise Services shall develop a salary schedule for the classified service and pay lines as appropriate to meet the needs of agencies.

C. The ~~Administrator~~ Director shall design a compensation system for all classified state employees. The compensation system, except for performance based adjustments, developed pursuant to this subsection shall be consistent with but not limited to the recommendations contained in the Classification and Compensation Reform Report from the ~~Administrator~~ Director, dated December 1998

and submitted to the Governor, President Pro Tempore of the Senate and Speaker of the House of Representatives.

D. All executive branch state agencies who employ personnel in the unclassified service of the state, whose salaries are not prescribed by law, shall establish salary schedules for such employees.

SECTION 903. AMENDATORY 74 O.S. 2011, Section 840-4.7, is amended to read as follows:

Section 840-4.7 A. Proposed initial assignment of pay bands and pay band adjustments may be adopted by the ~~Administrator~~ Director of the ~~Office of Personnel Management~~ Office of Management and Enterprise Services after a public hearing. Such action shall become effective the following July 1 unless the ~~Administrator~~ Director finds it essential for the provision or continuation of government services to adopt an earlier effective date. All such actions shall be reported to the Governor, President Pro Tempore of the Senate and Speaker of the House of Representatives. The report shall include the justification and financial impact of the action.

B. The provisions of this section shall not be subject to the provisions of Article I of the Administrative Procedures Act.

SECTION 904. AMENDATORY 74 O.S. 2011, Section 840-4.8, is amended to read as follows:

Section 840-4.8 A. In order to allow state-employed chaplains to take advantage of federal tax provisions, the chief

administrative officer of any state entity that employs chaplains may designate not to exceed forty percent (40%) of the salary of the chaplain as a housing allowance.

B. The ~~Administrator~~ Director of the ~~Office of Personnel Management~~ Office of Management and Enterprise Services shall promulgate rules for the implementation of this section.

SECTION 905. AMENDATORY 74 O.S. 2011, Section 840-4.10, is amended to read as follows:

Section 840-4.10 A. The Superintendent of Public Instruction and the ~~Administrator~~ Director of the ~~Office of Personnel Management~~ Office of Management and Enterprise Services shall enforce and carry out the provisions of Section ~~17~~ 840-4.9 of this ~~act~~ title.

B. The ~~Administrator~~ Director of the ~~Office of Personnel Management~~ Office of Management and Enterprise Services shall act upon recommendation made by the Superintendent or his designee.

SECTION 906. AMENDATORY 74 O.S. 2011, Section 840-4.11, is amended to read as follows:

Section 840-4.11 The ~~Administrator~~ Director may promulgate rules to provide for the establishment of noncompetitive appointments including, but not limited to, the positions of unskilled labor, attendants, aides, food service helpers, or custodial or similar types of employment when the character of the work makes it impracticable to supply the needs of the service effectively by competitive examination. All such persons appointed

shall serve a probationary period in accordance with the rules adopted by the ~~Office of Personnel Management~~ Office of Management and Enterprise Services and the provisions of the laws of the State of Oklahoma and shall acquire permanent status and be subject to the same rules as other classified employees.

SECTION 907. AMENDATORY 74 O.S. 2011, Section 840-4.12, is amended to read as follows:

Section 840-4.12 A. The ~~Administrator~~ Director of the ~~Office of Personnel Management~~ Office of Management and Enterprise Services shall be responsible for conducting promotional examinations and entrance examinations as required under the Oklahoma Personnel Act. Such examinations shall be of such character as to determine the qualifications, fitness and ability of the persons tested to perform the duties of the job family or job family level for which such tests or examinations are given. Provided, however, tests and examinations of persons with severe disabilities who have satisfactorily completed vocational and technical education courses in vocational training units or divisions approved by the State Department of Rehabilitation Services shall be limited in scope so as to relate to the skill and physical capability required for a particular position. Adequate public notice shall be given of all examinations except for promotion within a department or agency. Notwithstanding any other provision of law, the ~~Administrator~~ Director may keep confidential all promotional examinations,

entrance examinations, and any other testing materials, but the ~~Administrator~~ Director shall be required to disclose them pursuant to a valid order from a court of competent jurisdiction and establishment of a protective order prohibiting public disclosure of the examinations and materials.

B. No person shall be required to take an entrance examination for an appointment to a job family level requiring licensing by a state agency if that person has been previously tested and is currently licensed by the State of Oklahoma.

C. Promotional examinations for promotion within an agency, unless requested by the agency, shall not be required; provided that the promotion is in accordance with a plan adopted by the ~~Administrator~~ Director and is in accordance with a plan adopted by the promoting agency. Every employee promoted within an agency or following an intra-agency lateral transfer shall serve a six-month trial period in the job level to which the employee is promoted or transferred, unless the trial period is waived, in writing, by the appointing authority. At any time during a trial period, the appointing authority may return the employee to the level from which the employee was promoted upon written notification by the appointing authority to the employee as to such action and the reason therefor, and the employee shall not have the right to appeal.

D. The ~~Administrator~~ Director shall accept Certificates of Proficiency issued by accredited private or public schools, colleges or the Oklahoma Employment Security Commission in lieu of typing and shorthand tests.

E. The ~~Office of Personnel Management~~ Office of Management and Enterprise Services shall certify that a candidate meets the necessary job qualifications for a job family level in the classified service for the purpose of allowing that candidate to be appointed to a job. The ~~Administrator~~ Director of the ~~Office of Personnel Management~~ Office of Management and Enterprise Services may delegate the certification function provided by this section to an agency pursuant to subsection E of Section 840-1.15 of this title. Any statute which creates any position or qualifications for any position in the classified service shall not be construed to limit the power of the ~~Administrator~~ Director to interpret or add to those qualifications in a reasonable manner consistent with the intent of the Legislature and the duties of that position. Any statute which empowers any agency head or other employer to hire or nominate persons for employment within the classified service shall not be construed to empower that agency head or other employer to waive or modify any qualification or rule for employment established by the ~~Administrator~~ Director. The ~~Administrator~~ Director shall not be construed to have the authority to limit or reduce any qualification established by statute for any position. The

constructions established herein shall apply to any statutes or positions heretofore or hereafter created unless that statute clearly and specifically states that such constructions do not apply.

F. Subsections A through E of this section shall not apply to special disabled veterans who are considered for employment under the provisions of Sections 401 through 404 of Title 72 of the Oklahoma Statutes. Provided, said veterans may elect instead to be considered for employment according to the procedures set out in subsections A through E of this section.

G. Subsections A through E of this section shall not apply to persons with severe disabilities who are considered for employment under the provisions of this subsection. Provided, said persons may elect instead to be considered for employment according to the procedures set out in subsections A through E of this section.

1. As used in this subsection "persons with severe disabilities" means persons certified as having disabilities according to standards and procedures established by the ~~Administrator~~ Director. Said standards and procedures shall be developed by the ~~Administrator~~ Director of the ~~Office of Personnel Management~~ Office of Management and Enterprise Services with the assistance of the Office of Handicapped Concerns, and the State Department of Rehabilitation Services.

2. Agencies of this state may employ persons with severe disabilities who are legal residents of the state in competitive and noncompetitive jobs. Except for the requirement of minimum qualifications specified in applicable job specifications, such persons with disabilities shall be exempt from entrance examinations and hiring procedures administered by the ~~Office of Personnel Management~~ Office of Management and Enterprise Services pursuant to this section and Section 840-4.13 of this title.

3. Persons with severe disabilities hired pursuant to this subsection shall be appointed for a probationary period pursuant to Section 840-4.13 of this title.

4. Persons with severe disabilities hired pursuant to this subsection shall be subject to the rules of the ~~Administrator~~ Director of the ~~Office of Personnel Management~~ Office of Management and Enterprise Services.

5. The ~~Office of Personnel Management~~ Office of Management and Enterprise Services shall maintain records regarding the employment of persons with severe disabilities by state agencies and shall report the number of persons so employed in its annual report for the ~~Office of Personnel Management~~ Office of Management and Enterprise Services required by Section 840-1.6A of this title.

H. 1. This subsection shall be known and may be cited as the "Fair Employment Practices Act".

2. Agencies of this state may use the optional hiring procedure provided in this subsection to employ females, blacks, Hispanics, Asian/Pacific Islanders and American Indians/Alaskan natives, as defined by the Equal Employment Opportunity Commission, who are legal residents of the state in competitive and noncompetitive jobs. Individuals must meet the minimum qualifications and pass any required examinations established by the ~~Office of Personnel Management~~ Office of Management and Enterprise Services or by statute. Except for any required examinations and minimum qualifications specified in applicable job specifications, such persons shall be exempt from the hiring procedures administered by the ~~Office of Personnel Management~~ Office of Management and Enterprise Services. Persons may only be employed under this subsection in a job family level, group or category which has been identified as underutilized and in which an appropriate hiring goal has been set in the state agency's affirmative action plan approved by the ~~Office of Personnel Management~~ Office of Management and Enterprise Services pursuant to the provisions of Section 840-2.1 of this title. In addition, the appointing authority of the employing agency must determine that a manifest imbalance exists which justifies remedial action pursuant to this subsection in order to reach the affirmative action hiring goal. Provided further, that eligible war veterans, as defined by Section 67.13a of Title 72 of the Oklahoma Statutes, who are members of the group for which a

hiring goal has been set shall be considered by the employing agency before a nonveteran is appointed pursuant to this subsection.

3. To be eligible for appointment, the persons who are members of the group for which a hiring goal has been set must score within the top ten scores of other available members of said group based on any examination or rating of education and experience.

4. Persons hired pursuant to this subsection shall be appointed for a probationary period pursuant to Section 840-4.13 of this title.

5. Upon acquiring permanent status, the employee shall be subject to the rules and regulations of the ~~Office of Personnel Management~~ Office of Management and Enterprise Services and to full rights and entitlements of state employees in the classified service.

6. The authority for an agency to make appointments pursuant to this subsection shall be temporary and shall cease when the appointing authority of an agency can no longer justify remedial action pursuant to this subsection.

7. The ~~Office of Personnel Management~~ Office of Management and Enterprise Services shall maintain records regarding the employment of persons by state agencies pursuant to this subsection and shall report the number of persons so employed in its annual report for the ~~Office of Personnel Management~~ Office of Management and Enterprise Services required by Section 840-1.6A of this title.

SECTION 908. AMENDATORY 74 O.S. 2011, Section 840-4.13, is amended to read as follows:

Section 840-4.13 A. Based upon the results of competitive entrance examinations and registers, as provided by the Oklahoma Personnel Act, the ~~Administrator~~ Director of the ~~Office of Personnel Management~~ Office of Management and Enterprise Services shall certify to the appointing authority the names of the ten persons receiving the highest grade or score in said examinations plus all eligible applicants whose grade or score is tied with the lowest ranking of those so eligible.

B. In addition to establishing statewide registers pursuant to subsection A of this section, the ~~Administrator~~ Director is hereby authorized to promulgate rules creating a local register to fill a vacancy in a local office of an agency by providing a certificate of available names of eligible persons who are residents of the county where the local office is located or said county and adjacent counties or a group of contiguous counties comprising a service area of an agency. Available eligible residents shall be certified ahead of other available eligible persons who reside outside the area of the local register. In filling vacant positions, the appointing authority shall select any one of the persons whose names have been so certified and may give preference in all cases to persons who have resided in this state for at least one (1) year prior to the date of the examination. Provided, however, that any appointing

authority authorized to employ persons who are not citizens of the United States, pursuant to Section 255 of this title, may request the Office to certify only the names of persons who are citizens of the United States in carrying out the provisions of this section; and such appointing authority may select any person so certified to the ~~Administrator~~ Director to fill such vacant positions even though a noncitizen may have received a higher grade on the examination. Provided, further, that any appointing authority may select special disabled veterans considered for employment pursuant to Sections 401 through 404 of Title 72 of the Oklahoma Statutes. The Department of Public Safety, in filling vacancies for Highway Patrol Cadets, may disqualify any eligible whose name has been certified for Highway Patrol Cadet pursuant to subsection A of this section, if the Department of Public Safety considers the eligible in connection with the hiring of three other eligibles pursuant to subsection A of this section from that certificate. The name of such disqualified eligible shall be omitted from further certification to, and consideration by, the Department of Public Safety for appointment as a Highway Patrol Cadet to the Highway Patrol Academy for which vacancies are being filled. Such disqualification shall neither deprive any person of any preference pursuant to paragraph 3 of subsection A of Section 840-4.14 of this title nor deprive any person from certification to, and consideration by, the Department of Public Safety for appointment as a Highway Patrol Cadet to a

subsequent Highway Patrol Academy. The Department of Public Safety shall provide written notice of the disqualification to the ~~Office of Personnel Management~~ Office of Management and Enterprise Services. The Department of Corrections, in filling vacancies for Correctional Officer Cadets and Probation and Parole Officers, may disqualify any eligible whose name has been certified for Correctional Officer Cadet or Probation and Parole Officer, pursuant to subsection A of this section, if the Department of Corrections considers the eligible in connection with the hiring of three other eligibles pursuant to subsection A of this section from that or any other certificate. The name of such disqualified eligible shall be omitted from future certification to, and consideration by, the Department of Corrections for appointment as a Correctional Officer Cadet or Probation and Parole Officer for a period of six (6) months, at which time the eligible may request restoration to the register by the ~~Office of Personnel Management~~ Office of Management and Enterprise Services. Such disqualification shall not deprive any person of any preference pursuant to paragraph 3 of subsection A of Section 840-4.14 of this title. The Department of Corrections shall provide written notice of the disqualification to the ~~Office of Personnel Management~~ Office of Management and Enterprise Services.

C. Agencies may fill positions requiring professional practice licensure and hard-to-fill positions pursuant to authorization by

the ~~Administrator~~ Director without regard to subsections A and B of this section. The ~~Administrator~~ Director shall promulgate rules to authorize agencies to fill positions directly, pursuant to this subsection. Such rules shall include criteria for identifying professional practice licensure positions and hard-to-fill positions which shall not require establishment of an employment list of eligible persons or the application of veterans preference. The ~~Administrator~~ Director shall monitor appointments made by agencies pursuant to this subsection and shall establish recordkeeping and reporting procedures and the conditions under which the ~~Administrator~~ Director may withdraw authorization for agencies to directly hire persons into hard-to-fill positions. Nothing in this subsection shall be construed to waive any requirement for any job or position established by statute or the ~~Administrator~~ Director.

D. Every person, except as provided in subsection E of this section, upon initial appointment under the classified service, shall be appointed for a probationary period of one (1) year, except that the appointing authority may waive in writing the remainder of the probationary period at any time after a probationary employee has served six (6) months; provided, however, that the employee and the ~~Administrator~~ Director of the ~~Office of Personnel Management~~ Office of Management and Enterprise Services shall be notified in writing as to such action and the reason therefor. The probationary appointment of any person may be terminated at any time during the

probationary period without the right of appeal. At the close of the probationary period, as herein provided, said person shall acquire a permanent status under the conditions prescribed in the Oklahoma Personnel Act.

E. Every person initially appointed under the classified service as an agent of the Alcoholic Beverage Laws Enforcement Commission shall be appointed for a probationary period of one (1) year.

F. In working with appointing authorities in determining minimum qualifications for a position, the ~~Administrator~~ Director of the ~~Office of Personnel Management~~ Office of Management and Enterprise Services shall require an appointing authority to justify in writing any reasons for excluding from consideration relevant public or private sector experience applicable to the position.

SECTION 909. AMENDATORY 74 O.S. 2011, Section 840-4.14, is amended to read as follows:

Section 840-4.14 A. In establishing employment lists of eligible persons for competitive and noncompetitive appointment, certain preferences shall be allowed for honorably discharged veterans as defined by Section 67.13a and Section 67.13b of Title 72 of the Oklahoma Statutes. In determination of the register rank:

1. Five points shall be added to the final grade of any person who has passed the examination and has submitted proof of having status as a veteran or unremarried surviving spouse of a veteran;

2. Five points shall be added to the final grade of any person who has passed the examination and has submitted proof of having status as a spouse of a veteran who is unemployable due to a service-connected disability as certified by the Veterans Administration or agency of the Defense Department within six (6) months of date of application; and

3. Ten points shall be added to the final grade of any veteran who has passed the examination and has submitted proof of having a service-connected disability as certified by the Veterans Administration or agency of the Defense Department within six (6) months of date of application. Such veterans' names shall be placed at the top of the register in accordance with their numerical rating if in receipt of benefits payable at the rate of thirty percent (30%) or more and such veterans shall not be denied employment and passed over for other veterans or nonveterans, without showing cause. Acceptable cause shall include a reasonable expectation of the inability of the preferenced applicant to satisfactorily perform at the required level of the position and shall be reviewed in each instance by the ~~Administrator~~ Director of the ~~Office of Personnel Management~~ Office of Management and Enterprise Services. If the ~~Administrator~~ Director finds that acceptable cause for the denial of employment to the preferenced applicant does not exist, the appointing authority shall be required to hire the preferenced

applicant. The position shall not be permanently filled until the ~~Administrator~~ Director has issued his findings.

B. War veterans, as defined by Section 67.13a of Title 72 of the Oklahoma Statutes, who have been awarded the Purple Heart or have a service-incurred disability rated by the Veterans Administration or a branch of the Armed Forces of the United States and who have been a resident of Oklahoma for at least one (1) year prior to the date of the examination, shall be authorized to open any closed register established by the Merit System of Personnel Administration.

C. Subsection A of this section shall not apply to special disabled veterans who are considered for employment under the provisions of Sections 401 through 404 of Title 72 of the Oklahoma Statutes. Provided, said veterans may elect instead to be considered for employment according to the procedures set out in this section.

SECTION 910. AMENDATORY 74 O.S. 2011, Section 840-4.15, is amended to read as follows:

Section 840-4.15 A. The appointing authority shall post announcements of a vacancy or vacancies in accordance with a promotional plan filed by the agency with the ~~Office of Personnel Management~~ Office of Management and Enterprise Services. In order to give qualified employees an opportunity to apply for and be considered for possible promotions, the vacancy notices shall be

posted at least five (5) working days prior to the closing date for the receipt of applications by the appointing authority. Promotional posting shall be required for initial entry into a job family at any level. Promotional posting shall also be required for entry into any supervisory position or level. Each agency's promotional posting plan shall describe the method by which all agency employees will be notified of vacancy announcements. The posting shall include:

1. Identification of the job family level of the vacancy or vacancies;

2. A listing of job title, major work duties and minimum qualifications;

3. The pay band and range;

4. The anticipated number of vacancies;

5. The specific location of work;

6. The time limits and procedure for filing an application with the appointing authority; and

7. Any additional factors which the appointing authority will consider in filling the vacancy.

B. The appointing authority may elect to post general promotional opportunities in accordance with the provisions of this section in cases where there are usually continuous multiple vacant positions within a given job family; provided the appointing authority maintains a promotional applicant list for each job family

which is posted on the basis of general promotional opportunities. In such cases, the posting must include the length of time and conditions under which the promotional application of the candidate will remain available for active consideration by the appointing authority.

C. If an employee still feels that the employee has not been treated fairly with regard to a promotional action pursuant to this section after such complaint has been reviewed in a formal grievance procedure conducted in accordance with the provisions of Section 840-6.2 of this title, the employee may seek a remedy through the procedures established in the Oklahoma Personnel Act. If a violation of Section 840-2.9 of this title has been committed, the Oklahoma Merit Protection Commission may declare a position open.

D. Prior to re-posting a notice of vacancy for a position that was not filled after the first notice was posted, the appointing authority must receive approval from the ~~Administrator~~ Director of the ~~Office of Personnel Management~~ Office of Management and Enterprise Services prior to making any qualification changes to the position to be filled.

SECTION 911. AMENDATORY 74 O.S. 2011, Section 840-4.17, is amended to read as follows:

Section 840-4.17 A. The ~~Office of Personnel Management~~ Office of Management and Enterprise Services shall make available one standard performance management system that shall be used by all

agencies for completing employee performance evaluations. The purpose of this employee performance management system is to evaluate the performance of each regular classified, unclassified and exempt employee in the executive branch of state government except those in the exempt unclassified service as specified in paragraphs 1 and 2 of subsection A of Section 840-5.5 of this title and those employees employed by the institutions under the administrative authority of The Oklahoma State System of Higher Education.

B. The employee performance management system shall provide for the following:

1. An objective evaluation by the immediate supervisor of the performance of the employee within the assigned duties of the job. The evaluation shall contain the agency number, date of review, and employee identification number;

2. The identification by the immediate supervisor of accountabilities and behaviors upon which the employee will be evaluated;

3. A mid-term interview with the immediate supervisor for the purpose of discussing the progress of the employee in meeting the accountabilities and behaviors upon which the employee will be evaluated;

4. Identification of performance strengths and performance areas for development;

5. A final interview with the employee by the immediate supervisor who shall provide the employee with a copy of the performance evaluation; and

6. The opportunity for the employee to submit written comments regarding the performance evaluation.

C. Each employee shall be rated at least thirty (30) days prior to the end of the probationary period. Except as may otherwise be provided by rules promulgated by the ~~Administrator~~ Director of the ~~Office of Personnel Management~~ Office of Management and Enterprise Services, after the end of the probation period, each employee shall be evaluated at least annually on a twelve-month period.

D. Any permanent classified employee who disagrees with the employee's performance evaluation may file a grievance pursuant to Section 840-6.2 of this title.

E. Any employee, regardless of status, who is required to be evaluated pursuant to this section and who believes that the employing agency has not complied with the requirements of subsection B of this section may file a complaint through any dispute resolution process made available through the employing agency or, if there is no internal agency dispute resolution process, through the Oklahoma Merit Protection Commission. The Oklahoma Merit Protection Commission shall have jurisdiction to investigate or hear appeals of the failure of an agency to comply with the provisions of subsection B of this section.

F. The agency shall use employee evaluations of current or former state employees in decisions regarding promotions, appointments, demotions, performance pay increases and discharges. Reductions-in-force shall not be considered discharges.

G. The agency shall retain a copy of the performance evaluation for each employee of the agency. A copy of the performance evaluation shall be retained in the employee's personnel file.

H. Each appointing authority shall annually report its compliance with the provisions of this section in writing to the ~~Administrator~~ Director of the ~~Office of Personnel Management~~ Office of Management and Enterprise Services. The ~~Administrator~~ Director shall prescribe a form for such reporting.

I. The ~~Administrator~~ Director of the ~~Office of Personnel Management~~ Office of Management and Enterprise Services shall conduct an annual random audit of state agencies to determine whether they are in compliance with this section. Any agency deemed to be out of compliance shall submit a written plan to the ~~Administrator~~ Director detailing the efforts the agency will make to come into compliance at the earliest possible date.

SECTION 912. AMENDATORY 74 O.S. 2011, Section 840-5.1, is amended to read as follows:

Section 840-5.1 Unless otherwise provided, offices and positions in the unclassified service are in no way subject to any of the provisions of this act or of the rules and regulations

promulgated hereunder except leave regulations. Provided, offices and positions of the State Senate and House of Representatives shall not be subject to regulations of the ~~Office of Personnel Management~~ Office of Management and Enterprise Services on involuntary leave without pay or furlough but shall be subject to any involuntary leave without pay or furlough plan adopted by the President Pro Tempore of the Senate or the Speaker of the House of Representatives. No person chosen by election or appointment to fill an elective office shall be subject to any leave plan or regulation or shall such person be eligible for accrual of any leave benefits.

SECTION 913. AMENDATORY 74 O.S. 2011, Section 840-5.1A, is amended to read as follows:

Section 840-5.1A A. Within state government, persons appointed to a position in the unclassified service after June 30, 1996, shall serve at the pleasure of the appointing authority. Appointing authorities shall not convey any right or expectation of continued employment to such unclassified employees. The appointing authority may separate such unclassified employees at any time with or without cause. No provision of the Oklahoma Personnel Act shall be construed as granting any property interest in employment to any unclassified service employee.

B. Nothing in this section is intended to change the status of any unclassified employee appointed to a position on or before June 30, 1996.

C. This section shall not apply to persons in positions in institutions under the jurisdiction of the Oklahoma State Regents for Higher Education or subject to the University Hospitals Authority Model Personnel System created pursuant to Section 3211 of Title 63 of the Oklahoma Statutes.

D. Agencies may provide severance benefits pursuant to Section 840-2.27D of this title to regular unclassified employees with one (1) year or more continuous state service who are separated from the state service for budgetary reasons. A plan providing for such benefits shall be submitted to the Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services who shall reject any plan that does not:

1. Demonstrate that funds are available to cover projected costs;

2. Contain an estimate of the number of affected employees likely to participate in the education voucher program established in Section 840-2.27D of this title; and

3. Contain an estimate of the cost savings or reduced expenditures likely to be achieved by the agency.

SECTION 914. AMENDATORY 74 O.S. 2011, Section 840-5.2A, is amended to read as follows:

Section 840-5.2A All persons employed by the Ethics Commission prior to March 18, 1998, shall be in and shall have been in such status in the classified or unclassified service as shown on their individual records on file in the ~~Office of Personnel Management~~ Office of Management and Enterprise Services. The employment records of such persons on file in the ~~Office of Personnel Management~~ Office of Management and Enterprise Services shall be controlling as to the status of such persons and the positions they occupy or occupied.

SECTION 915. AMENDATORY 74 O.S. 2011, Section 840-5.2B, is amended to read as follows:

Section 840-5.2B All persons employed by the State and Education Employees Group Insurance Board prior to March 27, 1998, shall be in and shall have been in such status in the classified or unclassified service as shown on their individual records on file in the ~~Office of Personnel Management~~ Office of Management and Enterprise Services. The employment records of such persons on file in the ~~Office of Personnel Management~~ Office of Management and Enterprise Services shall be controlling as to the status of such persons and the positions they occupy or occupied.

SECTION 916. AMENDATORY 74 O.S. 2011, Section 840-5.3, is amended to read as follows:

Section 840-5.3 A. The following offices, positions and personnel shall not be considered state employees except as otherwise provided by law:

1. Patient and inmate help in the state charitable, mental and correctional institutions;

2. Persons engaged in public work for the state, but employed by contractors when the performance of such contract is authorized by the Legislature or other competent authority;

3. All employees of all public school districts; and

4. Officers and members of the Oklahoma National Guard, as such.

B. 1. Instructional and administrative personnel, except for superintendents, of the State Department of Rehabilitation Services at the Oklahoma School for the Blind and the Oklahoma School for the Deaf pursuant to Section 1419 of Title 10 of the Oklahoma Statutes shall be considered state employees, except they shall not be considered state employees for the purposes of the Oklahoma Personnel Act, unless otherwise provided by law. However, the ~~Office of Personnel Management~~ Office of Management and Enterprise Services may categorize such employees as unclassified solely for the purpose of entering and maintaining employment data in the state Personnel Management Information System established pursuant to Section 840-2.13 of this title.

2. The superintendents at the Oklahoma School for the Blind and the Oklahoma School for the Deaf shall be state employees in the unclassified service, subject to the Oklahoma Personnel Act.

SECTION 917. AMENDATORY 74 O.S. 2011, Section 840-5.5, is amended to read as follows:

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

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

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

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

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

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

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

7. Election officials and employees;

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

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

a. administrative aides to the Commissioner,

b. executive secretaries to the Commissioner,

c. the Governor's representative of the Oklahoma Highway Safety Office who shall be appointed by the Governor,

d. Highway Patrol Colonel,

e. Highway Patrol Lieutenant Colonel,

f. Director of Finance,

g. noncommissioned pilots,

h. Information Systems Administrator,

i. Law Enforcement Telecommunications System Specialist,

j. Director of Driver Compliance,

k. Director of Transportation Division,

l. Director of the Oklahoma Highway Safety Office,

m. Civil Rights Administrator,

n. Budget Analyst,

o. Comptroller,

p. Chaplain,

q. Helicopter Mechanic,

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:

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

b. an institution of higher learning qualified to become coordinated with The Oklahoma State System of Higher Education. For purposes of this section, a student shall be considered a regularly enrolled student if the student is enrolled in a minimum of five (5) hours of accredited graduate courses or a minimum of ten (10) hours of accredited undergraduate courses, provided, however, the student shall only be required to be enrolled in a minimum of six (6) hours of accredited undergraduate courses during the summer, or

c. high school students regularly enrolled in a high school in Oklahoma and regularly attending classes during such time of enrollment;

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

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

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

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

a. Administrative aides, and executive secretaries to the Commissioners,

b. Directors of all the divisions, personnel managers and comptrollers,

c. General Counsel,

d. Public Utility Division Chief Engineer,

e. Public Utility Division Chief Accountant,

f. Public Utility Division Chief Economist,

g. Public Utility Division Deputy Director,

h. Secretary of the Commission,

i. Deputy Conservation Director,

j. Manager of Pollution Abatement,

k. Manager of Field Operations,

l. Manager of Technical Services,

m. Public Utility Division Chief of Telecommunications,

n. Director of Information Services,

o. All Data Processing employees hired on or after September 1, 2005,

p. All Public Utilities employees hired on or after September 1, 2007,

q. All Regulatory Program Managers hired on or after September 1, 2007, and

r. All Pipeline Safety Department employees hired on or after September 1, 2008;

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

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

a. Director of Facility,

b. Deputy Director for Administration,

c. Clinical Services Director,

d. Executive Secretary to Director, and

e. Directors or Heads of Departments or Services;

18. ~~Office of State Finance~~ Office of Management and Enterprise Services personnel occupying the following offices and positions:

a. State Comptroller,

b. Administrative Officers,

c. Alternator Claims Auditor,

d. Employees hired to fulfill state compliance agency requirements under Model Tribal Gaming Compacts,

e. Employees of the Budget Division,

f. Employees of the Fiscal and Research Division,

g. Employees hired to work on the CORE Systems Project; and

h. The following employees of the Information Services Division:

(1) Information Services Division Manager,

(2) Network Manager,

(3) Network Technicians,

(4) Security Manager,

(5) Contracts/Purchasing Manager,

(6) Operating and Applications Manager,

(7) Project Manager,

(8) Help Desk Manager,

(9) Help Desk Technicians,

(10) Quality Assurance Manager,

(11) ISD Analysts,

(12) CORE Manager,

(13) Enterprise System/Database Software Manager,

(14) Data Center Operations and Production Manager,

(15) Voice Communications Manager,

(16) Applications Development Manager,

(17) Projects Manager,

(18) PC's Manager,

(19) Servers Manager,

(20) Portal Manager,

(21) Procurement Specialists,

(22) Security Technicians,

(23) Enterprise Communications and Network Administrator,

(24) Server Support Specialists,

(25) Senior Server Support Specialists,

(26) Systems Support Specialists,

(27) Senior Systems Support Specialists,

(28) Chief Technology Officer,

(29) Facility Manager,

(30) Application Development Specialists,

(31) Senior Application Development Specialists,

(32) Workstation Specialists,

(33) Senior Workstation Specialists,

(34) Cabling Infrastructure Administration,

(35) Planning Specialists,

(36) Senior Planning Specialists,

(37) Network Specialists,

(38) Senior Network Specialists,

(39) Voice Communication Specialists, and

(40) Senior Voice Communication Specialists;

19. Employees of the Oklahoma Industrial Finance Authority;

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

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

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

a. positions for which the annual salary is Twenty-four Thousand One Hundred Ninety-three Dollars ($24,193.00) or more, as determined by the Office of ~~Personnel Management~~ Management and Enterprise Services, provided no position shall become unclassified because

of any change in salary or grade while it is occupied by a classified employee,

b. positions requiring certification by the State Department of Education, and

c. positions and employees authorized to be in the unclassified service of the state elsewhere in this section or in subsection B of this section;

23. Office of ~~Personnel Management~~ Management and Enterprise Services employees occupying the following positions:

a. the Carl Albert Internship Program Coordinator,

b. one Administrative Assistant,

c. one Workforce Planning Manager,

d. Assistant Administrators,

e. one Associate Administrator, and

f. Division Directors;

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

a. two Deputy Commissioners,

b. two Executive Secretaries to the Commissioner,

c. Chief of Staff,

d. two Administrative Assistants,

e. Information Systems Administrator,

f. three Safety and Health Directors,

g. Research Director,

h. Employment Standards Director,

i. Asbestos Director,

j. General Counsel,

k. one Legal Secretary,

l. one Docket Clerk, and

m. two Information Systems Application Specialists;

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

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

a. Associate Director,

b. Secretary to the Associate Director, and

c. Assistant to the Executive Director;

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

28. Officers and employees of the State Banking Department;

29. Officers and employees of the University Hospitals Authority except personnel in the state classified service pursuant to Section 3211 of Title 63 of the Oklahoma Statutes and members of the University Hospitals Authority Model Personnel System created pursuant to subsection E of Section 3211 of Title 63 of the Oklahoma Statutes or as otherwise provided for in Section 3213.2 of Title 63 of the Oklahoma Statutes;

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

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

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

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

a. five assistant directors,

b. six special investigators,

c. one information representative,

d. one federally funded physical evidence technician,

e. four federally funded laboratory analysts,

f. a maximum of fourteen positions employed for the purpose of managing the automated information systems of the agency,

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

h. Child Abuse Response Team (CART) investigator,

i. Child Abuse Response Team (CART) forensic interviewer, and

j. nine administration and research positions and five data processing and information technology positions transferred from the Criminal Justice Resource Center pursuant to Section 150.17a of this title;

32. The Department of Transportation, the following positions:

a. Director of the Oklahoma Aeronautics Commission,

b. five Department of Transportation Assistant Director positions,

c. eight field division engineer positions,

d. one pilot position,

e. five Project Manager Positions, and

f. five Transportation Coordinators;

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

a. Director of the Investments Division,

b. Assistant Director of the Investments Division,

c. one Administrative Assistant,

d. one Audit Tech position,

e. one Auditor I position,

f. two Accounting Tech I positions,

g. two Administrative Assistant I positions,

h. two Imaging Specialist positions,

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,

q. one executive secretary,

r. one legal secretary, and

s. one legal assistant;

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

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

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

c. one fiscal officer,

d. one full-time Programmer, and

e. one full-time Network Engineer;

35. The Military Department of the State of Oklahoma is authorized such unclassified employees within full-time employee

limitations to work in any of the Department of Defense directed youth programs, the State of Oklahoma Juvenile Justice youth programs, those persons reimbursed from Armory Board or Billeting Fund accounts, and skilled trade positions;

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

a. one Oversight Specialist and one Community Development Planner,

b. one State Plan Grant Coordinator, provided authorization for the position shall be terminated when federal support for the position by the United States Department of Education Early Intervention Program is discontinued,

c. one executive secretary in addition to the one authorized pursuant to paragraph 2 of this subsection, and

d. one Programs Manager;

37. The following positions and employees of the ~~Department of Central Services~~ Office of Management and Enterprise Services:

a. one Executive Secretary in addition to the Executive Secretary authorized by paragraph 2 of this subsection,

b. the Director of Central Purchasing,

c. one Alternate Fuels Administrator,

d. one Director of Special Projects,

e. three postauditors,

f. four high-technology contracting officers,

g. one Executive Assistant to the Purchasing Director,

h. four Contracts Managers,

i. one Associate Director,

j. one specialized HiTech/Food Contracting Officer,

k. one State Use Contracting Officer,

l. one Property Distribution Administrator,

m. three licensed architects assigned to the Construction and Properties Division,

n. three licensed engineers assigned to the Construction and Properties Division,

o. eight construction consultants assigned to the Construction and Properties Division,

p. one attorney assigned to the Construction and Properties Division,

q. three positions assigned to the Information Services Division, which shall include one Information Technology Manager, one Applications Specialist and one Data Planning Specialist,

r. four positions assigned to Fleet Management, which shall include one Deputy Fleet Manager and three Management Analysts,

s. one Chief Auditor,

t. one Assistant Director of Central Purchasing Division,

u. one Professional Errors and Omissions Liability Adjuster,

v. three Strategic Sourcing Managers,

w. three Strategic Sourcing Assistant Managers, and

x. two Printing Services Brokers;

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

a. four Water Quality Assistant Division Chiefs,

b. four Water Resources Division Chiefs, and

c. Director of Water Planning;

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

a. Physical Therapists,

b. Physical Therapist Assistants,

c. Occupational Therapists,

d. Certified Occupational Therapist Aides, and

e. Speech Pathologists;

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

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

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

b. nineteen Agricultural Marketing Coordinator III positions,

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

d. one Information Technology Specialist,

e. one Director of Administrative Services,

f. one Water Quality Consumer Complaint Coordinator,

g. one hydrologist position,

h. Public Information Office Director,

i. one Information Technology Technician,

j. Legal Services Director,

k. Animal Industry Services Director,

l. Agricultural Environmental Management Services Director,

m. Forestry Services Director,

n. Plant Industry and Consumer Services Director,

o. one Grants Administrator position,

p. Director of Laboratory Services,

q. Chief of Communications,

r. Public Information Manager,

s. Inventory/Supply Officer,

t. five Agriculture Field Inspector positions assigned the responsibility for conducting inspections and audits of agricultural grain storage warehouses. All other Agriculture Field Inspector positions and employees of the Oklahoma Department of Agriculture, Food, and Forestry shall be classified and subject to the provisions of the Merit System of Personnel Administration. On November 1, 2002, all other unclassified Agriculture Field Inspectors shall be given status in the classified service as provided in Section 840-4.2 of this title,

u. Rural Fire Coordinator,

v. one Agricultural Marketing Coordinator I,

w. Food Safety Division Director,

x. two Environmental Program Specialists,

y. two Scale Technicians,

z. two Plant Protection Specialists, and

aa. Chief Agent;

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

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

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

a. Educational Program Director, and

b. Data Processing Manager;

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

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

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

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

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

50. Acting incumbents employed pursuant to Section 209 of Title 44 or Section 48 of Title 72 of the Oklahoma Statutes who shall not be included in any limitation on full-time equivalency imposed by

law on an agency. Permanent classified employees may request a leave of absence from classified status and accept an unclassified appointment and compensation as an acting incumbent with the same agency; provided, the leave shall expire no later than two (2) years from the date of the acting incumbent appointment. An appointing authority may establish unclassified positions and appoint unclassified employees to perform the duties of a permanent classified employee who is on leave of absence from a classified position to serve as an acting incumbent. All unclassified appointments created pursuant to this paragraph shall expire no later than two (2) years from the date of appointment. Classified employees accepting unclassified appointments and compensation pursuant to this paragraph shall be entitled to participate without interruption in any benefit programs available to classified employees, including retirement and insurance programs. Immediately upon termination of an unclassified appointment pursuant to this paragraph, an employee on assignment from the classified service shall have a right to be restored to the classified service and reinstated to the former job family level and compensation plus any adjustments and increases in salary or benefits which the employee would have received but for the leave of absence;

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

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

a. one surveillance supervisor,

b. one surveillance project monitor,

c. two bilingual interviewers,

d. eight senior interviewers, and

e. six interviewers;

53. State Board of Licensure for Professional Engineers and Land Surveyors personnel occupying the following offices and positions:

a. one Director of Enforcement, and

b. two Board Investigators;

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

55. Two Management Information Systems positions of the Office of Juvenile Affairs; and

56. Heads of agencies, principal assistants or deputies and executive secretaries of an agency that is consolidated into another agency.

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

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

2. Certified public accountants;

3. Licensed attorneys;

4. Licensed veterinarians; and

5. Licensed pharmacists.

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

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

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

SECTION 918. AMENDATORY 74 O.S. 2011, Section 840-5.16, is amended to read as follows:

Section 840-5.16 A. There is hereby created the State Work Incentive Program aimed at employing participants in the Temporary Assistance for Needy Families Program in Oklahoma and vocational rehabilitation clients of the State Department of Rehabilitation Services in the state service. The program shall focus on placement of persons in entry-level positions. The Department of Human Services and the State Department of Rehabilitation Services shall notify agencies in all branches of state government of this program and shall certify to appointing authorities and the ~~Administrator~~ Director of the ~~Office of Personnel Management~~ Office of Management

and Enterprise Services that a person is a participant in the Temporary Assistance for Needy Families Program or is a vocational rehabilitation client of the State Department of Rehabilitation Services before the person is eligible to be employed under the State Work Incentive Program by a state agency. Agencies shall cooperate with the Department of Human Services and the State Department of Rehabilitation Services in seeking to provide employment opportunities to persons who are participants in the Temporary Assistance for Needy Families Program or who are vocational rehabilitation clients of the State Department of Rehabilitation Services. The Department of Human Services, the State Department of Rehabilitation Services and the ~~Office of Personnel Management~~ Office of Management and Enterprise Services shall coordinate with agencies to facilitate the transition of participants in the Temporary Assistance for Needy Families Program and vocational rehabilitation clients of the State Department of Rehabilitation Services into the State Work Incentive Program.

B. Agencies employing eligible persons in the State Work Incentive Program shall employ them in unclassified status for up to two (2) years in full-time or part-time capacity. State Work Incentive Program positions shall not be included within any limitation on full-time-equivalent employee positions for any agency. The service of participants shall be rated pursuant to Section 840-4.17 of this title.

C. Employees hired under the State Work Incentive Program are eligible for leave benefits and other benefits available to state employees, subject to other eligibility requirements, and may be reassigned or promoted while they are participating in the program.

D. Employees hired under the State Work Incentive Program shall be eligible for conversion to permanent classified status after two (2) years of continuous participation in the program. Such employee shall be exempt from probationary hiring procedures including, but not limited to, placement on hiring lists and certification from registers, provided the employee:

1. Has had satisfactory performance as evidenced by service ratings conducted pursuant to Section 840-4.17 of this title; and

2. Possesses the minimum requirements specified for an applicable job.

The ~~Administrator~~ Director of the ~~Office of Personnel Management~~ Office of Management and Enterprise Services shall promulgate such rules as are necessary for the implementation of the State Work Incentive Program.

SECTION 919. AMENDATORY 74 O.S. 2011, Section 840-6.2, is amended to read as follows:

Section 840-6.2 A. The Oklahoma Merit Protection Commission shall establish standard internal agency grievance resolution procedures for classified state employees. The procedures shall encourage prompt and equitable resolution of grievances at the

lowest possible level within the employing agency. Each appointing authority shall either use the procedures established by the Commission or adopt other procedures which address the specific needs of their agencies. All procedures shall contain the minimum requirements established pursuant to this section.

B. The appointing authority of each agency shall furnish to each classified employee a copy of the internal agency grievance resolution procedure utilized by the agency.

C. No employee shall be disciplined or otherwise prejudiced in his or her employment for exercising his or her rights under the internal agency grievance resolution procedure.

D. Internal agency grievances may include, but are not limited to, any direct or indirect form of discipline, reduction-in-force, work assignments, withholding of work, classification, reclassification, promotion, leave, performance appraisal, length of service, overtime, compensatory time, transfers, or any alleged violation of the Oklahoma Personnel Act or merit rules.

E. The internal agency grievance resolution procedures established by the Oklahoma Merit Protection Commission shall contain the following minimum requirements:

1. Procedures encouraging resolution of disputes within the agency quickly, informally and at the lowest possible level;

2. Procedures requiring prompt resolution of the internal agency grievance within established time periods; and

3. Procedures guaranteeing the employee the right to be represented by a person of his own choosing at each step of the procedure, except the initial informal discussion with his immediate supervisor.

F. The Oklahoma Merit Protection Commission shall promulgate rules as necessary to implement the provisions of subsections A through I of this section to establish internal agency grievance resolution procedures~~, provided that such rules previously promulgated by the Administrator of the Office of Personnel Management shall be transferred to the Oklahoma Merit Protection Commission and shall remain in effect until duly modified by the Commission~~.

G. The appointing authority of each classified agency shall designate employees of the agency to receive and process internal agency grievances. Within six (6) months after designation to serve in this capacity, these employees shall complete the training programs established by the Commission. Upon successful completion, such employees shall be certified to perform the duties associated with receiving and processing internal agency grievances.

H. The appointing authority of each classified agency shall ensure that employees designated to receive and process internal agency grievances are scheduled to attend and notified of the required training and shall make time available for employees to complete the training.

I. Each agency shall maintain records of each grievance filed as well as summary information about the number, nature and outcome of all grievances filed. Agencies shall keep records of grievances separate and apart from other individual employee personnel files. Agencies shall annually report grievance information and related statistical data to the Oklahoma Merit Protection Commission pursuant to rules adopted by the Commission. An employee or former employee shall have a right of access to the grievance record of grievances he or she filed after the grievance procedure has been completed.

J. Employees may only appeal a reduction-in-force action to the Oklahoma Merit Protection Commission on the basis of procedural errors in the application of the reduction-in-force plan of the employing agency, board, or commission.

SECTION 920. AMENDATORY 74 O.S. 2011, Section 840-6.5, is amended to read as follows:

Section 840-6.5 A. It is the purpose of this section to provide a system for the prompt, fair, and equitable disposition of appeals by permanent classified employees who have been demoted, suspended, or discharged. Further, it is the intent of this section that all decisions rendered as a result of this procedure shall be confined to the issues submitted for decision and consistent with the applicable laws and rules.

B. If an employee in the classified service is demoted as a result of a position audit or reclassification, the agency shall provide notice of such demotion to the ~~Office of Personnel Management~~ Office of Management and Enterprise Services, which shall review the findings of the agency prior to such demotion occurring, to ensure compliance with the law. The ~~Office of Personnel Management~~ Office of Management and Enterprise Services shall complete the review and respond within ten (10) business days of receipt of notice. The provisions of this subsection shall not apply to demotions that are a result of a position audit or reclassification performed by the ~~Office of Personnel Management~~ Office of Management and Enterprise Services.

C. Any employee in the classified service may be discharged, suspended without pay for not to exceed sixty (60) calendar days, or demoted by the agency, department, institution, or officer by whom employed, for misconduct, insubordination, inefficiency, habitual drunkenness, inability to perform the duties of the position in which employed, willful violation of the Oklahoma Personnel Act, the Merit Rules for Employment or of the rules prescribed by ~~the Office of Personnel Management or by~~ the Oklahoma Merit Protection Commission, conduct unbecoming a public employee, conviction of a crime involving moral turpitude, or any other just cause. Employees in the classified service, upon final conviction of, or pleading guilty or nolo contendere to, a felony shall be discharged if the

felony is job-related pursuant to Section 24.1 of Title 51 of the Oklahoma Statutes. Before any such action is taken against a permanent classified employee, the employing agency, department, institution or officer shall provide the employee with a written statement of the specific acts or omissions that are causes or reasons for the proposed action, an explanation of the agency's evidence, and an opportunity to present reasons why the proposed action is improper.

Within ten (10) business days after such discharge, suspension, or demotion, the appointing authority shall notify the employee by certified mail or personal service of the action taken and the specific cause for which said appointing authority has so acted. Within twenty (20) calendar days after receiving the written notification provided for in this section, the employee may file a written request for appeal with the Oklahoma Merit Protection Commission. The Executive Director shall determine if the jurisdictional requirements provided for in this section have been met. If the jurisdictional requirements are not met, the Executive Director shall notify both the employee and the agency within five (5) calendar days after the receipt of a written appeal request. Such notice shall specifically describe the requirements that were not met. If said requirements have been met, the Executive Director shall refer the appeal request to an administrative hearing officer

for a hearing on said discharge, suspension, or demotion, or refer the appeal request to the Alternative Dispute Resolution Program.

If the case is not referred to the Alternative Dispute Resolution Program, then within five (5) calendar days after receipt of said properly executed appeal request, the Executive Director shall provide said employee and the appointing authority with a written notice of (1) a prehearing conference to be held at least five (5) working days, but not more than ten (10) working days, before the date of the hearing; and (2) the appeal hearing date which shall be no later than thirty-five (35) calendar days after the receipt of the appeal request, unless continued for good cause. Any continuances shall not exceed a combined total of sixty (60) calendar days except for good cause shown. Both the prehearing conference and the hearing shall be conducted in accordance with the provisions of Section 840-6.7 of this title. The notice shall be in the following form:

Notice of Hearing

Oklahoma Merit Protection Commission to _____. You are hereby notified that pursuant to your request an appeal hearing on your (discharge), (suspension), (demotion), from the position of _____ has been set for the _____ day of _____ at _____M. at _____ in _____, a copy of said cause for your (discharge), (suspension), (demotion), being hereto attached.

Dated this _____ day of _____ City of _____ By _____ Special Counsel of the Oklahoma Merit Protection Commission.

In appeals from demotion, suspension, or discharge, the burden of proof shall rest with the appointing authority, and decisions shall be made based on the rule of preponderance of evidence. The employee shall be sustained or not sustained. If the employee is not sustained in the appeal, the employee shall be discharged, or suspended without pay for not to exceed sixty (60) calendar days, or demoted. If sustained in the appeal, in whole or in part, the presiding official may either adjudge a forfeiture of pay not in excess of sixty (60) calendar days without loss of other rights and benefits or order reinstatement of appellant to the class previously held with full rights and without loss of pay or other benefits; provided that the decision will not result in an employee working out of proper classification as determined by the ~~Office of Personnel Management~~ Office of Management and Enterprise Services.

The findings of the presiding officials shall be final and conclusive upon all questions within their jurisdiction between the parties except as provided for in Sections 317 and 318 of Title 75 of the Oklahoma Statutes. Upon the timely filing of a petition to rehear, reopen, or reconsider, the Oklahoma Merit Protection Commission shall schedule the matter for consideration by the Commissioners on the earliest possible date. The Commission shall rule on petitions by a majority vote of a quorum of the

Commissioners. Based on the Commission review of the petition, the Commission shall issue a Final Petition Decision within thirty (30) days after the petition is heard. The Final Petition Decision shall address the issues which are within the jurisdiction of the Commission raised in the petition, and the Decision shall be written in clear and concise language. Final Petition Decisions are subject to judicial review if appealed to the district court within thirty (30) calendar days. The State of Oklahoma or any agency of the state shall not be allowed to appeal to the district court unless the employee is continued on full pay in the same status of employment existing prior to suspension or discharge.

SECTION 921. AMENDATORY 74 O.S. 2011, Section 840-6.9, is amended to read as follows:

Section 840-6.9 A. The Oklahoma Merit Protection Commission or ~~the Administrator~~ Director of the ~~Office of Personnel Management~~ Office of Management and Enterprise Services may levy an administrative fine not to exceed Five Thousand Dollars ($5,000.00) against any person, whether subject to the provisions of the merit system or in unclassified service, who after proper notice fails or refuses, within a reasonable period of time, to implement a written order of the Oklahoma Merit Protection Commission or the ~~Administrator~~ Director of the ~~Office of Personnel Management~~ Office. Such fine shall be assessed against the person who violates the

order and shall not be paid by any monies of the employing entity in which the person is employed or serves.

B. Any person against whom an administrative fine is levied who continues the violation for an unreasonable period of time, as determined by the Oklahoma Merit Protection Commission or ~~Administrator~~ Director of the ~~Office of Personnel Management~~ Office of Management and Enterprise Services, shall forfeit his or her position and shall be ineligible for appointment to or employment in state government for a period of five (5) years.

C. Any fines collected pursuant to this section shall be deposited to the revolving fund of the respective entity which levies the fine.

SECTION 922. AMENDATORY 74 O.S. 2011, Section 841.30, is amended to read as follows:

Section 841.30 A. There is hereby created the Oklahoma Compensation and Unclassified Positions Review Board.

B. The Oklahoma Compensation and Unclassified Positions Review Board shall be composed of the following seven (7) members:

1. Two members of the Oklahoma Senate appointed by the President Pro Tempore of the Senate;

2. Two members of the Oklahoma House of Representatives appointed by the Speaker of the House of Representatives;

3. Two members appointed by the Governor, one to be from a state agency with five hundred (500) or more employees and the other

to be from a state agency with fewer than five hundred (500) employees; and

4. The chief executive officer of the largest organization in the state that represents state employees, or a designee.

C. After the initial appointments, the members shall serve four-year terms, and the appointing authorities may fill any vacancies as they occur. The term of the members appointed by the President Pro Tempore of the Senate shall expire July 1, 2004. The term of the members appointed by the Speaker of the House of Representatives shall expire July 1, 2005. The term of the members appointed by the Governor shall expire July 1, 2006. The term of the members appointed by the largest organization in the state that represents state employees shall expire July 1, 2007.

D. The Board shall elect one of its members as chair.

E. The Board shall review the study of the ~~Office of Personnel Management~~ Office of Management and Enterprise Services, as required by paragraph 19 of Section 840-1.6A of this title, and make recommendations which may include compensation adjustments, pay band adjustments, targeted salary increases, and other recommendations related to turnover, fringe benefits and other compensation issues concerning state employees, but excluding retirement issues. The recommendations shall be made to the President Pro Tempore of the Senate, Speaker of the House of Representatives, and Governor on or before February 1 of the year following each biennial meeting.

F. The Board shall meet in December 2005 and in December of every odd-numbered year thereafter to consider compensation recommendations. The Board shall meet every year to consider unclassified positions recommendations. Any additional meetings shall be at the call of the chair.

G. The Board shall review and make recommendations concerning the unclassified service as follows:

1. State agencies subject to the provisions of the Merit System of Personnel Administration shall submit requests to the ~~Administrator~~ Director of the ~~Office of Personnel Management~~ Office of Management and Enterprise Services for authorizations for unclassified positions and employees that are in addition to unclassified positions already authorized by law. The ~~Administrator~~ Director shall forward the requests to the Board. The ~~Administrator~~ Director shall review, analyze, and provide recommendations to the Board regarding the requests. The Board shall meet in December of each year and shall review any agency proposals to add unclassified positions to the state service. A representative from each appointing authority of a state agency that desires to add unclassified positions shall attend the meeting and present the proposal of the agency. The Board shall also review positions currently in the unclassified service. The ~~Administrator~~ Director of the ~~Office of Personnel Management~~ Office of Management and Enterprise Services shall review and analyze such positions and

provide recommendations to the Board. The Board may request the presence of state agency representatives to provide information concerning such positions.

2. On or before February 1 of each year, the Board shall present any recommendations to the President Pro Tempore of the State Senate and the Speaker of the Oklahoma House of Representatives concerning current positions in the unclassified service and agency proposals to add unclassified positions.

3. The Board may also meet during the regular session of the Legislature to consider any additional requests to add unclassified positions to the state service submitted pursuant to this subsection.

H. A majority of the members of the Board shall constitute a quorum for the transaction of business. Each Board member shall be entitled to one vote on the Board. Any official action of the Board must have a majority of the votes of the members present.

I. Each member of the Board shall serve without compensation except that each legislative member of the Board shall receive reimbursement for travel expenses in accordance with Section 456 of this title and each nonlegislative member of the Board shall receive reimbursement for travel expenses in accordance with the State Travel Reimbursement Act by the ~~Office of Personnel Management~~ Office of Management and Enterprise Services.

J. Staffing for the Board shall be composed of the ~~Office of Personnel Management~~ Office of Management and Enterprise Services, Oklahoma Senate staff, and Oklahoma House of Representatives staff as needed.

SECTION 923. AMENDATORY 74 O.S. 2011, Section 842, is amended to read as follows:

Section 842. A. Effective July 1, 2003, state agencies shall allow product vendors that have an authorized payroll deduction for state employees pursuant to Section 7.10 of Title 62 of the Oklahoma Statutes reasonable access to state employees in order to provide information concerning their products. In cooperation with the individual state agencies, vendors shall be allowed, at a minimum, annual access to state employees for such purpose. This access shall only occur during scheduled breaks or during periods immediately before or after normal work hours and must not disrupt or interfere with the business of the agency. For those state government facilities that operate twenty-four (24) hours a day, vendors shall be allowed access for each shift. State funds shall not be utilized to accommodate this access.

B. The ~~Administrator~~ Director of the ~~Office of Personnel Management~~ Office of Management and Enterprise Services may promulgate rules necessary to implement this section.

SECTION 924. AMENDATORY 74 O.S. 2011, Section 845, is amended to read as follows:

Section 845. A. State agencies shall allow employee organizations the following privileges:

1. Holding meetings on state property in a location that does not disrupt the operations of agency business. Employees may attend such meetings as long as meetings are conducted before or after working hours, or during employee lunch periods; and

2. Allowing employee organizations to provide information to state agencies to be included in new employee packets.

B. The ~~Administrator~~ Director of the ~~Office of Personnel Management~~ Office of Management and Enterprise Services shall promulgate rules governing the annual distribution of employee organization materials by state agencies.

C. Nothing in the State Employee Advocacy Rights Act shall be construed to conflict with the rules of the Ethics Commission regarding the use of public facilities for political purposes.

SECTION 925. AMENDATORY 74 O.S. 2011, Section 865, is amended to read as follows:

Section 865. The accounts and books of the Authority, including its receipts, disbursements, contracts, mortgages, investments and other matters relating to its finances, operations and affairs shall be examined and audited annually by the State Auditor and Inspector as provided by law. The audit shall be filed with the Director of ~~State Finance~~ the Office of Management and Enterprise Services in

accordance with the requirements for financial statement audits in Section 212A of this title.

SECTION 926. AMENDATORY 74 O.S. 2011, Section 905, is amended to read as follows:

Section 905. (1) There shall be a Board of Trustees which shall consist of ~~thirteen (13)~~ twelve (12) members as follows: a member of the Corporation Commission selected by the Corporation Commission, the ~~Administrator~~ Director of the Office of ~~Personnel Management~~ Management and Enterprise Services or the ~~Administrator's~~ Director's designee, the State Insurance Commissioner or the Commissioner's designee, ~~the Director of State Finance~~ or the Director's designee, a member of the Oklahoma Tax Commission selected by the Tax Commission, three members appointed by the Governor, one member appointed by the Supreme Court, two members appointed by the Speaker of the House of Representatives and two members appointed by the President Pro Tempore of the State Senate. One member appointed by the Governor shall be an active member of the System. One member appointed by the Speaker shall be an active member of the System. One member appointed by the President Pro Tempore shall be a retired member of the System.

(2) The member of the Board of Trustees on the operative date of this act who was appointed by the Supreme Court shall complete the term of office for which the member was appointed. The members

thereafter appointed by the Supreme Court shall serve terms of office of four (4) years.

(3) Members of the Board of Trustees on the operative date of this act who were appointed by the Speaker of the House of Representatives or by the President Pro Tempore of the Senate shall complete their term of office for which they were appointed. The initial term of office of members appointed thereafter shall expire on January 8, 1991. The members thereafter appointed by the Speaker of the House of Representatives and by the President Pro Tempore of the Senate shall serve terms of office of four (4) years.

(4) The initial term of office of the members appointed by the Governor shall expire on January 14, 1991. The members thereafter appointed by the Governor shall serve a term of office of four (4) years which is coterminous with the term of office of the office of the appointing authority.

(5) One of the members appointed to the Board by the Speaker of the House of Representatives and by the President Pro Tempore of the Senate and two members appointed to the Board by the Governor shall:

(a) have demonstrated professional experience in investment or funds management, public funds management, public or private pension fund management or retirement system management;

(b) have demonstrated experience in the banking profession and have demonstrated professional experience in investment or funds management;

(c) be licensed to practice law in this state and have demonstrated professional experience in commercial matters; or

(d) be licensed by the Oklahoma Accountancy Board to practice in this state as a public accountant or a certified public accountant.

The appointing authorities, in making appointments that conform to the requirements of this subsection, shall give due consideration to balancing the appointments among the criteria specified in paragraphs (a) through (d) of this subsection.

(6) No member of the Board of Trustees shall be a lobbyist registered in this state as provided by law.

(7) Any vacancy that occurs on the Board of Trustees shall be filled for the unexpired term in the same manner as the office was previously filled.

(8) Notwithstanding any of the provisions of this section to the contrary, any person serving as an appointed member of the Board on the operative date of this act shall be eligible for reappointment when the term of office of the member expires.

(9) The Board shall elect one of its members as Chairman of the Board at its annual meeting. He shall preside over meetings of the Board and perform such other duties as may be required by the Board.

(10) The Board shall also elect another member to serve as Vice Chairman, and the Vice Chairman shall perform duties of Chairman in the absence of the latter or upon his inability or refusal to act.

SECTION 927. AMENDATORY 74 O.S. 2011, Section 907, is amended to read as follows:

Section 907. A. The principal office of the System shall be in quarters at Oklahoma City, Oklahoma. Offices shall be assigned to the System by the ~~Department of Central Services~~ Office of Management and Enterprise Services. Upon the failure or inability of the ~~Department of Central Services~~ Office of Management and Enterprise Services to provide adequate facilities, the Board is hereby authorized to contract for necessary office space in suitable quarters. If the Board acquires an office building for investment purposes, it may occupy suitable quarters in the building.

B. The Board shall keep a record of all of its proceedings, which shall be open at all reasonable hours to inspection. A statement covering the operation of the System for the past fiscal year, including income, disbursements, and the financial condition of the fund at the end of each fiscal year and showing the valuation of its assets, investments, and liabilities, shall be delivered to the Governor after the end of each fiscal year and prior to December 1 of the next fiscal year and made readily available to the members and participating employers.

C. The Office of the State Auditor and Inspector shall make an annual audit of the accounts of the System. The audit shall be filed in accordance with the requirements for financial statement audits in Section 212A of this title.

SECTION 928. AMENDATORY 74 O.S. 2011, Section 913, is amended to read as follows:

Section 913. A. Prior service shall be credited as follows:

1. A member shall receive full credit for employment with any participating employer prior to the entry date of his or her employer whether or not continuous and whether or not he or she was employed with a participating employer on such entry date, provided that any member who has retired before the passage of Section 901 et seq. of this title, shall not receive retirement benefits retroactively for such prior service. Provided, that at such time that an employer becomes a participating employer on or after January 1, 1965, and before January 1, 1975, each member and each retirant, upon making proper written application therefor, shall receive prior service credit for service with such employer in the same manner as if such participating employer had been a participating employer on the date first eligible to become a participating employer; and increased benefits attributable to such increased prior service credit shall commence with the next monthly benefit payment due following receipt and approval of such application by the Board of Trustees. No prior service shall be granted, however, for periods of service in which the employee made contributions which he or she subsequently withdrew, unless he or she has complied with the provisions of subsection (5) of Section 917 of this title. The burden of proof regarding prior service

shall be with the member and shall be documented in such manner as the Board may direct;

2. Any member who was employed in an institution of higher learning by a State Board of Regents or who was employed by an Oklahoma school district prior to July 1, 1943, may receive prior service credit under this act for the period of time they were so employed;

3. Any member who served in the Armed Forces of the United States, as defined in paragraph (23) of Section 902 of this title, prior to membership in the Oklahoma Public Employees Retirement System shall be granted prior service credit, not to exceed five (5) years, for those periods of active military service during which he or she was a war veteran. For a member of the System hired on or after July 1, 2003, if the military service credit authorized by this paragraph is used to compute the retirement benefit of the member and the member retires from the System, such military service credit shall not be used to compute the retirement benefit in any other retirement system created pursuant to the Oklahoma Statutes and the member may receive credit for such service only in the retirement system from which the member first retires;

4. An elective state, county, city or town official who is ineligible for membership as a result of any applicable state law or constitutional provision making him or her ineligible solely because of his or her being such an official at the time of his or her

eligibility for membership at the time his or her employer becomes a participating employer shall nevertheless not forfeit the prior service credit to which he or she would be entitled except for such ineligibility, provided that he or she either:

a. becomes an employee of a participating employer within four (4) calendar months of the expiration of his or her term of office current at the time of his or her eligibility except for his or her being an elective state or county official, or

b. within a period of four (4) years after the expiration of his or her term of office current at the time of his or her eligibility except for his or her being an elective state or county official, is elected as a state or county official and thereupon becomes a member of the System, or

c. has completed ten (10) years of credited service as of the date of his or her eligibility for membership except for his or her being an elective state or county official;

5. Beginning July 1, 1965, all employees of the Department of Human Services shall participate in the Oklahoma Public Employees Retirement System to the same extent as other employees of participating employers in such System. Provided, that any employee performing teaching services in the Oklahoma School for the Deaf or

the Oklahoma School for the Blind may elect to participate in the Teachers' Retirement System of Oklahoma in lieu of the Oklahoma Public Employees Retirement System; and any other employee at each such institution or any other institution under the jurisdiction of the Department of Human Services, participating in the Teachers' Retirement System of Oklahoma, may elect to continue to participate in such system in lieu of the Oklahoma Public Employees Retirement System. All employees who shall have participated in the Teachers' Retirement System of Oklahoma and not continuing therein shall have the right to withdraw their membership from the Teachers' Retirement System of Oklahoma on the same terms as other members withdrawing from such System before retirement. Provided, all persons employed at the Oklahoma School for the Blind and Oklahoma School for the Deaf on June 30, 1965, who became subject to the Oklahoma Public Employees Retirement System, on July 1, 1965, shall receive credit for prior service and be eligible for participation, regardless of age;

6. A member employed as a temporary employee by the Legislative Service Bureau or its predecessors, the State Senate or the House of Representatives for the full duration of a regular legislative session prior to the member's eligibility for membership in the System shall receive six (6) months of prior service credit for each such full regular legislative session if the employee is employed by the Legislative Service Bureau or its predecessors, the State Senate

or the House of Representatives as either a full-time or temporary employee for a minimum of six (6) full regular legislative sessions beginning January 1, 1983. For purposes of this subsection, the determination of whether an employee is employed for the full duration of a regular legislative session shall be made by the Legislative Service Bureau if such employee is employed by the Legislative Service Bureau, the State Senate if such employee is employed by the State Senate, or by the House of Representatives if such employee is employed by the House of Representatives;

7. A member of the System shall receive prior service credit for any years of service after January 1, 1975, the member had with a participating employer if the member is not receiving or eligible to receive such prior service credit for the same time in any other state or county retirement system authorized by law. To receive the service credit, the member shall pay the amount determined by the Board pursuant to Section 913.5 of this title; and

8. Any member who is a state employee and receives temporary total disability benefits during the period of absence with a participating employer due to a work-related injury or illness incurred while engaged in a governmental function for said participating employer pursuant to the Workers' Compensation Act shall receive credit for participating service during said period of absence subject to the following requirements:

a. the member was employed by the participating employer immediately prior to and during the period of absence,

b. the member must notify the System in writing not later than four (4) months after the member's return to his or her job duties with the participating employer, or termination of employment with the participating employer, or termination of the temporary total disability benefits, whichever is earlier, of the member's desire to receive participating service credit for the period of absence,

c. the participating employer must certify to the System in writing the dates during which temporary total disability benefits payments were paid to the member, and

d. the member and the participating employer shall each pay their respective contributions required for the period of absence without interest within sixty (60) days of invoicing by the System, or with interest of seven and one-half percent (7 1/2%) compounded annually if paid after said sixty (60) days.

B. Participating service shall be credited as follows:

1. A member shall receive credit for participating service with a participating employer in accordance with the rules and regulations established by the Board; provided, however, that a

member who is not a full-time employee shall receive prorated credit for actual hours worked;

2. Leaves of absence shall not count as a break in continuous employment provided the member leaves his or her accumulated contribution on deposit with the fund; however, the leaves of absence shall not be credited except that involuntary furloughs established by ~~Office of Personnel Management~~ Office of Management and Enterprise Services rules, involuntary furloughs of employees of a district attorney conducted in substantial compliance with the rules of the ~~Office of Personnel Management~~ Office of Management and Enterprise Services as certified by the District Attorneys Council, involuntary furloughs of employees pursuant to a furlough plan adopted by the President Pro Tempore of the Senate or the Speaker of the House of Representatives as authorized in Section 840-5.1 of this title and involuntary furloughs of employees authorized by the Oklahoma Supreme Court shall be credited;

3. Any member who has served in the Armed Forces of the United States, as defined in paragraph (23) of Section 902 of this title, shall be granted participating service for those periods of active military service during which he or she was a war veteran provided this service is immediately preceded by a period of employment with a participating employer and is followed by return to employment as an employee with the same or another participating employer within ninety (90) days immediately following discharge from such military

service provided the member leaves his or her accumulated contributions on deposit with the fund;

4. A period of total disability under the System immediately followed by employment with a participating employer, shall not count as a break in continuous employment; provided, that such periods while not employed shall not be credited except that involuntary furloughs established by ~~Office of Personnel Management~~ Office of Management and Enterprise Services Rule 6.13, shall be credited;

5. Termination of employment with a participating employer followed by employment with the same or another participating employer within four (4) calendar months shall not constitute a break in continuous employment; provided, that such period while not employed shall not be credited as participating service;

6. Provided, however, that all employee contributions required by this act made by employees prior to June 30, 1977, will entitle the employee to additional years of participating service in accordance with the following schedule.

Employee accumulated contributions:

More than $1.00 up to $500	= 1 year participating service
More than $500 up to $1,000	= 2 years participating service
More than $1,000 up to $1,500	= 3 years participating service
More than $1,500 up to $2,000	= 4 years participating service
More than $2,000	= 5 years participating service

In no event shall the employee be entitled to more than five (5) additional years of participating service as provided hereunder.

Provided further, that upon termination of employment prior to retirement, the accumulated contributions will be credited as above indicated to establish a vested benefit if so elected by any such employee; and

7. The total participating service credit of a member who retires or terminates employment and elects a vested benefit shall include not to exceed one hundred thirty (130) days of unused sick leave accumulated subsequent to August 1, 1959, during the member's employment with any participating employer. Such credit shall be added in terms of whole months. Twenty (20) days of unused sick leave shall equal one (1) month for purposes of participating service credit. If unused sick leave entitles a member to an additional year of service credit, the member's employer shall reimburse the System for the cost of funding the additional reserve. Each participating employer shall provide the System with adequate and timely information necessary to determine additional benefits and its cost under this paragraph. This paragraph shall apply to members retiring or vesting on or after July 1, 1984.

C. In determining the number of years of credited service, a fractional year of six (6) months or more shall be considered as one (1) year, and less than six (6) months shall be disregarded.

D. A member may receive credit for those years of credited service accumulated by the member while a member of the Oklahoma Firefighters Pension and Retirement System, the Oklahoma Police Pension and Retirement System, the Uniform Retirement System for Justices and Judges, the Oklahoma Law Enforcement Retirement System, or the Teachers' Retirement System of Oklahoma, if the member is not receiving or eligible to receive retirement credit or benefits from said service in any other public retirement system. To receive the service credit, the member shall pay the amount determined by the Board pursuant to Section 913.5 of this title.

E. A member may receive credit for those years of service accumulated by the member as an elected official if the member is not receiving or eligible to receive retirement credit or benefits from said service in any public retirement system. Prior to January 1, 1991, to receive the service credit, the member shall pay to the Board for each year of service purchased pursuant to this subsection a sum equal to the employee and employer contribution rate that would have been applicable to the member as determined by the Board and interest of not to exceed five percent (5%), and effective January 1, 1991, to receive the service credit, the member shall pay the amount determined by the Board pursuant to Section 913.5 of this title.

F. Effective December 12, 1994, and thereafter, a leave of absence on account of a period of qualified military service in the

uniformed services of the United States within the meaning of Section 414(u)(5) of the federal Internal Revenue Code, followed by a return to employment with the participating employer within ninety (90) days after completion of the period of service may be eligible for credited service under this System. Notwithstanding any provision of this plan to the contrary, contributions, benefits and service credit with respect to qualified military service will be allowed in accordance with Section 414(u) of the federal Internal Revenue Code.

G. 1. An active member of the Oklahoma Public Employees Retirement System may receive credit for those years of service accumulated by the member while a member of the Teachers' Retirement System of Oklahoma if:

a. the member is an active member of the Oklahoma Public Employees Retirement System, and

b. the member provides notice to the Teachers' Retirement System of Oklahoma and the Oklahoma Public Employees Retirement System of the member's election to transfer said retirement credit. The notice shall include a list of the years to be transferred, and

c. the member is not receiving or eligible to receive retirement credit or benefits from said service in any other public retirement system, notwithstanding the

years of service sought to be transferred under this subsection.

Members electing to take advantage of the transfer authorized by this subsection who are receiving or eligible to receive retirement credit or benefits from said service in any other public retirement system shall have all service credit with the Teachers' Retirement System of Oklahoma canceled which is not transferred to the Oklahoma Public Employees Retirement System or used as a cash offset in such a transfer pursuant to subparagraph d of paragraph 2 of this subsection. Service credit transferred to the Teachers' Retirement System of Oklahoma under this subsection shall also be canceled with the Oklahoma Public Employees Retirement System.

2. For purposes of this subsection, the "sending system" shall mean the Teachers' Retirement System of Oklahoma. The "receiving system" shall mean the Oklahoma Public Employees Retirement System.

a. Within thirty (30) days notification of an intent to transfer is received by the sending system, the sending system shall, according to its own rules and regulations:

(1) for members who have vested with the sending system, determine the present value of the member's earned benefits attributable to the years of service sought to be transferred, discounted according to the member's age at the

time of transfer and computed as of the earliest age at which the member would be able to retire. Said computation shall assume an unreduced benefit and be computed using interest and mortality assumptions consistent with the actuarial assumptions adopted by the Board of Trustees for purposes of preparing the annual actuarial evaluation but shall not make any projections regarding future salary. For vested employees the sending system shall use the product of this calculation for purposes of determining the transfer fee to be paid by the employee under subparagraph c of this paragraph so long as it is greater than the product of the calculation in this division, and

(2) determine the sum of the employee and employer contributions applicable to the years of service sought to be transferred plus interest consistent with the actuarial assumptions adopted by the Board of Trustees for purposes of preparing the annual actuarial evaluation. For all nonvested members, and for vested members if the product of this calculation is greater than the product of the calculation in division (1) of this

subparagraph, the sending system shall use the product of this calculation for purposes of determining the amount to be transferred by the sending system under subparagraph c of this paragraph and any transfer fee to be paid by the members under subparagraph d of this paragraph.

b. Within thirty (30) days after notification of an intent to transfer is received by the receiving system, the receiving system shall determine, according to the system's own rules and regulations, the present value of the member's incremental projected benefits discounted according to the member's age at the time of the transfer. Incremental projected benefits shall be the difference between the projected benefit said member would receive without transferring the service credit and the projected benefit after transfer of service credit computed as of the earliest age at which the member would be able to retire. Said computation shall assume an unreduced benefit and be computed using interest, salary projections and mortality assumptions consistent with the actuarial assumptions adopted by the Board of Trustees for purposes of preparing the annual actuarial evaluation.

c. The sending system shall, within sixty (60) days from the date notification of an intent to transfer is received by the sending system, transfer to the receiving system the amount determined in subparagraph a of this paragraph. Except, if the cost under subparagraph a of this paragraph for the same years of service to the sending system is greater than the actuarial value of the incremental benefit in the receiving system, as established in subparagraph b of this paragraph, the sending system shall send the receiving system an amount equal to the actuarial value of the incremental projected benefit in the receiving system.

d. In order to receive the credit provided for in paragraph 1 of this subsection, if the cost of the actuarial value of the incremental benefit to the receiving system is greater than the cost as calculated under subparagraph a of this paragraph for the same years of service to the sending system as established in subparagraphs a and b of this paragraph, the employee shall elect to:

(1) pay any difference to receive full credit for the years sought to be transferred, or

(2) receive prorated service credit for only the amount received from the Teachers' Retirement System of Oklahoma pursuant to this subsection.

Such an election shall be made in writing, filed with the System prior to receiving the credit provided for in paragraph 1 of this subsection, and shall be irrevocable.

3. Within sixty (60) days of successfully completing all of the requirements for transfer under this subsection, the sending system shall pay the receiving system any amount due under this subsection. Within sixty (60) days of successfully completing all of the requirements for transfer under this subsection, the member shall pay the receiving system any amount due under this subsection. In the event that the member is unable to pay the transfer fee provided for in this subsection by the due date, the Board of Trustees of the receiving system shall permit the member to amortize the transfer fee over a period not to exceed sixty (60) months. Said payments shall be made by payroll deductions unless the Board of Trustees permits an alternate payment source. The amortization shall include interest in an amount not to exceed the actuarially assumed interest rate adopted by the Board of Trustees for investment earnings each year. Any member who ceases to make payment, terminates, retires or dies before completing the payments provided for in this section shall receive prorated service credit for only those payments made,

unless the unpaid balance is paid by said member, his or her estate or successor in interest within six (6) months after said member's death, termination of employment or retirement, provided no retirement benefits shall be payable until the unpaid balance is paid, unless said member or beneficiary affirmatively waives the additional six-month period in which to pay the unpaid balance.

4. Years of service transferred pursuant to this subsection shall be used both in determining the member's retirement benefit and in determining the years of service for retirement and/or vesting purposes. Years of service rendered as a member of the Teachers' Retirement System of Oklahoma prior to July 1, 1992, if any, shall be deemed to be years of service rendered as a member of the Oklahoma Public Employees Retirement System prior to July 1, 1992, and shall qualify such person as a member of the Oklahoma Public Employees Retirement System before July 1, 1992.

5. Notwithstanding the requirements of Section 17-104 of Title 70 of the Oklahoma Statutes, members electing to take advantage of the transfer authorized by this subsection who have withdrawn their contributions from the sending system shall remit to the sending system the amount of the accumulated contributions the member has withdrawn plus simple interest of ten percent (10%) per annum prior to making said election or the election shall be deemed invalid and the transfer shall be canceled. If such an election is deemed invalid and the transfer is canceled, the accumulated contribution

remitted to the sending system by the member who originally withdrew their contributions shall be returned to the member. The member's rights and obligations regarding any service credit reestablished in the sending system due to a failure to satisfy the requirements of this subsection shall be determined by the sending system in accordance with Section 17-101 et seq. of Title 70 of the Oklahoma Statutes.

6. If any member fails for any reason to satisfy the requirements of this subsection, the election to transfer retirement credit shall be void and of no effect, and any retirement credited as a result of this transfer shall be canceled. If such retirement credit is canceled, the years of canceled retirement credit which were unsuccessfully transferred to the receiving system from the sending system shall be reestablished in the sending system. The member's rights and obligations regarding any retirement credit reestablished in the sending system due to a failure to satisfy the requirements of this subsection shall be determined by the sending system in accordance with Section 17-101 et seq. of Title 70 of the Oklahoma Statutes.

7. The Board of Trustees shall promulgate such rules as are necessary to implement the provisions of this subsection.

H. 1. A member of the Teachers' Retirement System of Oklahoma whose last service with the Teachers' Retirement System of Oklahoma was with an entity or institution within The Oklahoma State System

of Higher Education, State Board of Education, State Board of Career and Technology Education, Oklahoma Department of Career and Technology Education, Oklahoma School of Science and Mathematics, Oklahoma Center for the Advancement of Science and Technology, State Department of Rehabilitation Services, Oklahoma State Regents for Higher Education, Department of Corrections, State Department of Education, Oklahoma Board of Private Vocational Schools, Board of Regents of Oklahoma Colleges, Oklahoma Student Loan Authority, or the Teachers' Retirement System of Oklahoma, may elect to receive credit for those years of service accumulated by the member in the Teachers' Retirement System of Oklahoma, pursuant to this subsection. A member shall be eligible to elect to transfer credit for such years of service from the Teachers' Retirement System of Oklahoma to the Oklahoma Public Employees Retirement System if:

a. the member is an active member of the Oklahoma Public Employees Retirement System,

b. the member provides notice to the Teachers' Retirement System of Oklahoma and the Oklahoma Public Employees Retirement System of the member's election to transfer such retirement credit. The notice shall include a list of the years to be transferred, and

c. the member is not receiving or eligible to receive retirement credit or benefits from such service in any other public retirement system, notwithstanding the

years of service sought to be transferred under this subsection.

Members electing to take advantage of the transfer authorized by this subsection shall have all service credit with the Teachers' Retirement System of Oklahoma canceled which is transferred to the Oklahoma Public Employees Retirement System.

2. For purposes of this subsection, the "sending system" shall mean the Teachers' Retirement System of Oklahoma. The "receiving system" shall mean the Oklahoma Public Employees Retirement System. Within thirty (30) days after notification of an intent to transfer is received by the sending system, the sending system shall, according to its own rules, send to the receiving system all employer and employee contributions made on behalf of the member which were made to the sending system plus an additional amount of earnings based on the actuarial assumed rate of the sending system. Upon receipt of these contributions by the receiving system, the receiving system shall give credit to the transferring member in an amount equal to the years of service accrued in the sending system.

3. If the transferring member's normal retirement date calculation is based upon the sum of the member's age and number of years of credited service totaling eighty (80) in the sending system, then the member shall retain such calculation in the receiving system.

4. The Board of Trustees shall promulgate such rules as are necessary to implement the provisions of this subsection.

I. A member of the System in the employment of the Governor, the State Senate or the House of Representatives, on or after July 1, 1999, may make an election prior to December 31, 2000, which shall be irrevocable and on a form prescribed for such purpose by the System, to continue participation in the System upon becoming employed by a participating employer of the Teachers' Retirement System of Oklahoma. The Board shall promulgate all rules necessary to implement the provisions of this subsection.

SECTION 929. AMENDATORY 74 O.S. 2011, Section 920, is amended to read as follows:

Section 920. (1) Effective July 1, 1994, every state agency which is a participating employer shall contribute to the System an amount equal to eleven and one-half percent (11 1/2%) of the monthly compensation of each member, but not in excess of Forty Thousand Dollars ($40,000.00).

(2) Effective July 1, 1995, every state agency which is a participating employer shall contribute to the System an amount equal to eleven and one-half percent (11 1/2%) of the monthly compensation of each member, not to exceed the allowable annual compensation as defined in paragraph (9) of Section 902 of this title.

(3) Effective July 1, 1996, every state agency which is a participating employer shall contribute to the System an amount equal to twelve percent (12%) of the monthly compensation of each member, not to exceed the allowable annual compensation defined in paragraph (9) of Section 902 of this title.

(4) Effective July 1, 1999, and through the fiscal year ending June 30, 2005, every state agency which is a participating employer shall contribute to the System an amount equal to ten percent (10%) of the monthly compensation of each member, not to exceed the allowable annual compensation defined in paragraph (9) of Section 902 of this title.

(5) Effective July 1, 2005, every state agency which is a participating employer shall contribute an amount to the System equal to a percentage of monthly compensation of each member, not to exceed the allowable annual compensation defined in paragraph (9) of Section 902 of this title as follows:

July 1, 2005 - June 30, 2006	11 1/2%
July 1, 2006 - June 30, 2007	12 1/2%
July 1, 2007 - June 30, 2008	13 1/2%
July 1, 2008 - June 30, 2009	14 1/2%
July 1, 2009 - June 30, 2011	15 1/2%
July 1, 2011 - June 30, 2012 and each year thereafter	16 1/2%

(6) The Board shall certify, on or before November 1 of each year, to the ~~Office of State Finance~~ Office of Management and Enterprise Services an actuarially determined estimate of the rate of contribution which will be required, together with all accumulated contributions and other assets of the System, to be paid by each participating employer to pay all liabilities which shall exist or accrue under the System, including amortization of the past service cost over a period of not to exceed forty (40) years from June 30, 1987, and the cost of administration of the System, as determined by the Board, upon recommendation of the actuary.

(7) The ~~Office of State Finance~~ Office of Management and Enterprise Services and the Governor shall include in the budget and in the budget request for appropriations the sum required to satisfy the state's obligation under this section as certified by the Board and shall present the same to the Legislature for allowance and appropriation.

(8) Each other participating employer shall appropriate and pay to the System a sum sufficient to satisfy the obligation under this section as certified by the Board.

(9) Each participating employer is hereby authorized to pay the employer's contribution from the same fund that the compensation for which said contribution is paid from or from any other funds available to it for such purpose.

(10) Forfeitures arising from severance of employment, death or for any other reason may not be applied to increase the benefits any member would otherwise receive under the System's law. However, forfeitures may be used to reduce an employer's contribution.

SECTION 930. AMENDATORY 74 O.S. 2011, Section 941, is amended to read as follows:

Section 941. A. There is hereby created the Oklahoma State Pension Commission. The Commission shall consist of seven (7) members as follows:

1. The State Auditor and Inspector or that person's designee;

2. The Director of the ~~Department of Central Services~~ Office of Management and Enterprise Services or that person's designee;

3. The State Treasurer or that person's designee;

4. One member who shall be a member of the Senate appointed by the President Pro Tempore of the Senate who shall serve at the pleasure of the appointing authority;

5. One member who shall be a member of the House of Representatives appointed by the Speaker of the House of Representatives who shall serve at the pleasure of the appointing authority;

6. One person to be appointed by the Governor who shall have at least ten (10) years of demonstrated experience in the banking industry; and

7. One person to be appointed by the Governor who shall have at least ten (10) years of experience in professional pension planning, including demonstrated experience with defined benefit retirement plan design.

No member of the governing body of a state retirement system shall be eligible to be appointed to the Commission.

B. The Commission shall hold regular meetings at least once each quarter, the dates, time and place to be set by the Commission. The Commission shall hold its first meeting prior to September 30, 1988.

C. The Office of the State Auditor and Inspector shall provide the administrative support required by the Commission.

D. The cost of providing the administrative support shall be apportioned by the State Auditor and Inspector among the Oklahoma Firefighters Pension and Retirement System, the Oklahoma Police Pension and Retirement System, the Uniform Retirement System for Justices and Judges, the Oklahoma Law Enforcement Retirement System, the Teachers' Retirement System of Oklahoma, the Oklahoma Public Employees Retirement System and the Department of Wildlife Conservation on behalf of the retirement plan adopted by the Wildlife Conservation Commission in proportion to the percentage that the assets of each system at the end of the preceding fiscal year were to the combined total of the assets of the systems.

SECTION 931. AMENDATORY 74 O.S. 2011, Section 943, is amended to read as follows:

Section 943. There is hereby created in the State Treasury a revolving fund to be designated the "Oklahoma State Pension Commission Revolving Fund" which shall consist of all monies received by the Commission as provided by law. The fund shall be a continuing fund not subject to fiscal year limitations. Monies accruing to the credit of the fund are hereby appropriated and may be expended by the Oklahoma State Pension Commission for implementing its duties. Expenditures from the fund shall be made upon warrants issued by the State Treasurer against claims submitted by the Commission to the Director of ~~State Finance~~ the Office of Management and Enterprise Services for audit and payment.

SECTION 932. AMENDATORY 74 O.S. 2011, Section 952, is amended to read as follows:

Section 952. There is hereby created the Oklahoma Human Rights Commission. Said Commission shall consist of nine (9) members appointed by the Governor by and with the advice and consent of the Senate. Initially, three of such members shall be appointed for a term of one (1) year, three for terms of two (2) years, and three for terms of three (3) years, and until their successors are appointed and confirmed. Thereafter all appointments to the Commission shall be for terms of three (3) years and until their successors are appointed and confirmed.

In making such appointments to said Commission, consideration shall be given to making the membership broadly representative of the geographic areas of the state, the two major political parties in the state, and the several racial, religious, and ethnic groups residing in the state.

The ~~Office of Public Affairs~~ Office of Management and Enterprise Services shall provide a suitable office for said Commission for which the Commission shall pay an appropriate rental charge.

The Commission shall meet regularly at least once per month and at such other times as may be set by the Chairman. Members of the Commission shall receive no salary, but shall be entitled to travel reimbursement as provided by the State Travel Reimbursement Act.

SECTION 933. AMENDATORY 74 O.S. 2011, Section 1224, is amended to read as follows:

Section 1224. A. Notwithstanding any other provision relating to the authority of the ~~Office of Public Affairs~~ Office of Management and Enterprise Services, the ~~Office of Public Affairs~~ Office of Management and Enterprise Services is hereby authorized to enter into a private land sale agreement with the Northeast Eight Inter-Tribal Council to secure title to the former land of the Indian and Hard Rock Mining Museum Commission, which has by law been deemed as a state reservation for the benefit of said Inter-Tribal Council subject to the restrictions and covenants set forth in Section ~~2~~ 1225 of this ~~act~~ title.

B. The purpose of this section is to provide for the transfer of title to the Inter-Tribal Council in such manner that the Secretary of the Interior of the United States can immediately place it in federal trust for the benefit of the Northeast Eight Inter-Tribal Council. The sale of said property must be for fair market value.

SECTION 934. AMENDATORY 74 O.S. 2011, Section 1226.4A, is amended to read as follows:

Section 1226.4A With respect to approval of agreements for the planning, construction, development, operation, maintenance, and administration of commercial facilities which support, enhance, or contribute to the American Indian Cultural Center, the Native American Cultural and Educational Authority, notwithstanding any other provision of law, may enter into contractual agreements without approval from the ~~Oklahoma Department of Central Services~~ Office of Management and Enterprise Services, and the provisions of the Public Building Construction and Planning Act, Section 202 et seq. of Title 61 of the Oklahoma Statutes and Sections 60 through 65 of Title 61 of the Oklahoma Statutes shall not apply. With the exception of the development of the commercial facilities described in this section, this section shall not be construed to enlarge the powers of the Native American Cultural and Educational Authority.

SECTION 935. AMENDATORY 74 O.S. 2011, Section 1226.17, is amended to read as follows:

Section 1226.17 There is hereby created in the State Treasury a revolving fund for the Oklahoma Department of Commerce to be designated the "Native American Cultural and Educational Authority Fund." The fund shall be a continuing fund, not subject to fiscal year limitations. The fund shall consist of all monies authorized by law for deposit in such fund including but not limited to appropriations, gifts, grants, private donations, fee revenues and funds by governmental or tribal government entities. Monies deposited or apportioned to the credit of the fund may be expended for the purposes authorized by law. All monies accruing to the credit of said fund are hereby appropriated and may be budgeted and expended by the Oklahoma Department of Commerce. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims submitted to the Director of ~~State Finance~~ the Office of Management and Enterprise Services.

SECTION 936. AMENDATORY 74 O.S. 2011, Section 1305.1, is amended to read as follows:

Section 1305.1 (1) The ~~State and Education Employees Group Insurance Board~~ Director of the Office of Management and Enterprise Services and the Oklahoma Employees Insurance and Benefits Board shall discharge their duties with respect to the ~~State and Education Employees Group Insurance Act~~ Oklahoma Employees Insurance and Benefits Act, the State Employees Flexible Benefits Act and the

State Employees Disability Program Act solely in the interest of said Acts and:

(a) for the exclusive purpose of:

(i) providing benefits to the participants and their dependents, and

(ii) defraying reasonable expenses of administering the ~~State and Education Employees Group Insurance Act~~ Oklahoma Employees Insurance and Benefits Act, the State Employees Flexible Benefits Act and the State Employees Disability Program Act;

(b) with the care, skill, prudence, and diligence under the circumstances then prevailing that a prudent person acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character and with like aims;

(c) by diversifying investments so as to minimize the risk of large losses, unless under the circumstances it is clearly prudent not to do so; and

(d) in accordance with the laws, documents and instruments governing the ~~State and Education Employees Group Insurance Act~~ Oklahoma Employees Insurance and Benefits Act, the State Employees Flexible Benefits Act and the State Employees Disability Program Act.

(2) The monies received by the ~~State and Education Employees Group Insurance Board~~ Office of Management and Enterprise Services

shall be invested only in assets eligible for the investment of funds of legal reserve life insurance companies in this state as provided for in Sections 1602 through 1611, 1613 through 1620, and 1622 through 1624 of Title 36 of the Oklahoma Statutes. The term admitted assets shall mean the amount of the monies received by the ~~Board~~ Office and the provisions relating to limitation of investments as a percentage of surplus and loans to policyholders shall be inapplicable with respect to investment of the monies received by the ~~Board~~ Office.

(3) The ~~Board~~ Office may procure insurance indemnifying the members of the Board and the Director from personal loss or accountability from liability resulting from ~~a member's~~ action or inaction ~~as a member of the Board~~.

(4) The ~~Board~~ Director may establish an investment committee. The investment committee shall be composed of not more than ~~five (5)~~ three (3) members of the Board ~~appointed by the chairman of the Board~~ selected by the Director. The committee shall make recommendations to the full Board on all matters related to the choice of custodians and managers of the assets of the ~~Board~~ Office of Management and Enterprise Services relating to the Oklahoma Employees Insurance and Benefits Act, on the establishment of investment and fund management guidelines, and in planning future investment policy. The committee shall have no authority to act on behalf of the Board or Director in any circumstances whatsoever. No

recommendation of the committee shall have effect as an action of the Board or Director nor take effect without the approval of the Board ~~as provided by law~~ or Director.

(5) The Board shall retain qualified investment managers to provide for the investment of the monies received by the ~~Board~~ Office. The investment managers shall be chosen by a solicitation of proposals on a competitive bid basis pursuant to standards set by the Board. Subject to the overall investment guidelines set by the Board, the investment managers shall have full discretion in the management of those monies of the ~~Board~~ Office allocated to the investment managers. The Board shall manage those monies not specifically allocated to the investment managers. The monies of the ~~Board~~ Office allocated to the investment managers shall be actively managed by the investment managers, which may include selling investments and realizing losses if such action is considered advantageous to longer term return maximization. Because of the total return objective, no distinction shall be made for management and performance evaluation purposes between realized and unrealized capital gains and losses.

(6) Funds and revenues for investment by the investment managers or the Board shall be placed with a custodian selected by the Board. The custodian shall be a bank or trust company offering pension fund master trustee and master custodial services. The custodian shall be chosen by a solicitation of proposals on a

competitive bid basis pursuant to standards set by the Board. In compliance with the investment policy guidelines of the Board, the custodian bank or trust company shall be contractually responsible for ensuring that all monies of the ~~Board~~ Office are invested in income-producing investment vehicles at all times. If a custodian bank or trust company has not received direction from the investment managers of the ~~Board~~ Office as to the investment of the monies of the ~~Board~~ Office in specific investment vehicles, the custodian bank or trust company shall be contractually responsible to the ~~Board~~ Office for investing the monies in appropriately collateralized short-term interest-bearing investment vehicles.

(7) ~~By November 1, 1989, and prior~~ Prior to August 1 of each year ~~thereafter~~, the Board shall develop a written investment plan for the monies received by the ~~Board~~ Office.

(8) The Administrator shall compile a quarterly financial report of all the funds of the ~~Board~~ Office on a calendar year basis. The report shall be compiled pursuant to uniform reporting standards prescribed by the Insurance Commissioner for all domestic insurance companies. The report shall include several relevant measures of investment value, including acquisition cost and current fair market value with appropriate summaries of total holdings and returns. The report shall contain combined and individual rate of returns of the investment managers by category of investment, over periods of time. The report shall be distributed to the Governor,

the Legislative Service Bureau and the Joint Committee on Fiscal Operations.

SECTION 937. AMENDATORY 74 O.S. 2011, Section 1306.1, is amended to read as follows:

Section 1306.1 A. The ~~Board~~ Office of Management and Enterprise Services shall have the right of subrogation to recover any payments made for injury to an employee or dependent caused by a third party's wrongful act or negligence. The ~~Board, the Administrator or the Board's attorney~~ Office shall have the authority to waive or reduce subrogation in individual cases when the exercise of the right of subrogation would create an extreme financial hardship on the employee or dependent.

B. Subrogation will exist only to the extent of actual claims paid.

C. If an employee or dependent has prejudiced the ~~Board's~~ Office's right of subrogation by releasing the responsible party prior to submitting claims to the ~~Board~~ Office, ~~such~~ the claims may be denied by the ~~Board~~ Office. If claims are submitted and paid after the employee or dependent has released the responsible party, the ~~Board~~ Office shall be entitled to bring an action against the employee, dependent, or their assignees, for any such claims paid and for additional costs incurred by the ~~Board~~ Office including, but not limited to: interest, administrative and adjudicative costs, and ~~attorney's~~ attorney fees.

SECTION 938. AMENDATORY 74 O.S. 2011, Section 1306.2, is amended to read as follows:

Section 1306.2 A. The ~~State and Education Employees Group Insurance Board~~ Director of the Office of Management and Enterprise Services shall submit to the Insurance Commissioner the following information regarding utilization review performed by employees of the ~~board~~ Office:

1. A utilization review plan that includes:

a. an adequate summary description of review standards, protocol and procedures to be used in evaluating proposed or delivered hospital and medical care,

b. assurances that the standards and criteria to be applied in review determinations are established with input from health care providers representing major areas of specialty and certified by the boards of the various American medical specialties, and

c. the provisions by which patients or health care providers may seek reconsideration or appeal of adverse decisions concerning requests for medical evaluation, treatment or procedures;

2. The type and qualifications of the personnel either employed or under contract to perform the utilization review;

3. The procedures and policies to ensure that an employee of the ~~board~~ Office is reasonably accessible to patients and health

care providers five (5) days a week during normal business hours, such procedures and policies to include as a requirement a toll-free telephone number to be available during said business hours;

4. The policies and procedures to ensure that all applicable state and federal laws to protect the confidentiality of individual medical records are followed;

5. The policies and procedures to verify the identity and authority of personnel performing utilization review by telephone;

6. A copy of the materials designed to inform applicable patients and health care providers of the requirements of the utilization review plan;

7. The procedures for receiving and handling complaints by patients, hospitals and health care providers concerning utilization review; and

8. Procedures to ensure that after a request for medical evaluation, treatment, or procedures has been rejected in whole or in part and in the event a copy of the report on said rejection is requested, a copy of the report of the personnel performing utilization review concerning the rejection shall be mailed by the insurer, postage prepaid, to the ill or injured person, the treating health care provider, hospital or to the person financially responsible for the patient's bill within fifteen (15) days after receipt of the request for the report.

B. The ~~Board~~ Office shall pay an annual fee to the Insurance Commissioner of Five Hundred Dollars ($500.00).

SECTION 939. AMENDATORY 74 O.S. 2011, Section 1306.5, is amended to read as follows:

Section 1306.5 A network provider facility or physician contract, or any part or section of it, may be amended at any time during the term of the contract only by mutual written consent of duly authorized representatives of the ~~State and Education Employees Group Insurance Board~~ Office of Management and Enterprise Services and the facility or physician.

SECTION 940. AMENDATORY 74 O.S. 2011, Section 1306.6, is amended to read as follows:

Section 1306.6 The ~~State and Education Employees Group Insurance Board~~ Director of the Office of Management and Enterprise Services, in accordance with administering the Medical Expense Liability Revolving Fund pursuant to Section ~~4~~ 746.1 of ~~this act~~ Title 19 of the Oklahoma Statutes, shall employ, appoint, or otherwise designate the necessary personnel to carry out the duties of the fund.

SECTION 941. AMENDATORY 74 O.S. 2011, Section 1307, is amended to read as follows:

Section 1307. A. The specifications drawn by the ~~Board~~ Office of Management and Enterprise Services for the Health Insurance Plan shall provide for comprehensive hospital medical and surgical

benefits. The Health Insurance Plan may limit coverage for a particular illness, disease, injury or condition; but, except for such limits, shall not exclude or limit particular services or procedures that can be provided for the diagnosis and treatment of an illness, disease, injury or condition, so long as the services and procedures provided are of sound efficacy, are medically necessary, and fall within the licensed scope of practice of the practitioner providing same. The Health Insurance Plan may contract with providers for specific services based on levels of outcomes defined by the ~~State and Education Employees Group Insurance Board~~ Office and achieved by the provider. The Health Insurance Plan may provide for the application of deductibles and copayment or coinsurance provisions, when equally applied to all covered charges for services and procedures that can be provided by any practitioner for the diagnosis and treatment of a particular illness, disease, injury or condition unless deductibles, copayments or coinsurance variations are based on contracts with providers for specific services based on levels of outcomes.

B. The Life Insurance Plan shall include Accidental Death and Dismemberment Benefits and additional optional life insurance coverage.

SECTION 942. AMENDATORY 74 O.S. 2011, Section 1307.1, is amended to read as follows:

Section 1307.1 No employee or dependent who participates in a HMO through the ~~State Employees Group Insurance Act~~ Oklahoma Employees Insurance and Benefits Act shall be denied the right of changing ~~his~~ the primary care physician to any other primary care physician within the HMO. The employee or dependent shall notify the HMO in writing of any change in ~~his~~ the choice of primary care physician forty-five (45) days in advance of ~~such~~ the change by certified mail with return receipt requested. Any such change in a primary care physician shall not be subject to the approval of the HMO, the ~~State Employees Group Insurance Board~~ Office of Management and Enterprise Services or state agency.

SECTION 943. AMENDATORY 74 O.S. 2011, Section 1307.2, is amended to read as follows:

Section 1307.2 On and after November 1, 1996, the ~~State and Education Employees Group Insurance Board~~ Office of Management and Enterprise Services shall include coverage for equipment, supplies and related services for the treatment of Type I, Type II, and gestational diabetes as provided by and pursuant to the provisions of Section ~~1~~ 6060.2 of ~~this act~~ Title 36 of the Oklahoma Statutes.

SECTION 944. AMENDATORY 74 O.S. 2011, Section 1307.3, is amended to read as follows:

Section 1307.3 Unless the ~~Board~~ Office of Management and Enterprise Services has otherwise contracted with an out-of-state provider, the ~~Board~~ Office shall pay for medical services and

treatment rendered by an out-of-state provider at the same level paid to an in-state provider if the insured was referred to the out-of-state provider by a physician or it was an emergency situation and the out-of-state provider which offers the type of services needed is the closest provider in proximity to the place of residence of the employee.

SECTION 945. AMENDATORY 74 O.S. 2011, Section 1308, is amended to read as follows:

Section 1308. (1) Any employee eligible for membership in the Health Insurance Plan, Dental Insurance Plan or Life Insurance Plan upon its effective date shall be enrolled in the plan unless ~~he or she~~ the employee elects not to be enrolled within thirty (30) days of ~~such~~ the effective dates. The employee shall be advised of Health Maintenance Organization prepaid plans available as an alternative to the state self-insured Health Insurance Plan. The ~~Board~~ Office of Management and Enterprise Services shall establish the procedure by which eligible employees not electing to be enrolled initially in the Health Insurance Plan, Dental Insurance Plan or Life Insurance Plan may be subsequently enrolled.

(2) Any eligible employee who is employed after the effective dates of the Health Insurance Plan, Dental Insurance Plan and Life Insurance Plan or HMO plans approved by the ~~Board~~ Office may become enrolled on the first day of the second month of employment.

SECTION 946. AMENDATORY 74 O.S. 2011, Section 1308.1, is amended to read as follows:

Section 1308.1 (1) An educational entity may extend the benefits of the health insurance plan, the dental insurance plan, and the life insurance plan to education employees employed by ~~said~~ the entity. The benefits of ~~said~~ the plans for an education employee shall be the same and shall include the same plan options as would be made available to a state employee participating in the plan that resided at the same location. Notwithstanding the provisions of Section 1308.2 of this title, a period shall exist for enrolling education entities from April 1, 1989 through October 1, 1991, whereby education employees of a participating education entity may be enrolled, pursuant to this act, during the entities' initial enrollment period, regardless of preexisting conditions. The ~~Board~~ Office of Management and Enterprise Services shall adopt rules and regulations for enrollment by which education entities may apply to participate in ~~said~~ the insurance plans. Once an education entity becomes a participant in the health and dental insurance plans offered through the ~~State and Education Employees Group Insurance Act~~ Oklahoma Employees Insurance and Benefits Act, the education entity may withdraw from ~~said~~ participation, in a manner prescribed by the ~~Board~~ Office. If a school district is participating in the health and dental insurance plans pursuant to the ~~State and Education Employees Group Insurance Act~~ Oklahoma

Employees Insurance and Benefits Act, ~~Section~~ Sections 1301 ~~et seq.~~ through 1329.1 of this title, the employees of the school district who are eligible to participate in the health and dental plans, at such time as the school district may withdraw from such participation, may require the board of education of the school district to call an election to allow ~~said~~ the employees to vote as to whether the school district shall continue participation in the health and dental insurance plans offered through the ~~State and Education Employees Group Insurance Act~~ Oklahoma Employees Insurance and Benefits Act. Upon the filing with the board of education of a petition calling for such an election which is signed by no less than thirty percent (30%) of the eligible employees of the school district, the board of education shall call an election for the purpose of determining whether the school district shall continue participation in the health and dental insurance plans offered through the ~~State and Education Employees Group Insurance Act~~ Oklahoma Employees Insurance and Benefits Act. The election shall be held within thirty (30) days of the filing of the petition. If a majority of those eligible employees voting at the election vote to continue participation in the health and dental insurance plans offered through the ~~State and Education Employees Group Insurance Act~~ Oklahoma Employees Insurance and Benefits Act, the board of education shall be prohibited from withdrawing the school district from such participation. If a majority of those eligible employees

voting at the election vote against continued participation in the health and dental insurance plans offered through the ~~State and Education Employees Group Insurance Act~~ Oklahoma Employees Insurance and Benefits Act, the board of education of the school district shall apply to discontinue such participation within thirty (30) days of the election and within the times the school district is authorized to withdraw from participation in accordance with rules established for withdrawal by the ~~State and Education Employees Group Insurance Board~~ Office.

(2) Except as otherwise provided in this subsection, when an education entity participates in the health and dental insurance plans offered through the ~~State and Education Employees Group Insurance Act~~ Oklahoma Employees Insurance and Benefits Act, all employees shall be advised of Health Maintenance Organizations prepaid plans available as an alternative to the state self-insured health insurance plan. Eligible part-time education employees, at the option of the employee, may enroll in the plans either at the time the education entity begins participation in the plans or, if later, upon a showing of insurability to the satisfaction of the ~~Board~~ Office.

(3) Any employee of an education entity participating in the health and dental insurance plans offered through the ~~State and Education Employees Group Insurance Act~~ Oklahoma Employees Insurance and Benefits Act who is employed after the education entity began

said participation may be enrolled in the health and dental insurance plans or HMO plans approved by the ~~Board~~ Office on the first day of the second month of employment.

(4) Upon initial enrollment of an institution of higher education to participate in the health and dental insurance plans offered through the ~~State and Education Employees Group Insurance Act~~ Oklahoma Employees Insurance and Benefits Act, all individuals presently insured by said institution's present group health insurance plan shall become enrolled in said state plans for the remaining period of said institution's contractual liabilities.

(5) Education employees who shall be absent from the teaching service because of election or appointment as a local, state, or national education association officer shall be allowed to retain coverage pursuant to the ~~State and Education Employees Group Insurance Act~~ Oklahoma Employees Insurance and Benefits Act upon the payment of the full cost of the coverage at the rate and under such terms and conditions established by the ~~Board~~ Office.

(6) Except as otherwise provided by law, an educational entity may cease to participate in the ~~State and Education Employees Group Insurance Act~~ Oklahoma Employees Insurance and Benefits Act but provide health insurance coverage through another insurance carrier. The subsequent carrier shall provide coverage to the employees of the educational entity who terminated employment with a retirement benefit, with a vested benefit, or who have ten (10) or more years

of service with a participating educational entity but did not have a vested benefit through the retirement system of the educational entity, if the election to retain health insurance coverage was made within thirty (30) days of termination of employment. Coverage shall also be provided to the eligible dependents of the employees if an election to retain coverage is made within thirty (30) days of termination of employment.

SECTION 947. AMENDATORY 74 O.S. 2011, Section 1309, is amended to read as follows:

Section 1309. A. Any eligible employee may elect to have a dependent or dependents of the employee covered by the Health Insurance Plan and Dental Insurance Plan or by any available Health Maintenance Organization (HMO) approved by the ~~Board~~ Office of Management and Enterprise Services. The employee may elect to cover all dependent children and not elect to cover the spouse of the employee. Such election shall be made at the time the employee becomes enrolled in the Plan, under such procedures as the ~~Board~~ Office may establish. If dependent coverage is not elected or if the employee elects to cover all dependent children and not the spouse of the employee at the time an employee becomes enrolled in the Plan, dependent coverage or coverage for the spouse cannot be elected until the next enrollment period or until a qualifying event has occurred as established by the ~~Board~~ Office. Such subsequent election of dependent coverage shall be made under such conditions

as the ~~Board~~ Office may impose. If electing not to cover the spouse, the employee shall submit a statement signed by both the employee and the spouse acknowledging their choice not to provide insurance coverage for the spouse under the Health Insurance Plan and Dental Insurance Plan or approved HMO plans.

B. Any employee with dependent coverage, as provided in this section, who has a change in the number of dependents may at the time of such change increase or decrease the number of dependents covered by the Health Insurance Plan and Dental Insurance Plan or approved HMO plans, under procedures established by the ~~Board~~ Office.

C. Any employee who has no eligible dependents at the time the employee becomes enrolled may elect dependent coverage at the time the dependency status of the employee changes under procedures established by the ~~Board~~ Office.

SECTION 948. AMENDATORY 74 O.S. 2011, Section 1310, is amended to read as follows:

Section 1310. A. Except as provided in subsection B of this section, each state agency participating in the Group Insurance Plans shall appropriate and pay to the appropriate reserve fund an amount to be set by the ~~State and Education Employees Group Insurance Board~~ Oklahoma Employees Insurance and Benefits Board for each employee other than education employees per month enrolled in

said Plans, from funds appropriated to said agency or from other funds available to such agency for operational purposes.

B. During the fiscal year ending June 30, 1997, each state agency participating in the ~~Group~~ Insurance Plans shall appropriate and pay to the State Employees Group Insurance Clearing Fund an amount to be set by the ~~State and Education Employees Group Insurance~~ Board for each employee other than education employees per month enrolled in said Plans, from funds appropriated to said agency or from other funds available to such agency for operational purposes.

SECTION 949. AMENDATORY 74 O.S. 2011, Section 1310.1, is amended to read as follows:

Section 1310.1 A. If a certified employee elects health care coverage under a plan offered by a school district, including a plan offered by the ~~State and Education Employees Group Insurance Board~~ Office of Management and Enterprise Services or a self-insured plan offered by the school district, then a school district shall pay for the fiscal year ending June 30, 2005, and each fiscal year thereafter, no less than one hundred percent (100%) of the premium amount for the HealthChoice (HI) option plan for an individual offered by the ~~State and Education Employees Group Insurance Board~~ Office.

The amount a school district is required to pay pursuant to this subsection shall be reduced by the flexible benefit allowance provided for in Section 26-105 of Title 70 of the Oklahoma Statutes.

B. The premium for education entities that participate in the health and dental insurance plans offered through the ~~State and Education Employees Group Insurance Act~~ Oklahoma Employees Insurance and Benefits Act shall be the same as paid by state agencies for said plans.

C. All education entities that participate in the insurance plans offered through the ~~State and Education Employees Group Insurance Act~~ Oklahoma Employees Insurance and Benefits Act shall forward the appropriate premiums for each employee to the ~~Board~~ Office no later than the tenth day of each month following the month for which payment is due.

SECTION 950. AMENDATORY 74 O.S. 2011, Section 1310.2, is amended to read as follows:

Section 1310.2 A school district shall pay fifty percent (50%) of the cost of the individual health care premium amount for school district employees who are not otherwise covered pursuant to Section 1310.1 of ~~Title 74 of the Oklahoma Statutes~~ this title or Section 26-105 of Title 70 of the Oklahoma Statutes, if such employee elects health care coverage under a plan offered by a school district, including a plan offered by the ~~State and Education Employees Group~~

~~Insurance Board~~ Office of Management and Enterprise Services or a self-insured plan offered by the school district.

SECTION 951. AMENDATORY 74 O.S. 2011, Section 1311, is amended to read as follows:

Section 1311. The amount of monthly contribution to be made by employees enrolled in the ~~Group~~ Insurance Plans shall be deducted from the monthly salaries of such employees and remitted to the ~~Board~~ Office of Management and Enterprise Services. The procedure for such deductions and remittances shall be established by the ~~Board~~ Director.

SECTION 952. AMENDATORY 74 O.S. 2011, Section 1311.1, is amended to read as follows:

Section 1311.1 The amount of monthly contribution to be made by persons who are drawing disability benefits under Section 1331 et seq. of ~~Title 74 of the Oklahoma Statutes~~ this title and who are enrolled in the ~~Group~~ Insurance Plans shall be deducted from the monthly disability benefits of such persons and remitted to the ~~Board~~ Office of Management and Enterprise Services. The procedures for such deductions and remittances shall be established by the ~~Board~~ Office.

SECTION 953. AMENDATORY 74 O.S. 2011, Section 1312, is amended to read as follows:

Section 1312. (1) Except as otherwise provided by law, all employee and employer contributions, appropriations and dividend

payments related to the health and dental plans administered by the ~~State and Education Employees Group Insurance Board~~ Director of the Office of Management and Enterprise Services shall be deposited in a fund in the State Treasury which is hereby created and which shall be known as the Health and Dental Insurance Reserve Fund. The money in such fund shall be invested by the Oklahoma Employees Insurance and Benefits Board in the manner specified in Section 1305.1 of this title. Investment income of the fund shall be added to the fund. Money payable to the claims administrator and all expenses in connection with the plans shall be paid from the fund. The Board shall have responsibility for management of the fund.

(2) All monies in the Health and Dental Insurance Reserve Fund that are reserves for the life insurance plan administered by the ~~State and Education Employees Group Insurance Board~~ Office shall be transferred to the Life Insurance Reserve Fund on July 1, 1989.

SECTION 954. AMENDATORY 74 O.S. 2011, Section 1312.1, is amended to read as follows:

Section 1312.1 There is hereby created in the State Treasury a Revolving Fund for the ~~State and Education Employees Group Insurance Plan~~ Oklahoma Employees Insurance and Benefits Plan. The revolving fund shall consist of funds transferred from the Health and Dental Insurance Reserve Fund and the Life Insurance Reserve Fund for operational expenses of the State Health and Life Insurance Plan and monies assessed from or collected for and due a Health Maintenance

Organization (HMO) as approved by the ~~Board~~ Office of Management and Enterprise Services. Expenditures from said funds shall be made pursuant to the laws of the state and statutes relating to the Plan. This revolving fund shall be a continuing fund, not subject to fiscal year limitations, and shall be under the control and management of the ~~State and Education Employees Group Insurance Board~~ Office.

SECTION 955. AMENDATORY 74 O.S. 2011, Section 1312.2, is amended to read as follows:

Section 1312.2 (1) There is hereby created in the State Treasury, the Life Insurance Reserve Fund. Except as otherwise provided by law, all contributions, appropriations, transfers, dividend payments, and investment income of the fund received from or for the benefit of the life insurance plan administered by the ~~State and Education Employees Group Insurance Board~~ Office of Management and Enterprise Services shall be deposited in the reserve fund.

The monies in said reserve fund shall be invested by the Oklahoma Employees Insurance and Benefits Board in the manner specified in Section 1305.1 of this title. The Board shall have responsibility for management of the fund.

Money payable to the claims administrator and all expenses in connection with the life insurance plan shall be paid from the reserve fund.

(2) All monies in the Life Insurance Reserve Fund that are reserves for the health and dental plans administered by the ~~State and Education Employees Group Insurance Board~~ Office of Management and Enterprise Services shall be transferred to the Health and Dental Insurance Reserve Fund on July 1, 1989.

SECTION 956. AMENDATORY 74 O.S. 2011, Section 1312.3, is amended to read as follows:

Section 1312.3 There is hereby created in the State Treasury, the ~~State Employees Group Insurance Clearing Fund~~ Oklahoma Employees Insurance and Benefits Clearing Fund. The monies paid to the ~~State Employees Group Insurance Clearing Fund~~ Oklahoma Employees Insurance and Benefits Clearing Fund pursuant to Section 1310 of this title shall be distributed as follows:

1. The first Thirty-one Million Five Hundred Thousand Dollars ($31,500,000.00) received after the effective date of this act during the fiscal year beginning July 1, 1996, shall be distributed to the Oklahoma State Regents for Higher Education; and

2. The balance thereof shall be distributed to and deposited in the appropriate reserve fund as directed by the ~~State and Education Employees Group Insurance Board~~ Office of Management and Enterprise Services.

SECTION 957. AMENDATORY 74 O.S. 2011, Section 1314.3, is amended to read as follows:

Section 1314.3 (1) All otherwise eligible employees hired by the Oklahoma Employment Security Commission after the effective date of this act shall participate in the State Plan and shall not be entitled to the supplemental health insurance for which provision is made in this act nor to any other Commission benefit plan not generally available to state employees, and no other provisions of this act shall apply to such future hirees.

(2) All otherwise eligible Commission employees not participating in the Agency Plan as of the effective date of this act shall be enrolled in the State Plan on July 1, 1990. Said nonparticipating Commission employees shall not be entitled to the supplemental health insurance for which provision is made in this act.

(3) All Commission employees, retirees and dependents participating in the Agency Plan as of the effective date of this act shall be permitted to transfer to the State Plan and receive the supplemental insurance benefits for which provision is made in Section 1314.4 of this title at such time as the supplemental insurance is available. If not sooner transferred, all Agency Plan participants shall be transferred to the State Plan on January 1, 1991. Such mandatory transfer shall occur simultaneously with any cancellation by the insurance provider of the Agency Plan, occurring prior to January 1, 1991.

(4) All Commission employees, retirees and dependents enrolling in or transferring to the State Plan under the provisions of this section shall be given the opportunity to participate in all options under the State Plan at the time of their enrollment or transfer.

(5) For active employees of the Commission, the Commission shall pay the same monthly premium toward employee-only coverage as that set by the ~~State and Education Employees Group Insurance Board~~ Office of Management and Enterprise Services and paid by the other state agencies participating in the state health insurance program. For retirees of the Commission who retired pursuant to the provisions of the Oklahoma Public Employees Retirement System, the Oklahoma Public Employees Retirement System shall pay the same monthly contribution towards premiums for regular or Medicare supplement health insurance coverage for those retirees as the amount paid towards the premiums for the Oklahoma Public Employees Retirement System retirees from other agencies. For retirees of the Commission who retired under the provisions of another retirement plan, the Commission shall pay the same monthly contribution towards premiums for regular or Medicare supplement health insurance coverage for those retirees as the amount paid towards premiums by the Oklahoma Public Employees Retirement System for retirees of other state agencies.

(6) Except as provided in this subsection, employees and retirees of the Commission, and their dependents, shall be covered

under the dental and life insurance plans provided by the ~~State and Education Employees Group Insurance Board~~ Office of Management and Enterprise Services pursuant to the same provisions and premiums as apply to the employees and retirees of other state agencies. Employees and retirees may elect to keep their present agency offered life insurance, in addition to the state life insurance. Any employee who elects to keep their agency offered life insurance shall pay the premium for the life insurance provided pursuant to the ~~State and Education Employees Group Insurance Act~~ Oklahoma Employees Insurance and Benefits Act. Any Commission retiree who elects to participate in the life insurance program provided pursuant to the ~~State and Education Employees Group Insurance Act~~ Oklahoma Employees Insurance and Benefits Act shall pay the premium for such coverage.

(7) In the event that the agency offered life insurance plan is canceled by the insurer offering it, the Commission shall contract with the ~~State and Education Employees Group Insurance Board~~ Office for replacement coverage equal to that lost by said cancellation. ~~Said Board~~ The Office is expressly authorized and directed to enter into such a contract. The Commission and the participants shall pay the full actuarial costs and all reasonable administrative costs for such coverage. Said actuarial and administrative costs shall be divided between the Commission and the participants in the same ratio as premiums are now divided for the agency offered life

insurance. The ~~Board~~ Office shall maintain separate reserves for said coverage. On January 1, 2005, the Commission shall convert the agency offered life insurance to the life insurance plans provided by the ~~State and Education Employees Group Insurance Board~~ Office pursuant to the same provisions and premiums as apply to the employees and retirees of other state agencies. The Commission may offer eligible employees an opportunity to voluntarily relinquish their agency life insurance upon a payment to the eligible employee, provided funds exist to do so.

SECTION 958. AMENDATORY 74 O.S. 2011, Section 1314.5, is amended to read as follows:

Section 1314.5 A. The Oklahoma Employment Security Commission shall attempt to obtain the supplemental health insurance described in Section 1314.4 of this title through competitive procurement under The Central Purchasing Act. If the Commission does not obtain such supplemental health insurance in this manner, it shall contract with the ~~State and Education Employees Group Insurance Board~~ Office of Management and Enterprise Services for such coverage or the Commission may provide the supplemental health insurance through a self-insurance program.

B. If the Commission decides to contract with the ~~State and Education Employees Group Insurance Board~~ Office for the supplemental health insurance coverage, the ~~Board~~ Office is expressly authorized and directed to enter into such a contract and

administer the supplemental benefit in such manner to cause the least disruption to its systems and daily operations. The supplemental benefit does not have to be offered as a supplemental plan but can be combined with the state plan to be administered and actuarially rated as a single plan. If this option is chosen, all dependents of employees or former employees currently eligible for the supplemental health insurance shall be included in the plan, regardless of whether or not the dependents were previously included in the plan, and this subsection will prevail over the provisions of Section 1314.3 of this title. The Commission shall pay the full actuarial cost to be determined by the ~~State and Education Employees Group Insurance Board~~ Office and all reasonable administrative costs for such coverage, if provided by or through the ~~Board~~ Office. The ~~Board~~ Office may consider the utilization experience of the group participating in the benefit when calculating the rate for providing the benefit. The ~~Board~~ Office shall maintain separate reserves for said coverage.

C. If the Commission decides to provide supplemental health insurance through a self-insurance program, the Commission shall be authorized to contract with a private company to provide claims adjusting services for the supplemental health insurance claims adjusting and processing.

SECTION 959. AMENDATORY 74 O.S. 2011, Section 1315, is amended to read as follows:

Section 1315. A. Upon application in writing and subject to any underwriting criteria that may be established by the ~~State and Education Employees Group Insurance Board~~ Office of Management and Enterprise Services, the ~~Board~~ Office may extend the benefits of the ~~State and Education Employees Group Health and Life Insurance Plans~~ Oklahoma Employees Insurance and Benefits Plans to employees who are employed in positions requiring actual performance of duty during not less than one thousand (1,000) hours per year and to all full-time employees of:

1. Any of the following groups which participate in the Oklahoma Public Employees Retirement System:

   a. county,

   b. city,

   c. town,

   d. public trust for which the state is the primary beneficiary, or

   e. conservation districts; and

2. Any of the following groups:

   a. county hospital,

   b. rural water district, including employees and board members,

   c. sewer district,

   d. gas district,

   e. solid waste management district,

f. nonprofit water corporation employees and board members,

g. conservancy district or master conservancy district authorized by the provisions of Section 541 of Title 82 of the Oklahoma Statutes,

h. voluntary organization of Oklahoma local government jurisdictions listed in Section 2003 of Title 62 of the Oklahoma Statutes including any council created by the voluntary organizations,

i. voluntary association designated to administer the County Government Council as authorized in Section 7 of Title 19 of the Oklahoma Statutes,

j. statewide nonprofit entities representing employees of the state or employees of local political subdivisions who are eligible for insurance benefits authorized by the provisions of the ~~State and Education Employees Group Insurance Act~~ Oklahoma Employees Insurance and Benefits Act, or

k. statewide nonprofit entities receiving state funds to provide no cost legal services to low income and senior citizens.

B. Applications to participate in the ~~State and Education Employees Group Health and Life Insurance Plans~~ Oklahoma Employees Insurance and Benefits Plans shall be approved by majority action of

the governing body of the groups listed in subsection A of this section.

C. Groups listed in subsection A of this section participating in the ~~Oklahoma State and Education Employees Group Health and Life Insurance Plans~~ Oklahoma Employees Insurance and Benefits Plans shall pay all costs attributable to their participation. The benefits of said plans for a participant provided coverage pursuant to this section shall be the same and shall include the same plan options as would be made available to a state employee participating in the plan that resided at the same location. The premium for participating groups listed in subsection A of this section shall be the same as paid by state and education employees.

D. Participating groups listed in subsection A of this section shall not be required to offer dental insurance as defined in paragraph ~~(11)~~ 11 of Section 1303 of this title, or other insurance as defined in paragraph ~~(12)~~ 12 of Section 1303 of this title. However, if dental insurance or any other insurance is offered, it must be provided to all eligible employees. If an employee retires and begins to receive benefits from the Oklahoma Public Employees Retirement System or terminates service and has a vested benefit with the Oklahoma Public Employees Retirement System, the employee may elect, in the manner provided in Section 1316.2 of this title, to participate in the dental insurance plan offered through the ~~State and Education Employees Group Insurance Act~~ Oklahoma Employees

Insurance and Benefits Act within thirty (30) days from the date of termination of employment. The employee shall pay the full cost of the dental insurance.

E. 1. Any employee of a group listed in subsection A of this section who retires or who has a vested benefit pursuant to the Oklahoma Public Employees Retirement System may begin the health insurance coverage if the employer of the employee is not a participant of the ~~State and Education Employees Group Insurance Act~~ Oklahoma Employees Insurance and Benefits Act and does not offer health insurance to its employees. Such election by the employee to begin coverage shall be made within thirty (30) days from the date of termination of service.

2. Any employee of a group listed in subsection A of this section who retires or who has a vested benefit pursuant to the Oklahoma Public Employees Retirement System may begin or continue the health insurance coverage if the employer of the employee is a participant of the ~~State and Education Employees Group Insurance Act~~ Oklahoma Employees Insurance and Benefits Act and the election to begin or continue coverage is made within thirty (30) days from the date of termination of service.

F. Any county, city, town, county hospital, public trust, conservation district, or rural water, sewer, gas or solid waste management district, or nonprofit water corporation, any of which of the aforementioned groups is not a participating employer in the

Oklahoma Public Employees Retirement System, but which has employees who are participating in the health, dental or life insurance plans offered by or through the ~~State and Education Employees Group Insurance Act~~ Oklahoma Employees Insurance and Benefits Act on July 1, 1997, may continue to allow its current and future employees to participate in such health, dental or life insurance plans. Participation of such employees may also continue following termination of employment if the employee has completed at least eight (8) years of service with a participating employer and such an election to continue in force is made within thirty (30) days following termination of employment. Any retiree or terminated employee electing coverage pursuant to this section shall pay the full cost of the insurance.

G. An employee of a group listed in paragraph 2 of subsection A of this section may continue in force health, dental and life insurance coverage following termination of employment if the employee has a minimum of eight (8) years of service with a participating employer and the election to continue in force is made within thirty (30) calendar days following termination of employment.

H. Notwithstanding other provisions in this section, an employer listed in subsection A of this section may cease to participate in the ~~State and Education Employees Group Insurance Act~~ Oklahoma Employees Insurance and Benefits Act but provide health

insurance coverage for its current and former employees through another insurance carrier. The subsequent carrier shall be responsible for providing coverage to the entity's employees who terminated employment with a retirement benefit, with a vested benefit, or who have eight (8) or more years of service with a participating employer but did not have a vested benefit through the Oklahoma Public Employees Retirement System, if the election to retain health insurance coverage was made within thirty (30) days of termination of employment. Coverage shall also be provided to the eligible dependents of the employees if an election to retain coverage is made within thirty (30) days of termination of employment. Employees who terminate employment from an employer covered by this paragraph before December 31, 2001, and elect coverage under the ~~State and Education Employees Group Insurance Act~~ Oklahoma Employees Insurance and Benefits Act, shall not be required to change insurance carriers in the event that the employer changes its insurance carrier to a subsequent carrier. The provisions of this subsection shall become effective January 1, 2002.

I. Employers pursuant to subsection A of this section who participate in the Oklahoma Public Employees Retirement System and who offer health insurance coverage to their active employees, shall offer health insurance coverage to those employees who retire from the employer and also to those employees who terminate employment and are eligible to elect a vested benefit in the System. Such

employers shall begin offering coverage to such employees on or before January 1, 2004. Such employees who wish to continue coverage shall make an election to retain health insurance coverage within thirty (30) days of termination of employment. However, former employees of such employers who have already retired or who have terminated and are eligible to elect a vested benefit under the Oklahoma Public Employees Retirement System, during the period beginning January 1, 2002, and ending December 31, 2003, may make an election to begin participation in the plans offered by the ~~State and Education Employees Group Insurance Board~~ Office on or before December 31, 2003, in the same manner as other participating retired or vested members. The employer, assisted by the Oklahoma Public Employees Retirement System shall notify by October 1, 2003, all members who have either retired from the System or who are eligible to elect a vested benefit in the System between January 1, 2002, through December 31, 2003, and who were employed by an employer listed in subsection A of this section of the member's potential eligibility to participate in such plans. Each employer shall notify the Oklahoma Public Employees Retirement System when an employee is retiring and makes the election pursuant to this subsection to continue coverage under a plan offered by such employer and when an employee terminates employment and is eligible to elect a vested benefit in the System and such employee elects to continue coverage under a plan offered by such employer. Such

employer shall also notify the Oklahoma Public Employees Retirement System if a retired employee or an employee who is eligible to elect a vested benefit in the System terminates such continued coverage.

J. Any group that begins participation in the ~~State and Education Employees Group Health and Life Insurance Plans~~ Oklahoma Employees Insurance and Benefits Plans after the effective date of this act and that is not composed of state or education employees must have one hundred percent (100%) participation in the health plan offered pursuant to the ~~State and Education Employees Group Insurance Act~~ Oklahoma Employees Insurance and Benefits Act.

SECTION 960. AMENDATORY 74 O.S. 2011, Section 1315.1, is amended to read as follows:

Section 1315.1 Upon election and application by the secretary of a county election board and subject to any underwriting criteria that may be established by the ~~State and Education Employees Group Insurance Board~~ Office of Management and Enterprise Services, the ~~Board~~ Office shall extend the benefits of the ~~State and Education Employees Group Health and Life Insurance Plans~~ Oklahoma Employees Insurance and Benefits Plans to the secretary of each county election board, if the county in which the secretary serves is not participating in such plans.

SECTION 961. AMENDATORY 74 O.S. 2011, Section 1316.1, is amended to read as follows:

Section 1316.1 A. Any person who retires or who has elected to receive a vested benefit under the provisions of the State of Oklahoma retirement systems or persons who are currently drawing disability benefits under Section 1331 et seq. of this title or who meet each and every requirement of the State Employees Disability Program or the spouse or dependent of any such employee may continue in force the life insurance benefits authorized by this act in a face amount of not less than one-fourth (1/4) of the basic life insurance amount, if such election to continue in force is made within thirty (30) days from the time of severance. Persons electing to continue in force life insurance benefits shall pay the full cost of the life insurance and under such terms and conditions as established by the ~~Board~~ Office of Management and Enterprise Services. Further, any such retiree may continue in force any additional life insurance that was purchased prior to retirement at an actuarially adjusted rate and under such terms and conditions as established by the ~~Board~~ Office.

Effective January 1, 2002, nonvested employees may also continue their life insurance benefits as provided in this section following termination of employment, if the employee has completed at least eight (8) years of service with an employer participating in the Oklahoma Public Employees Retirement System or at least ten (10) years of service with an employer participating in the Teachers' Retirement System of Oklahoma. The election to continue the

employee's life insurance in force must be made within thirty (30) days after the date of termination.

B. Any retired employee who is receiving a benefit or terminates employment with a vested benefit from the Teachers' Retirement System of Oklahoma and who becomes enrolled in the health insurance plan offered by the ~~State and Education Employees Group Insurance Act~~ Oklahoma Employees Insurance and Benefits Act, pursuant to subsection E of Section 5-117.5 of Title 70 of the Oklahoma Statutes, may elect to purchase life insurance benefits in amounts and at a cost as provided for in this section.

C. In lieu of subsection A of this section, any person who retires or who has elected to receive a vested benefit under the provisions of the State of Oklahoma retirement systems and who is participating in a health insurance plan, the dental insurance plan, or the life insurance plan offered by the ~~State and Education Employees Group Insurance Board~~ Office, including such persons who are currently drawing disability benefits under Section 1331 et seq. of this title or who meet each and every requirement of the State Employees Disability Program on or before July 1, 1999, or the spouse of any such person may elect to purchase life insurance benefits authorized by this subsection in a face amount not to exceed Fifty Thousand Dollars ($50,000.00). Eligible persons pursuant to this subsection shall make an election by January 1, 2000, to purchase the life insurance coverage provided in this

subsection. Life insurance coverage pursuant to this subsection shall depend upon providing satisfactory evidence of insurability for the person who is to be covered. Life insurance coverage, pursuant to this subsection, shall be purchased in blocks of Five Thousand Dollars ($5,000.00). The premium for such life insurance coverage shall be at a blended rate and shall be set by the ~~Board~~ Office. The ~~Board~~ Office shall promulgate rules necessary for the implementation of the provisions of this subsection.

SECTION 962. AMENDATORY 74 O.S. 2011, Section 1316.2, is amended to read as follows:

Section 1316.2 A. Any employee other than an education employee who retires pursuant to the provisions of the Oklahoma Public Employees Retirement System or who has a vested benefit pursuant to the provisions of the Oklahoma Public Employees Retirement System may continue in force the health and dental insurance benefits authorized by the provisions of the ~~State and Education Employees Group Insurance Act~~ Oklahoma Employees Insurance and Benefits Act, or other employer insurance benefits if the employer does not participate in the plans offered by the ~~State and Education Employees Group Insurance Board~~ Office of Management and Enterprise Services, if such election to continue in force is made within thirty (30) days from the date of termination of service. Except as otherwise provided for in Section 840-2.27I of this title and subsection H of this section, health and dental insurance

coverage may not be reinstated at a later time if the election to continue in force is declined. Vested employees other than education employees who have terminated service and are not receiving benefits and effective July 1, 1996, nonvested persons who have terminated service with more than eight (8) years of participating service with a participating employer, who within thirty (30) days from the date of termination of service elect to continue such coverage, shall pay the full cost of said insurance premium at the rate and pursuant to the terms and conditions established by the ~~Board~~ Office. Provided also, any employee other than an education employee who commences employment with a participating employer on or after September 1, 1991, who terminates service with such employer on or after July 1, 1996, but who otherwise has insufficient years of service to retire or terminate service with a vested benefit pursuant to the provisions of the Oklahoma Public Employees Retirement System or to elect to continue coverage as a nonvested employee as provided in this section, but who, immediately prior to employment with the participating employer was covered as a dependent on the health and dental insurance policy of a spouse who was an active employee other than an education employee, may count as part of his or her credited service for the purpose of determining eligibility to elect to continue coverage under this section, the time during which said terminating employee was covered as such a dependent.

B. 1. Health insurance benefit plans offered pursuant to this section shall include:

a. indemnity plans offered through the ~~State and Education Employees Group Insurance Board~~ Office,

b. managed care plans offered as alternatives to the indemnity plans offered through the ~~State and Education Employees Group Insurance Board~~ Office,

c. Medicare supplements offered pursuant to the ~~State and Education Employees Group Insurance Act~~ Oklahoma Employees Insurance and Benefits Act,

d. Medicare risk-sharing contracts offered as alternatives to the Medicare supplements offered through the ~~State and Education Employees Group Insurance Board~~ Office. All Medicare risk-sharing contracts shall be subject to a risk adjustment factor, based on generally accepted actuarial principles for adverse selection which may occur, and

e. for the Oklahoma Public Employee Retirement System, other employer-provided health insurance benefit plans if the employer does not participate in the plans offered pursuant to the ~~State and Education Employees Group Insurance Act~~ Oklahoma Employees Insurance and Benefits Act.

2. Health insurance benefit plans offered pursuant to this section shall provide prescription drug benefits, except for plans designed pursuant to the Medicare Prescription Drug Improvement and Modernization Act of 2003, for which provision of prescription drug benefits is optional, and except for plans offered pursuant to subparagraph e of paragraph 1 of this subsection.

C. 1. Designated public retirement systems shall contribute a monthly amount towards the health insurance premium of certain individuals receiving benefits from the public retirement system as follows:

a. a retired employee other than an education employee who is receiving benefits from the Oklahoma Public Employees Retirement System after September 30, 1988, shall have One Hundred Five Dollars ($105.00), or the premium rate of the health insurance benefit plan, whichever is less, paid by the Oklahoma Public Employees Retirement System to the Board or other insurance carrier of the employer if the employer does not participate in the plans offered by the ~~State and Education Employees Group Insurance Board~~ Office in the manner specified in subsection G of this section,

b. a retired employee or surviving spouse other than an education employee who is receiving benefits from the Oklahoma Law Enforcement Retirement System after

September 30, 1988, is under sixty-five (65) years of age and is not otherwise eligible for Medicare shall have the premium rate for the health insurance benefit plan or One Hundred Five Dollars ($105.00), whichever is less, paid by the Oklahoma Law Enforcement Retirement System to the ~~Board~~ Office in the manner specified in subsection G of this section,

c. a retired employee other than an education employee who is receiving benefits from the Oklahoma Law Enforcement Retirement System after September 30, 1988, is sixty-five (65) years of age or older or who is under sixty-five (65) years of age and is eligible for Medicare shall have One Hundred Five Dollars ($105.00), or the premium rate of the health insurance benefit plan, whichever is less, paid by the Oklahoma Law Enforcement Retirement System to the ~~Board~~ Office in the manner specified in subsection G of this section, and

d. a retired employee other than an education employee who is receiving benefits from the Uniform Retirement System for Justices and Judges after September 30, 1988, shall have One Hundred Five Dollars ($105.00), or the premium rate of the health insurance plan, whichever is less, paid by the Uniform Retirement

System for Justices and Judges to the ~~Board~~ Office in the manner specified in subsection G of this section.

2. Premium payments made pursuant to this section shall be made subject to the following conditions:

a. the health plan shall be authorized by the provisions of the ~~State and Education Employees Group Insurance Act~~ Oklahoma Employees Insurance and Benefits Act, except that if an employer from which an employee retired or with a vested benefit pursuant to the provisions of the Oklahoma Public Employees Retirement System does not participate in the plans authorized by the provisions of the ~~State and Education Employees Group Insurance Act~~ Oklahoma Employees Insurance and Benefits Act, the health plan will be the health insurance benefits of the employer from which the individual retired or vested,

b. for plans offered by the ~~State and Education Employees Group Insurance Act~~ Oklahoma Employees Insurance and Benefits Act, the amount to be paid shall be determined pursuant to the provisions of this subsection and shall first be applied in whole or in part to the prescription drug coverage premium. Any remaining amount shall be applied toward the medical coverage premium,

c. for all plans, if the amount paid by the public retirement system does not cover the full cost of the elected coverage, the individual shall pay the remaining premium amount, and

d. payment shall be made by the retirement systems in the manner specified under subsection G of this section.

D. For any member of the Oklahoma Law Enforcement Retirement System killed in the line of duty, whether the member was killed in the line of duty prior to the effective date of this act or on or after the effective date of this act, or if the member was on a disability leave status at the time of death, the surviving spouse or dependents of such deceased member of the Oklahoma Law Enforcement Retirement System may elect to continue or commence health and dental insurance benefits provided said dependents pay the full cost of such insurance and for deaths occurring on or after July 1, 2002, such election is made within thirty (30) days of the date of death. The eligibility for said benefits shall terminate for the surviving children when said children cease to qualify as dependents.

E. Effective July 1, 2004, a retired member of the Oklahoma Law Enforcement Retirement System who retired from the System by means of a personal and traumatic injury of a catastrophic nature and in the line of duty and any surviving spouse of such retired member and any surviving spouse of a member who was killed in the line of duty

shall have one hundred percent (100%) of the retired member's or surviving spouse's health care premium cost, whether the member or surviving spouse elects coverage under the Medicare supplement or Medicare risk-sharing contract, paid by the Oklahoma Law Enforcement Retirement System to the ~~Board~~ Office in the manner specified in subsection H of this section. For plans offered by the ~~State and Education Employees Group Insurance Board~~ Office, such contributions will first be applied in whole or in part to the prescription drug coverage premium, if any.

F. Dependents of a deceased employee who was on active work status or on a disability leave at the time of death or of a participating retardant or of any person who has elected to receive a vested benefit under the Oklahoma Public Employees Retirement System, the Uniform Retirement System for Justices and Judges or the Oklahoma Law Enforcement Retirement System may continue the health and dental insurance benefits in force provided said dependents pay the full cost of such insurance and they were covered as eligible dependents at the time of such death and such election is made within thirty (30) days of date of death. The eligibility for said benefits shall terminate for the surviving children when said children cease to qualify as dependents.

G. The amounts required to be paid by the Oklahoma Public Employees Retirement System, the Uniform Retirement System for Justices and Judges and the Oklahoma Law Enforcement Retirement

System pursuant to this section shall be forwarded no later than the tenth day of each month following the month for which payment is due by the Oklahoma Public Employees Retirement System Board of Trustees or the Oklahoma Law Enforcement Retirement Board to the ~~State and Education Employees Group Insurance Board~~ Office for deposit in the Health, Dental and Life Insurance Reserve Fund or to another insurance carrier as provided for in subsection H of Section 1315 of this title.

H. Upon retirement from employment of the Board of Regents of the University of Oklahoma, any person who was or is employed at the George Nigh Rehabilitation Institute and who transferred employment pursuant to Section 3427 of Title 70 of the Oklahoma Statutes, any person who was employed at the Medical Technology and Research Authority and who transferred employment pursuant to Section 7068 of this title, and any person who is a member of the Oklahoma Law Enforcement Retirement System pursuant to the authority of Section 2-314 of Title 47 of the Oklahoma Statutes may participate in the benefits authorized by the provisions of the ~~State and Education Employees Group Insurance Act~~ Oklahoma Employees Insurance and Benefits Act for retired participants, including health, dental and life insurance benefits, if such election to participate is made within thirty (30) days from the date of termination of service. Life insurance benefits for any such person who transferred employment shall not exceed the coverage the person had at the time

of such transfer. Retirees who transferred employment and who participate pursuant to this paragraph shall pay the premium for elected benefits less any amounts paid by a state retirement system pursuant to this section.

SECTION 963. AMENDATORY 74 O.S. 2011, Section 1316.3, is amended to read as follows:

Section 1316.3 A. Any person who retires pursuant to the provisions of the Teachers' Retirement System of Oklahoma with at least ten (10) years of creditable service or who has a vested benefit with at least ten (10) years of creditable service, pursuant to the provisions of the Teachers' Retirement System of Oklahoma may continue in force the health and dental insurance benefits authorized by the provisions of the ~~State and Education Employees Group Insurance Act~~ Oklahoma Employees Insurance and Benefits Act if such election to continue in force or begin is made within thirty (30) days from the date of termination of service. Except as provided in subsection E of Sections 5-117.5 and 14-108.1 of Title 70 of the Oklahoma Statutes and Section 840-2.27I of this title and subsection K of this section, health and dental insurance coverage may not be reinstated at a later time if the election to continue in force or begin coverage is declined. Vested persons who have terminated service and are not receiving benefits and effective July 1, 1996, nonvested persons who have terminated service with more than ten (10) years of participating service with a qualifying

employer, who within thirty (30) days from the date of termination of service, elect to continue such coverage, shall pay the full cost of said insurance premium at the rate and pursuant to the terms and conditions established by the ~~Board~~ Office of Management and Enterprise Services.

B. 1. Health insurance benefit plans offered pursuant to this section shall include:

a. indemnity plans offered through the ~~State and Education Employees Group Insurance Board~~ Office,

b. managed care plans offered as alternatives to the indemnity plans,

c. Medicare supplements offered through the ~~State and Education Employees Group Insurance Board~~ Office,

d. Medicare risk-sharing contracts offered as alternatives to the Medicare supplements offered through the ~~State and Education Employees Group Insurance Board~~ Office, and

e. any other employer-provided health insurance benefit plans if the employer does not participate in the plans offered pursuant to the ~~State and Education Employees Group Insurance Act~~ Oklahoma Employees Insurance and Benefits Act.

2. Health insurance benefit plans offered pursuant to this section shall provide prescription drug benefits, except for plans

designed pursuant to the Medicare Prescription Drug Improvement and Modernization Act of 2003, which may or may not contain prescription drug benefits, for which provision of prescription drug benefits is optional, and except for plans offered pursuant to subparagraph e of paragraph 1 of this subsection.

C. A retired person who:

1. Is receiving benefits from the Teachers' Retirement System of Oklahoma after September 30, 1988, is under sixty-five (65) years of age and is not otherwise eligible for Medicare and pursuant to subsection A of this section elects to begin or to continue the health insurance plan;

2. Is receiving benefits from the Teachers' Retirement System of Oklahoma after June 30, 1993, is under sixty-five (65) years of age and is not otherwise eligible for Medicare and participates in a health insurance plan provided by a participating education employer of the Teachers' Retirement System of Oklahoma other than a health insurance plan offered pursuant to the ~~State and Education Employees Group Insurance Act~~ Oklahoma Employees Insurance and Benefits Act or an alternative health plan offered pursuant to the Oklahoma State Employees Benefits Act;

3. Is receiving benefits from the Teachers' Retirement System of Oklahoma after September 30, 1988, made contributions to the system and is sixty-five (65) years of age or older, or who is under sixty-five (65) years of age and is eligible for Medicare and is a

participant in the ~~State and Education Employees Group Insurance Act~~ Oklahoma Employees Insurance and Benefits Act and elects coverage under the Medicare supplement offered by the ~~State and Education Employees Group Insurance Board~~ Office; or

4. Is receiving benefits from the Teachers' Retirement System of Oklahoma after June 30, 1993, made contributions to the system and is sixty-five (65) years of age or older, or who is under sixty-five (65) years of age and is eligible for Medicare and participates in a health insurance plan provided by a participating education employer of the Teachers' Retirement System of Oklahoma other than a health insurance plan offered pursuant to the ~~State and Education Employees Group Insurance Act~~ Oklahoma Employees Insurance and Benefits Act or an alternative health plan offered pursuant to the Oklahoma State Employees Benefits Act and elects coverage under the Medicare supplement offered by the ~~State and Education Employees Group Insurance Board~~ Office,

shall have the amount determined pursuant to subsection E of this section, or the premium rate of the health insurance benefit plan, whichever is less, paid by the Teachers' Retirement System of Oklahoma. If the amount paid by the Teachers' Retirement System of Oklahoma does not cover the full cost of the health insurance premium, the retired person shall pay the remaining amount if the retired person wants to continue the coverage.

D. The Teachers' Retirement System shall pay the amount due pursuant to the provisions of subsection C of this section as follows:

1. For those individuals participating in plans provided through the ~~State and Education Employees Group Insurance Act~~ Oklahoma Employees Insurance and Benefits Act, payment shall be made to the ~~Board~~ Office pursuant to the provisions of subsection I of this section; or

2. For those individuals participating in plans provided through a participating education employer of the Teachers' Retirement System of Oklahoma other than a health insurance plan offered pursuant to the ~~State and Education Employees Group Insurance Act~~ Oklahoma Employees Insurance and Benefits Act, payment shall be made to the education employer.

E. Beginning July 1, 2000, the maximum benefit payable by the Teachers' Retirement System of Oklahoma on behalf of a retired person toward said person's monthly premium for health insurance shall be determined in accordance with the following schedule:

AVERAGE SALARY USED FOR DETERMINING RETIREMENT ALLOWANCE	LESS THAN 15 YEARS OF CREDITABLE SERVICE	LESS THAN 25 YEARS BUT GREATER THAN 14.99 YEARS OF CREDITABLE SERVICE	GREATER THAN 24.99 YEARS OF CREDITABLE SERVICE

Less than $20,000.00	$103.00	$104.00	$105.00
Less than $30,000.00 but greater than $19,999.99	$102.00	$103.00	$104.00
Less than $40,000.00 but greater than $29,999.99	$101.00	$102.00	$103.00
$40,000.00 or greater	$100.00	$101.00	$102.00

For plans offered by the ~~State and Education Employees Group Insurance Board~~ Office, the amount paid pursuant to this subsection shall first be applied to the prescription drug coverage premium, if any. Any remaining amounts shall be applied towards the medical coverage premium.

F. If a person retires and begins to receive benefits from the Teachers' Retirement System of Oklahoma or terminates service and has a vested benefit with the Teachers' Retirement System of Oklahoma, the person may elect, in the manner provided in subsection A of this section, to participate in the dental insurance plan offered through the ~~State and Education Employees Group Insurance Act~~ Oklahoma Employees Insurance and Benefits Act. The person shall pay the full cost of the dental insurance.

G. Those persons who are receiving benefits from the Teachers' Retirement System of Oklahoma and have health insurance coverage which on the operative date of this section is being paid by the education entity from which the person retired shall make the election required in subsection A of this section within thirty (30)

days of the termination of said health insurance coverage. The person making the election shall give the ~~Board~~ Office certified documentation satisfactory to the ~~Board~~ Office of the termination date of the other health insurance coverage.

H. Dependents of a deceased education employee who was on active work status or on a disability leave at the time of death or of a participating retirant or of any person who has elected to receive a vested benefit under the Teachers' Retirement System of Oklahoma may continue the health and dental insurance benefits in force provided said dependents pay the full cost of such insurance and they were covered as eligible dependents at the time of such death and such election is made within thirty (30) days of date of death. The eligibility for said benefits shall terminate for the surviving children when said children cease to qualify as dependents.

I. The amounts required to be paid by the Teachers' Retirement System of Oklahoma pursuant to this section shall be forwarded no later than the tenth day of each month following the month for which payment is due by the Board of Trustees of the Teachers' Retirement System of Oklahoma to the ~~State and Education Employees Group Insurance Board~~ Office for deposit in the Education Employees Group Insurance Reserve Fund.

J. The Teachers' Retirement System of Oklahoma shall provide the ~~State and Education Employees Group Insurance Board~~ Office

information concerning the employers of retired and vested members necessary to allow the ~~State and Education Employees Group Insurance Board~~ Office to track eligibility for continued coverage.

K. Upon retirement from employment with the Board of Regents of the University of Oklahoma, any person who is or was employed at the George Nigh Rehabilitation Institute and who transferred employment pursuant to Section 3427 of Title 70 of the Oklahoma Statutes, any person who was employed at the Medical Technology and Research Authority and who transferred employment pursuant to Section 7068 of this title, and any person who is a member of the Oklahoma Law Enforcement Retirement System pursuant to the authority of Section 2-314 of Title 47 of the Oklahoma Statutes may participate in the benefits authorized by the provisions of the ~~State and Education Employees Group Insurance Act~~ Oklahoma Employees Insurance and Benefits Act for retired participants, including health, dental and life insurance benefits, if such election to participate is made within thirty (30) days from the date of termination of employment. Life insurance benefits for any such person who transferred employment shall not exceed the coverage the person had at the time of such transfer. Retirees who are persons transferred employment and who participate pursuant to this paragraph shall pay the premium for elected benefits less any amounts paid by the retirement system pursuant to this section.

SECTION 964. AMENDATORY 74 O.S. 2011, Section 1317, is amended to read as follows:

Section 1317. Any legally blind person who is licensed by the Department of Rehabilitation Services as a vending stand operator or managing operator shall be eligible for membership in the Health Insurance Plan, Dental Insurance Plan and Life Insurance Plan referred to in the ~~State and Education Employees Group Insurance Act~~ Oklahoma Employees Insurance and Benefits Act. Enrollment in the Plan shall be optional with each operator pursuant to the rules prescribed by the ~~State and Education Employees Group Insurance Board~~ Office of Management and Enterprise Services. Any payments required to be made for enrollees in the Plan shall be payable by the operator in such manner as may be determined by the Department of Rehabilitation Services; provided, that the Department may, in its discretion, make all or a part of such payments.

SECTION 965. AMENDATORY 74 O.S. 2011, Section 1318, is amended to read as follows:

Section 1318. No former employee who is reemployed by a participating entity within twenty-four (24) months after the date of termination of previous employment shall be enrolled in the ~~State and Education Employees Group Insurance Plan~~ Oklahoma Employees Insurance and Benefits Plan authorized by ~~Section~~ Sections 1301 ~~et seq.~~ through 1329.1 of this title, for a greater amount of life insurance or life benefit than the amount for which the life of the

~~ex-employee~~ former employee was insured under ~~said~~ the plan at the date of termination of ~~his~~ employment, except upon ~~his~~ the former employee furnishing evidence of ~~his~~ insurability, satisfactory to the ~~Board~~ Office of Management and Enterprise Services, and any greater amount of benefit or insurance provided ~~him~~ the employee shall be at the ~~ex-employee's~~ former employee's cost.

SECTION 966. AMENDATORY 74 O.S. 2011, Section 1321, is amended to read as follows:

Section 1321. A. The ~~Board~~ Office of Management and Enterprise Services shall have the authority to determine all rates and life, dental and health benefits. All rates shall be compiled in a comprehensive Schedule of Benefits. The Schedule of Benefits shall be available for inspection during regular business hours at the office of the ~~State and Education Employees Group Insurance Board~~ Office. The ~~Board~~ Office shall have the authority to annually adjust the rates and benefits based on claim experience.

B. The premiums for such insurance plans offered for the next plan year shall be established as follows:

1. For active employees and their dependents, the ~~Board's~~ Office's premium determination shall be made no later than the bid submission date for health maintenance organizations set by the Oklahoma State Employees Benefits Council, which shall be set in August no later than the third Friday of that month; and

2. For all other covered members and dependents, the ~~Board's~~ Office's and the health maintenance organizations' premium determinations shall be no later than the fourth Friday of September.

C. The ~~Board~~ Office may approve a mid-year adjustment provided the need for an adjustment is substantiated by an actuarial determination or more current experience rating. The only publication or notice requirements that shall apply to the Schedule of Benefits shall be those requirements provided in the Oklahoma Open Meeting Act. It is the intent of the Legislature that the benefits provided not include cosmetic dental procedures except for certain orthodontic procedures as adopted by the ~~Board~~ Director.

SECTION 967. AMENDATORY 74 O.S. 2011, Section 1323, is amended to read as follows:

Section 1323. Any person who shall knowingly make any false statement, or who shall falsify or permit to be falsified any record necessary for carrying out the intent of the ~~State and Education Employees Group Insurance Act~~ Oklahoma Employees Insurance and Benefits Act, ~~Section~~ Sections 1301 ~~et seq.~~ through 1329.1 of this title, for the purpose of committing fraud, shall be guilty of a misdemeanor, and upon conviction shall be punished by a fine not exceeding Five Thousand Dollars ($5,000.00) or by imprisonment for not exceeding one (1) year or by both the fine and imprisonment. The ~~State and Education Employees Group Insurance Board~~ Office of

Management and Enterprise Services shall have the right to audit participating employer groups to verify eligibility for any member and/or dependent and may require proof of eligibility upon demand.

SECTION 968. AMENDATORY 74 O.S. 2011, Section 1324, is amended to read as follows:

Section 1324. A. All health benefit plans that are offered by the ~~State and Education Employees Group Insurance Board~~ Office of Management and Enterprise Services shall provide coverage for side effects that are commonly associated with radical retropubic prostatectomy surgery, including, but not limited to impotence and incontinence, and for other prostate-related conditions.

B. The ~~Board~~ Office shall provide notice to each insured or enrollee under ~~such~~ the plan regarding the coverage required by this section in the plan's evidence of coverage, and shall provide additional written notice of the coverage to the insured or enrollee as follows:

1. In the next mailing made by the plan to the employee; or

2. As part of the enrollment information packet sent to the enrollee.

C. The ~~Board~~ Office shall promulgate any rules or actions necessary to implement the provisions of this section.

SECTION 969. AMENDATORY 74 O.S. 2011, Section 1325, is amended to read as follows:

Section 1325. The ~~State and Education Employees Group Insurance Board~~ Office of Management and Enterprise Services shall schedule a hearing thirty (30) days prior to adopting any major change in the reimbursement rates or methodology. The ~~Board~~ Office shall notify health care providers who provide services pursuant to a contract with the ~~Board~~ Office at least fifteen (15) days prior to the hearing. The notice shall include proposed changes to the reimbursement rates or methodology. The ~~Board~~ Office shall also inform such health care providers at the hearing of any proposed changes to the reimbursement rates or methodology. At the hearing the ~~Board~~ Office shall provide an open forum for such health care providers to comment on the proposed changes.

SECTION 970. AMENDATORY 74 O.S. 2011, Section 1326, is amended to read as follows:

Section 1326. The ~~State and Education Employees Group Insurance Board~~ Office of Management and Enterprise Services shall make available, upon request, copies of relevant fee schedules to participating health care providers.

SECTION 971. AMENDATORY 74 O.S. 2011, Section 1327, is amended to read as follows:

Section 1327. A. All health benefit plans offered by the ~~State and Education Employees Group Insurance Board~~ Office of Management and Enterprise Services which provide for services for vision care or medical diagnosis and treatment for the eye shall allow

optometrists to be providers of those services. All such health benefit plans shall also require equal payment for the same services provided by an optometrist if the services are within the scope of practice of optometry.

B. With respect to optometric services, any health benefit plan offered by the ~~State and Education Employees Group Insurance Board~~ Office which uses a gatekeeper or equivalent for referrals for services for vision care or for medical diagnosis and treatment of the eye~~,~~ shall require such covered services be provided on a referral basis within the medical group or network at the request of an enrollee who has a condition requiring vision care or medical diagnosis and treatment of the eye if:

1. A referral is necessitated in the judgment of the primary care physician; and

2. Treatment for the condition falls within the licensed scope of practice of an optometrist.

C. All health benefit plans offered by the ~~State and Education Employees Group Insurance Board~~ Office shall have a defined set of standards and procedures for selecting providers, including specialists, to serve enrollees. The standards and procedures shall be drafted in such a manner that they are applicable to all categories of providers and shall be utilized by the health maintenance organization in a manner that is without bias for or

discrimination against a particular category or categories of providers.

D. No health benefit plan specified by this section shall require a provider to have hospital privileges if hospital privileges are not usual and customary for the services the provider provides.

E. Nothing in this section shall be construed to:

1. Prohibit a health benefit plan offered by the ~~State and Education Employees Group Insurance Board~~ Office which provides for services for vision care or medical diagnosis and treatment for the eye from determining the adequacy of the size of its network;

2. Prohibit an optometrist from agreeing to a fee schedule;

3. Limit, expand, or otherwise affect the scope of practice of optometry; or

4. Alter, repeal, modify or affect the laws of this state except where such laws are in conflict or are inconsistent with the express provisions of this section.

F. Existing health benefit plans offered by the ~~State and Education Employees Group Insurance Board~~ Office shall comply with the requirements of this section upon issuance or renewal on or after the effective date of this act.

SECTION 972. AMENDATORY 74 O.S. 2011, Section 1328, is amended to read as follows:

Section 1328. A. The contracted claims administrator for the ~~State and Education Employees Group Insurance Board~~ Office of Management and Enterprise Services shall reimburse all clean claims of an enrollee, an assignee of the enrollee, or a health care provider within forty-five (45) calendar days after receipt of the claim by the entity.

B. As used in this section, "clean claim" means a claim that has no defect or impropriety, including a lack of any required substantiating documentation, or particular circumstance requiring special treatment that impedes prompt payment.

C. 1. If a claim or any portion of a claim is determined to have defects or improprieties, including a lack of any required substantiating documentation, or a particular circumstance requiring special treatment, the enrollee, assignee of the enrollee, or health care provider shall be notified in writing within thirty (30) calendar days after receipt of the claim by the contracted claims administrator for the ~~State and Education Employees Group Insurance Board~~ Office. The written notice shall specify the portion of the claim that is causing a delay in processing and explain any additional information or corrections needed. Failure of the ~~Board's~~ Office's claims administrator to provide the enrollee, assignee of the enrollee, or health care provider with such notice shall constitute prima facie evidence that the claim will be paid in

accordance with the terms of the health benefit claims administration contract.

2. The portion of the claim that is accurate shall be paid within forty-five (45) calendar days after receipt of the claim by the claims administrator for the ~~State and Education Employees Group Insurance Board~~ Office.

D. Upon receipt of the additional information or corrections which led to the claim's being delayed and a determination that the information is accurate, the claims administrator for the ~~State and Education Employees Group Insurance Board~~ Office shall either pay or deny the claim or a portion of the claim within forty-five (45) calendar days.

E. Payment shall be considered made on:

1. The date a draft or other valid instrument which is equivalent to the amount of the payment is placed in the United States mail in a properly addressed, postpaid envelope; or

2. If not so posted, the date of delivery.

F. An overdue payment shall bear simple interest at the rate of ten percent (10%) per year.

G. In the event litigation should ensue based upon such a claim, the prevailing party shall be entitled to recover a reasonable ~~attorney's~~ attorney fee to be set by the court and taxed as costs against the party or parties who do not prevail.

SECTION 973. AMENDATORY 74 O.S. 2011, Section 1329, is amended to read as follows:

Section 1329. The ~~State and Education Employees Group Insurance Board ("Board"), and the~~ Office of ~~State Finance,~~ Management and Enterprise Services shall contract with a vendor to make available a health savings account to all enrollees in the HealthChoice qualified high-deductible health plan. Any employer or employee contributions to the health savings account shall be allowable as a remittance to the vendor through payroll deduction in conjunction with the employer's Section 125 Plan and shall not be subject to any assessment of administrative fees by ~~the Board,~~ the Office of ~~State Finance~~ Management and Enterprise Services or any state agency for remittance to the vendor. The State of Oklahoma~~, the Board,~~ and the Office of ~~State Finance and the Oklahoma State Employees Benefits Council~~ Management and Enterprise Services shall take necessary measures to make any employer or employee health savings account contributions permissible under the state's Section 125 Plan.

SECTION 974. AMENDATORY 74 O.S. 2011, Section 1329.1, is amended to read as follows:

Section 1329.1 The ~~State and Education Employees Group Insurance Board~~ Office of Management and Enterprise Services shall contract for 2012 with a vendor that offers a Health Insurance Portability and Accountability Act (HIPAA) compliant web-based, doctor-patient mutual accountability incentive program. The purpose

of the contract is to conduct a pilot project to test the value proposition of a program that offers financial incentives to both the health care provider and the patient for each care encounter in which the provider and patient incorporate evidence-based medicine treatment guidelines, patient health education remedies and other proven medical interventions made available and recorded through the program in the rendering and utilization of health care. The ~~Board~~ Office shall use ~~its~~ operating funds to underwrite the cost of this pilot project and shall not pass these costs along to the participating state agencies, or school boards or providers. The ~~Board~~ Office may retain or share with participating state agencies or school boards any savings realized as a result of the pilot program. The program will demonstrate a self-sustaining financial model that, through the savings incurred by better utilization health care programs, will offset the costs of this program with savings. This program will offer the health care provider the flexibility to use the health care provider's clinical judgment to adhere to or deviate from the program's treatment guidelines and still receive a financial incentive, as long as the health care provider communicates care guidelines and patient health education remedies to the patient that include an explanation of the provider's adherence or reason for nonadherence to the guideline. The vendor managing the pilot program shall offer a financial reward to the patient for responding to the vendor's guidelines for care

and patient education remedies by demonstrating the patient's understanding of the patient's health condition, by declaring or demonstrating adherence to recommended care, by agreeing to allow the patient's physician to view patient's responses and acknowledge the patient's health accomplishments, and by judging the quality of care given to the patient against these guidelines and recommended care. Any communications to patient and provider shall be in compliance with all HIPAA regulations and standards. Participation in the program shall be voluntary to both the provider and patient on an encounter-by-encounter basis. The program shall be offered and administered by the program vendor through an Internet application that is HIPAA-compliant. This pilot project shall include a minimum of ~~15,000~~ fifteen thousand beneficiaries of the ~~Board~~ Office to achieve a statistical significance and collect and analyze data over a period of three (3) years in order to determine the program's effectiveness and ability to become self-funded.

SECTION 975. AMENDATORY 74 O.S. 2011, Section 1343, is amended to read as follows:

Section 1343. The Board shall retain qualified agencies, persons or entities to design, develop, communicate, implement or administer the state employees flexible benefits plan. The Board shall solicit proposals on a competitive bid basis for such agencies, persons or entities according to the standards set out in the Oklahoma Central Purchasing Act, Section 85.1 et seq. of ~~Title~~

~~74 of the Oklahoma Statutes~~ this title. When requested by the Board, the ~~Office of Public Affairs~~ Office of Management and Enterprise Services shall assist the Board in the process of selecting contracts for the design, development, communication or implementation of the state employees flexible benefits plan.

When awarding a contract for services pursuant to this subsection, the Board shall satisfy itself that the contractor has no interests which would impair its ability to perform the tasks and services required and that the contractor will exercise independent judgment when performing its responsibilities under the act and under the agreement.

SECTION 976. AMENDATORY 74 O.S. 2011, Section 1366, is amended to read as follows:

Section 1366. A. The ~~Oklahoma State Employees Benefits Council~~ Office of Management and Enterprise Services shall establish a flexible benefits plan in accordance with the provisions of Section 1361 et seq. of this title. All participating employers shall offer the plan to their eligible employees.

B. The ~~Council~~ Office shall interpret the plan and decide any matters arising thereunder and may adopt such rules and procedures as it deems necessary, desirable or appropriate in the administration of the plan subject to the Administrative Procedures Act. All rules and decisions of the ~~Council~~ Office shall be uniformly and consistently applied to all participants in similar

circumstances and shall be conclusive and binding on all persons having an interest in the plan. When making any decision or determination, the ~~Council~~ Office shall be entitled to rely upon such information as may be furnished to it by a participant, a participating employer, legal counsel, third party administrator or the management of any individual benefit plan which is incorporated in the plan.

C. The ~~executive director, under the direction of the Council,~~ Office may contract with one or more firms or organizations to administer or provide consulting services in regard to all or any portion of the plan.

The ~~Council~~ Office shall solicit proposals on a competitive bid basis. Contracts for the flexible benefits plan shall not be subject to the provisions of The Oklahoma Central Purchasing Act, Section 85.1 et seq. of this title. The ~~Council~~ Office shall promulgate rules establishing appropriate competitive bidding criteria and procedures for contracts awarded for flexible benefits plans. ~~When requested by the Council, the Department of Central Services shall assist the Council in the process of selecting any contracts for the design, development, communication or implementation of the plan.~~

When awarding a contract for services pursuant to this subsection, the ~~Council~~ Office shall satisfy itself that the contractor has no interests which would impair its ability to

perform the tasks and services required and that the contractor will exercise proper independent judgment when performing its responsibilities under Section 1361 et seq. of this title and under the contract.

D. Expenses included in an employee's salary adjustment agreement pursuant to the flexible benefits plan shall be limited to expenses for:

1. Premiums for any health insurance, health maintenance organization, life insurance, long term disability insurance, dental insurance or high deductible health benefit plan offered to employees and their dependents;

2. Insurance premiums or retirement plan premiums or payments which are supplemental to insurance or retirement programs offered by this state or which are paid for under salary adjustment agreements pursuant to the provisions of Section ~~7.10~~ 34.70 of Title 62 of the Oklahoma Statutes;

3. Dependent care;

4. Medical care, as defined by the ~~Council~~ Office; and

5. All other eligible benefit programs offered under 26 United States Code Section 125.

E. The amount by which an employee's salary is adjusted pursuant to a salary adjustment agreement shall be excluded from income in computation of income tax withholding, federal insurance contributions act taxes, unemployment payments and workers'

compensation coverage. Such amount shall be included as income in computation of state retirement contributions and benefits. Provided, if the inclusions and exclusions provided in this subsection conflict with the provisions of federal law or regulations pertaining to flexible benefits plans, the Council is authorized to modify or abolish such inclusions and exclusions.

F. 1. Legal representation shall be provided by the Office of the Attorney General.

2. The executive director shall be the appointing authority and agency head. All other positions and employees shall be classified and subject to the provisions of the Merit System of Personnel Administration except actuaries and other personnel and positions in the unclassified service as provided in Section 840-5.5 of this title.

SECTION 977. AMENDATORY 74 O.S. 2011, Section 1366.1, is amended to read as follows:

Section 1366.1 Notwithstanding any other provision of law to the contrary, for contracts relating to the plan year beginning January 1, 2003, and for each plan year thereafter, the ~~Oklahoma State Employees Benefits Council~~ Oklahoma Employees Insurance and Benefits Board ~~and the State and Education Employees Group Insurance Board~~ shall:

a. develop geographic service areas and list the zip codes contained in such service areas. Each

participating health maintenance organization shall not be required to offer enrollment in every service area as a condition to participation in the State Account,

b. not require participating health maintenance organizations to offer a Medicare supplement plan. However, if the participating health maintenance organization offers a Medicare supplement plan to other entities within this state then it shall be required to offer a Medicare supplement plan,

c. require participating health maintenance organizations to meet the standardized benefit plan as required by the ~~Oklahoma State Employees Benefits Council~~ Oklahoma Employees Insurance and Benefits Board. However, participating health maintenance organizations may offer enhancements in an effort to make their plans more attractive and competitive, and

d. ensure that all premiums are paid to participating health maintenance organizations within sixty (60) calendar days from receipt of the bill.

SECTION 978. AMENDATORY 74 O.S. 2011, Section 1366.2, is amended to read as follows:

Section 1366.2 Notwithstanding any other provision of law to the contrary, for contracts relating to the plan year beginning

January 1, 2003, and for each plan year thereafter, the ~~Oklahoma State Employees Benefits Council~~ Oklahoma Employees Insurance and Benefits Board ~~and the State and Education Employees Group Insurance Board~~ shall:

a. develop geographic service areas and list the zip codes contained in such service areas. Each participating health maintenance organization shall not be required to offer enrollment in every service area as a condition to participation in the State Account,

b. not require participating health maintenance organizations to offer a Medicare supplement plan; provided, however, any participating health maintenance organization that offers a Medicare supplement plan to other entities within this state shall be required to offer a Medicare supplement plan,

c. require participating health maintenance organizations to meet the standardized benefit plan as required by the ~~Oklahoma State Employees Benefits Council~~ Oklahoma Employees Insurance and Benefits Board; provided, however, participating health maintenance organizations may offer enhancements in an effort to make their plans more attractive and competitive, and

d. ensure that all premiums collected are paid to participating health maintenance organizations within sixty (60) calendar days of receipt.

SECTION 979. AMENDATORY 74 O.S. 2011, Section 1371, is amended to read as follows:

Section 1371. A. All participants must purchase at least the basic plan unless, to the extent that it is consistent with federal law, the participant is a person who has retired from a branch of the United States military and has been provided with health coverage through a federal plan and that participant provides proof of that coverage, or the participant has opted out of the state's basic plan according to the provisions in Section ~~2~~ 1308.3 of this ~~act~~ title. On or before January 1 of the plan year beginning July 1, 2001, and July 1 of any plan year beginning after January 1, 2002, the ~~Oklahoma State Employees Benefits Council~~ Oklahoma Employees Insurance and Benefits Board shall design the basic plan for the next plan year to insure that the basic plan provides adequate coverage to all participants. All benefit plans, whether offered by the State and Education Employees Group Insurance Board, a health maintenance organization or other vendors shall meet the minimum requirements set by the ~~Council~~ Board for the basic plan.

B. The Board shall offer health, disability, life and dental coverage to all participants and their dependents. For health, dental, disability and life coverage, the Board shall offer plans at

the basic benefit level established by the ~~Council~~ Board, and in addition, may offer benefit plans that provide an enhanced level of benefits. The Board shall be responsible for determining the plan design and the benefit price for the plans that they offer. Effective for the plan year beginning January 1, 2007, and for each plan year thereafter, in setting health insurance premiums for active employees and for retirees under sixty-five (65) years of age, the Board shall set the monthly premium for active employees to be equal to the monthly premium for retirees under sixty-five (65) years of age.

Nothing in this subsection shall be construed as prohibiting the Board from offering additional medical plans, provided that any medical plan offered to participants shall meet or exceed the benefits provided in the medical portion of the basic plan.

C. In lieu of electing any of the preceding medical benefit plans, a participant may elect medical coverage by any health maintenance organization made available to participants by the ~~Council~~ Board. The benefit price of any health maintenance organization shall be determined on a competitive bid basis. Contracts for said plans shall not be subject to the provisions of The Oklahoma Central Purchasing Act. The ~~Council~~ Board shall promulgate rules establishing appropriate competitive bidding criteria and procedures for contracts awarded for flexible benefits plans. All plans offered by health maintenance organizations

meeting the bid requirements as determined by the ~~Council~~ Board shall be accepted. The ~~Council~~ Board shall have the authority to reject the bid or restrict enrollment in any health maintenance organization for which the ~~Council~~ Board determines the benefit price to be excessive. The ~~Council~~ Board shall have the authority to reject any plan that does not meet the bid requirements. All bidders shall submit along with their bid a notarized, sworn statement as provided by Section 85.22 of this title. Effective for the plan year beginning January 1, 2007, and for each plan year thereafter, in setting health insurance premiums for active employees and for retirees under sixty-five (65) years of age, HMOs, self-insured organizations and prepaid plans shall set the monthly premium for active employees to be equal to the monthly premium for retirees under sixty-five (65) years of age.

D. Nothing in this section shall be construed as prohibiting the ~~Council~~ Board from offering additional qualified benefit plans or currently taxable benefit plans.

E. Each employee of a participating employer who meets the eligibility requirements for participation in the flexible benefits plan shall make an annual election of benefits under the plan during an enrollment period to be held prior to the beginning of each plan year. The enrollment period dates will be determined annually and will be announced by the ~~Council~~ Board, providing the enrollment

period shall end no later than thirty (30) days before the beginning of the plan year.

Each such employee shall make an irrevocable advance election for the plan year or the remainder thereof pursuant to such procedures as the ~~Council~~ Board shall prescribe. Any such employee who fails to make a proper election under the plan shall, nevertheless, be a participant in the plan and shall be deemed to have purchased the default benefits described in this section.

F. The ~~Council~~ Board shall prescribe the forms that participants will be required to use in making their elections, and may prescribe deadlines and other procedures for filing the elections.

G. Any participant who, in the first year for which he or she is eligible to participate in the plan, fails to make a proper election under the plan in conformance with the procedures set forth in this section or as prescribed by the ~~Council~~ Board shall be deemed automatically to have purchased the default benefits. The default benefits shall be the same as the basic plan benefits. Any participant who, after having participated in the plan during the previous plan year, fails to make a proper election under the plan in conformance with the procedures set forth in this section or prescribed by the ~~Council~~ Board, shall be deemed automatically to have purchased the same benefits which the participant purchased in the immediately preceding plan year, except that the participant

shall not be deemed to have elected coverage under the health care reimbursement account plan or the dependent care reimbursement account plan.

H. Benefit plan contracts with the Board, health maintenance organizations, and other third party insurance vendors shall provide for a risk adjustment factor for adverse selection that may occur, as determined by the ~~Council~~ Board, based on generally accepted actuarial principles.

I. 1. For the plan year ending December 31, 2004, employees covered or eligible to be covered under the State and Education Employees Group Insurance Act and the State Employees Flexible Benefits Act who are enrolled in a health maintenance organization offering a network in Oklahoma City, shall have the option of continuing care with a primary care physician for the remainder of the plan year if:

a. that primary care physician was part of a provider group that was offered to the individual at enrollment and later removed from the network of the health maintenance organization, for reasons other than for cause, and

b. the individual submits a request in writing to the health maintenance organization to continue to have access to the primary care physician.

2. The primary care physician selected by the individual shall be required to accept reimbursement for such health care services on a fee-for-service basis only. The fee-for-service shall be computed by the health maintenance organization based on the average of the other fee-for-service contracts of the health maintenance organization in the local community. The individual shall only be required to pay the primary care physician those co-payments, coinsurance and any applicable deductibles in accordance with the terms of the agreement between the employer and the health maintenance organization and the provider shall not balance bill the patient.

3. Any network offered in Oklahoma City that is terminated prior to July 1, 2004, shall notify the health maintenance organization, ~~Oklahoma State Employees Benefits Council and State and Education Employees Group Insurance Board~~ Oklahoma Employees Insurance and Benefits Board by June 11, 2004, of the network's intentions to continue providing primary care services as described in paragraph 2 of this subsection offered by the health maintenance organization to state and public employees.

SECTION 980. AMENDATORY 74 O.S. 2011, Section 1372, is amended to read as follows:

Section 1372. The ~~Oklahoma State Employees Benefits Council~~ Office of Management and Enterprise Services shall be responsible for making all determinations as to the rights of any participant or

any beneficiary of a participant to receive amounts under the flexible spending account benefits plan. The ~~Council~~ Office shall prescribe forms and procedures for making claims for flexible spending account benefits under the plan. Each person making a claim for benefits under the flexible spending account benefits plan shall also furnish the ~~Council~~ Office with such documents, evidence, data or information in support of such claim as the ~~Council~~ Board considers necessary or desirable. If any claim for the flexible spending account benefits plan is wholly or partially denied, the claimant shall be given notice in writing of such denial within a reasonable period of time, but no later than forty-five (45) days after the claim is filed.

A claimant whose claim is denied shall have the right to a hearing before the ~~Council's executive director~~ Director of the Office of Management and Enterprise Services or hearing officer designated by the ~~executive director~~ Director. Written notification by a claimant for a hearing must be received by the executive director within ten (10) business days of notification of claim denial. The hearing shall be conducted within thirty (30) days in accordance with the provisions of the Administrative Procedures Act. The ~~Council~~ Office shall promulgate administrative rules establishing policies and procedures specific to the notice of denial, request for explanation, and hearing for flexible spending account benefit claims denial.

SECTION 981. AMENDATORY 74 O.S. 2011, Section 1373, is amended to read as follows:

Section 1373. A. All health benefit plans that are offered by the ~~Oklahoma State Employees Benefits Council~~ Oklahoma Employees Insurance and Benefits Board shall provide coverage for side effects that are commonly associated with radical retropubic prostatectomy surgery, including, but not limited to impotence and incontinence, and for other prostate related conditions.

B. The ~~Council~~ Office of Management and Enterprise Services shall provide notice to each insured or enrollee under such plan regarding the coverage required by this section in the plan's evidence of coverage, and shall provide additional written notice of the coverage to the insured or enrollee as follows:

1. In the next mailing made by the plan to the employee; or

2. As part of the enrollment information packet sent to the enrollee.

C. The ~~Council~~ Office shall promulgate any rules or actions necessary to implement the provisions of this section.

SECTION 982. AMENDATORY 74 O.S. 2011, Section 1374, is amended to read as follows:

Section 1374. For the plan year beginning January 1, 2005, and for each year thereafter, it shall be the fiduciary responsibility of the ~~Oklahoma State Employees Benefits Council and the State and Education Employees Group Insurance Board~~ Office of Management and

Enterprise Services to ensure that participants have the option to choose which vision plan best meets their individual needs by offering every vision plan that notifies the ~~Employees Benefits Council and the State and Education Employees Group Insurance Board~~ Office of ~~their~~ its desire to participate no later than July 1 of each year and meets or exceeds the following criteria:

1. Has in place a statewide network of at least one hundred fifty providers. "Providers", for purposes of this section, means Optometrists (OD), Ophthalmologists (MD), and Ophthalmologists (DO) which shall be counted once regardless of the number of locations where they may practice. Optical shops and retail optical locations shall not be listed as providers. The company offering the vision plan must have a direct relationship with each provider on its panel, and may not lease, borrow, or otherwise obtain use of a provider panel from another company. This would not prevent a company from offering their plan through one corporate entity and administering the plan or provider panel through another legal entity of the same organization. Providers must be actively engaged in providing the services offered under the vision plan they represent;

2. Has operated in Oklahoma for at least five (5) years;

3. Is licensed by the Insurance Department, certified by the State Department of Health, or licensed as a third-party administrator by the Insurance Department. Vision plans must be

offered by the company administering the plan, not by an agent or third party. A company shall offer only one vision plan and rate schedule for each plan year;

4. Presents accurate product information in a reproducible format not to exceed two pages; and

5. Vision plans must provide an examination, frames and lenses, and/or contact lenses and some form of indemnified payment to the contracted providers for each component of the benefits, i.e., the exam, frames and lenses and/or contact lenses. This does not eliminate discounted supplementary benefits under a qualified plan.

Any administrative fees imposed by the ~~Oklahoma State Employees Benefits Council or the State and Education Employees Group Insurance Board~~ Oklahoma Employees Insurance and Benefits Board shall be applied equally to all qualified vision plans. There shall be no additional requirements imposed on a vision plan other than the proper licensing or certification by the appropriate state agency.

SECTION 983. AMENDATORY 74 O.S. 2011, Section 1384, is amended to read as follows:

Section 1384. There is hereby created in the State Treasury a revolving fund for the ~~Oklahoma State Employees Benefits Council~~ Office of Management and Enterprise Services to be designated the "Wellness Program Fund". The fund shall be a continuing fund, not subject to fiscal year limitations and shall consist of all monies

received by the Wellness Council division of the ~~Oklahoma State Employees Benefits Council~~ Office from money received through grants, donations, contributions and gifts from any public or private source and transfer of funds from the Benefits Council Administration Revolving Fund as approved by the ~~Oklahoma State Employees Benefits Council~~ Office. The Wellness Council may expend funds as provided for by law. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the ~~Director of State Finance~~ Office of Management and Enterprise Services for approval and payment.

SECTION 984. AMENDATORY 74 O.S. 2011, Section 1701, is amended to read as follows:

Section 1701. A. The State of Oklahoma, its agencies and the political subdivisions thereof and the employees of a duly constituted authority or instrumentality of the State of Oklahoma, its agencies and the political subdivisions thereof, municipalities and any local governmental entity may enter into a written agreement to defer a portion of any employee's compensation which is derived from a state or local government. The compensation to be deferred shall be subject to any federal limitations imposed by the Internal Revenue Code, Sections 1 et seq. of Title 26 of the United States Code. The state or local governments may, under a written agreement, invest the deferred compensation in life insurance, annuities, United States Agency or Treasury Bills, Notes or Bonds,

savings accounts and/or mutual funds with a company licensed or eligible to do business in the state or in a contract or commingled trust or program. Deferred compensation programs shall exist and be in addition to, and not be a part of, any existing retirement, pension or Social Security system provided for the benefit of state and local government employees.

B. The Oklahoma Public Employees Retirement System Board shall offer a deferred compensation program and shall be responsible for establishing rules and regulations and participation agreement forms for said program. The Oklahoma State Employee Benefits Council shall communicate this program with eligible participants.

C. The Office of the Attorney General of this state shall be responsible for interpreting all applicable laws and fiduciary responsibilities for the deferred compensation programs of state and local governments if the programs do not maintain in-house counsel.

D. Prior to January 1, 1991, the Board of Trustees of the Oklahoma Public Employees Retirement System, the Plan Administrator, and the ~~Office of State Finance~~ Office of Management and Enterprise Services shall jointly develop a system that provides for state employee participation amounts in the deferred compensation plan be posted and transferred to the investment option selected by the state employee within ten (10) business days of the payday, the end of the payroll period, or the process date for supplemental payrolls, whichever is later.

SECTION 985. AMENDATORY 74 O.S. 2011, Section 1705, is amended to read as follows:

Section 1705. There is hereby created in the State Treasury a revolving fund for the Oklahoma State Employees Deferred Compensation Plan. The fund shall be designated "The Oklahoma State Employees Deferred Compensation Plan Fund".~~"~~ The revolving fund shall be a continuing fund and shall consist of all monies other than appropriated funds received by the Oklahoma State Employees Deferred Compensation Plan pursuant to statutory authority. Monies accruing to the fund may be expended by the Oklahoma Public Employees Retirement System pursuant to the laws of this state. Disbursements from the fund created herein shall be made on warrants issued by the State Treasurer against claims submitted to the Director of ~~State Finance~~ the Office of Management and Enterprise Services for payment.

SECTION 986. AMENDATORY 74 O.S. 2011, Section 1707, is amended to read as follows:

Section 1707. A. Effective January 1, 1998, for each qualified participant as defined in this section who is a state employee as defined in this section, the Oklahoma Public Employees Retirement System shall pay each month from funds appropriated or deposited to the Oklahoma State Employees Deferred Savings Incentive Plan Fund created pursuant to this section the sum of Twenty-five Dollars ($25.00) to a plan established pursuant to the Internal Revenue

Code, Section 401(a), for the benefit of the employee; provided, if monies in the fund are insufficient to fully fund the contributions in any month, payments shall be suspended until such time as sufficient monies are available. Employees receiving payroll other than monthly shall have an amount contributed which is equivalent to Twenty-five Dollars ($25.00) per month.

B. For the purposes of this section, "qualified participant" means a state employee as defined in this section who is an active participant in the Oklahoma State Employees Deferred Compensation Plan making deferrals of at least Twenty-five Dollars ($25.00) per month. Effective July 1, 2000, each qualified participant shall be eligible for a contribution of Twenty-five Dollars ($25.00) to the Oklahoma State Employees Deferred Savings Incentive Plan beginning with the first employee deferral into the Oklahoma State Employees Deferred Compensation Plan. The ~~Administrator~~ Director of the ~~Office of Personnel Management and the Director of State Finance~~ Office of Management and Enterprise Services shall be responsible for the provision of such information and assistance as may be necessary to determine which employees are qualified participants and shall provide for appropriate payroll transactions to accomplish contributions to the Oklahoma State Employees Deferred Savings Incentive Plan and the Oklahoma State Employees Deferred Compensation Plan. The Oklahoma Public Employees Retirement System shall be responsible for establishing rules and plan documents for

administration of such contributions. Funds so credited shall be held and invested in the same manner as the Oklahoma State Employees Deferred Compensation Plan, as provided in Section 1701 of this title.

C. For the purposes of this section, "state employee" means any officer or employee of the executive, legislative, or judicial branches of the government of this state who is an active member of a public retirement system of this state, but does not include:

1. Employees of the public elementary, secondary, or area vocational school districts;

2. Employees of The Oklahoma State System of Higher Education except employees of the Oklahoma State Regents of Higher Education, employees of the governing boards and employees of the Board of Regents of the University of Oklahoma who are participating members of the Oklahoma Public Employees Retirement System;

3. Persons on temporary, student, internship, or other limited-term appointments except for Executive Fellows in the Carl Albert Public Internship Program created in Section 840-3.4 of this title; or

4. Persons employed pursuant to Section 1.6a of Title 53 of the Oklahoma Statutes ~~or Section 1806.1 of this title~~.

D. No public official shall be able to make contributions to the Section 401(a) plan described by this section during a term of office which commenced prior to July 1, 1997. A public official may

make contributions to the Section 401(a) plan described by this section during a term of office which commences after July 1, 1997. No legislator shall be eligible to make contributions to the Section 401(a) plan described by this section until such contributions have been approved by the Board on Legislative Compensation. The provisions of this subsection shall be applicable only in the event that the Plan permits employee contributions.

E. There is hereby created in the State Treasury a revolving fund to be designated the "Oklahoma State Employees Deferred Savings Incentive Plan Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of any monies the Legislature may appropriate or transfer to the fund and any monies contributed for the fund from any other sources, public or private. All monies accruing to the credit of said fund are hereby appropriated and may be budgeted and expended by the Oklahoma Public Employees Retirement System for the matching of deferred compensation contributions pursuant to this section and in accordance with rules promulgated by the Oklahoma Public Employees Retirement System and for reimbursement of expenses for administration of the Deferred Savings Incentive Plan and the Oklahoma State Employees Deferred Compensation Plan. Expenditures from the fund shall be made by warrants issued by the State Treasurer against claims filed as prescribed by law with the

Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

F. Effective July 1, 2000, every employer which has state employees participating in the Oklahoma State Employees Deferred Savings Incentive Plan shall pay to the Fund an amount equal to Twenty-five Dollars ($25.00) each month for each qualified participant as defined in this section, along with an amount to reimburse the cost of administration of the Oklahoma State Employees Deferred Savings Incentive Plan and the Oklahoma State Employees Deferred Compensation Plan for each qualified participant, as determined by the Board.

1. The Board shall certify each year to the ~~Office of State Finance~~ Office of Management and Enterprise Services the determined amount for the administrative cost of the Oklahoma State Deferred Savings Incentive Plan and the Oklahoma State Employees Deferred Compensation Plan which will be required to be paid for each qualified participant. The Board of Trustees shall promulgate such rules as are necessary to implement the provisions of this subsection and provide the methodology for the determination.

2. Each employer shall pay at least monthly to the Fund the sum sufficient to satisfy the obligation under this section as certified by the Board.

3. Each employer is hereby authorized to pay the employer's contribution from the same fund that the compensation for which said

contribution is paid from or from any other funds available to it for such purpose.

SECTION 987. AMENDATORY 74 O.S. 2011, Section 1811.4A, is amended to read as follows:

Section 1811.4A A. The Oklahoma Tourism and Recreation Commission is hereby authorized to lease, purchase, or otherwise acquire the land between Kelley Avenue and Eastern Avenue within the boundary of Northeast 63rd Street on the north and Deep Fork Creek on the south and extending along the public right-of-way of Interstate Highway Number 240 to the junction of Interstate Highway Number 35, three-quarters (3/4) of a mile east of Eastern Avenue in Oklahoma City, Oklahoma. Such land shall be used to establish a state park to be designated and known as the "Cowboy Hall of Fame Park". The Commission shall be responsible for the establishment, operation, and maintenance of such park.

B. The Commission may contract with the Oklahoma Capitol Improvement Authority, the Oklahoma Department of Transportation, the ~~Office of Public Affairs~~ Office of Management and Enterprise Services, the City of Oklahoma City, the National Cowboy Hall of Fame Foundation, or any other entity for the purpose of landscaping, beautification, capital improvement, operation, and maintenance of the "State Capitol Park" and the "Cowboy Hall of Fame Park".

SECTION 988. AMENDATORY 74 O.S. 2011, Section 1811.4C, is amended to read as follows:

Section 1811.4C A. The provisions of Title 47 of the Oklahoma Statutes shall be applicable to all streets and highways within the State Capitol Park in Oklahoma City and the State Capitol Complex in Tulsa. The Department of Public Safety shall be the primary law enforcement agency within the State Capitol Park and within the State Capitol Complex, upon its establishment, and shall enforce and supervise the enforcement of all parking, traffic and criminal laws therein.

B. The rules for the "Use of the Public Areas of the Capitol and Plazas" and for the "Use of the State Capitol Park", as promulgated by the ~~Department of Central Services~~ Office of Management and Enterprise Services and set out in Subchapters 5 and 7 of Chapter 10 of Title 580 of the Oklahoma Administrative Code, are applicable to the State Capitol Park and State Capitol Complex. The Department of Public Safety shall have the exclusive authority to enforce these rules. A violation of a rule shall be a misdemeanor and, upon conviction, shall be punishable by imprisonment in the county jail not exceeding one (1) year, or by a fine not exceeding Five Hundred Dollars ($500.00), or by both such fine and imprisonment.

C. This section shall not be construed to divest the Cities of Oklahoma City or Tulsa of jurisdiction relating to the enforcement of any law or ordinance within said parks except the enforcement of

laws regarding vehicle parking which shall be vested exclusively in the Department of Public Safety.

SECTION 989. AMENDATORY 74 O.S. 2011, Section 2215, is amended to read as follows:

Section 2215. The Division of State Parks shall, subject to the policies and rules of the Commission:

1. Conserve, preserve, plan, supervise, construct, enlarge, reduce, improve, maintain, equip and operate parkland and public recreation facilities including, but not limited to, lodges, cabins, camping sites, scenic trails, picnic sites, golf courses, boating, and swimming facilities under the jurisdiction and control of the Commission. All facilities in state parks shall be reasonably necessary and useful in promoting the public use of state parks and shall be in accord with the resource management plan for the respective park;

2. Supervise the management and use of state properties and facilities under the jurisdiction of the Commission, with an emphasis on conserving, protecting, and enhancing the natural, ecological, historic, cultural, and other resources contained in each park and to provide for the public enjoyment of and access to these resources in a manner which will protect them for future generations;

3. Formulate, establish, maintain, and periodically review with public participation a resource management plan for each state park.

The resource management plan, upon approval by the Commission, shall be considered a guide for the development, utilization, protection, and management of the state park and its natural, cultural, historic, and recreational resources;

4. Authorize those employees in the Park Manager job family classification series, as established by the ~~Oklahoma Office of Personnel Management~~ Office of Management and Enterprise Services, to maintain administrative control over all facilities, programs, operations, services, and employees in the park to which they are assigned; and

5. Enforce the rules and policies governing the use of and conduct of patrons in all recreational facilities and properties of the Commission. The Commission may adopt rules to lease concessions in any state-owned facility if the Commission deems it feasible.

SECTION 990. AMENDATORY 74 O.S. 2011, Section 2216, is amended to read as follows:

Section 2216. Park Rangers, subject to the policies of the Commission, shall:

1. Obtain a commission as an officer or employee pursuant to the certification specified in Section 3311 of Title 70 of the Oklahoma Statutes and by the Division of State Parks;

2. Secure the parks and property of the Department and maintain law and order therein;

3. Maintain the powers of peace officers except the serving or execution of civil process, have in all parts of the state the same powers with respect to criminal matters and enforcement of the laws relating thereto as sheriffs, highway patrolmen and police officers in their respective jurisdictions and possess all immunities and matters of defense now available or hereafter made available to sheriffs, the highway patrol, and police officers in any suit brought against them resulting from acts done in the course of their employment;

4. Possess law enforcement jurisdiction over state parks, including all facilities located therein;

5. Serve a probationary period of twelve (12) months. The Division of State Parks Director may extend the probationary period for up to three (3) additional months provided that the employee and the ~~Office of Personnel Management~~ Office of Management and Enterprise Services are notified in writing as to such action and the reasons therefor. At any time during a probationary period the employment of a park ranger may be terminated in accordance with Department procedure and at the discretion of the Director of State Parks. Retention of the employee, after expiration of the probationary period, shall entitle the employee to be classified as a permanent employee;

6. Provide law enforcement protection and enforcement pursuant to the terms of interlocal agreements authorized by the Commission

with other entities of government or federally recognized tribes in the state; and

7. Remain in the Oklahoma Law Enforcement Retirement System if promoted to the Park Manager job family classification series, provided they maintain their certification specified in Section 3311 of Title 70 of the Oklahoma Statutes, perform the requisite training required by the Chief Park Ranger, and meet all other requirements, policies, and rules of the Department and laws of the state.

SECTION 991. AMENDATORY 74 O.S. 2011, Section 2243, is amended to read as follows:

Section 2243. Expenditure of funds for all purchases in excess of Fifty Thousand Dollars ($50,000.00) shall not be contracted except upon approval of a majority of the Oklahoma Tourism and Recreation Commission. The amount exempted by paragraph 1 of subsection A of Section 85.7 of ~~Title 74 of the Oklahoma Statutes~~ this title shall apply to each separate department facility as identified by the annual budget submitted to the ~~Office of State Finance~~ Office of Management and Enterprise Services pursuant to Section 34.42 of Title 62 of the Oklahoma Statutes.

SECTION 992. AMENDATORY 74 O.S. 2011, Section 2244, is amended to read as follows:

Section 2244. A. The Department shall be exempt from any provision of Sections 85.1 through 85.45k of ~~Title 74 of the Oklahoma Statutes~~ this title requiring purchases to be made pursuant

to a statewide contract for individual purchases of less than Two Thousand Five Hundred Dollars ($2,500.00) when the following conditions are met:

1. The Department documents a cost savings to the state resulting from the purchase of the item(s) from a vendor not on the statewide contract;

2. The exempted purchase is made in the county where the purchasing facility, as identified in subsection B of this section, is located or in an adjacent county; and

3. The exempted purchase is approved by the Executive Director or a designee prior to the purchase.

B. The Commission shall promulgate rules, procedures, and forms necessary to adequately document the dollar savings resulting from the application of this section.

C. The exemption provided for in this section shall apply to individual department entities identified by the annual budget submitted to the ~~Office of State Finance~~ Office of Management and Enterprise Services.

D. The Department shall not be required to purchase furniture, fixtures and equipment, and soft goods associated with the decor of the state parks, lodges, golf, and tourism information center facilities from Oklahoma prisons or reformatories.

E. Nothing in this section shall be construed to authorize bid splitting as prohibited by The Oklahoma Central Purchasing Act.

SECTION 993. AMENDATORY 74 O.S. 2011, Section 2251, is amended to read as follows:

Section 2251. There is hereby created in the State Treasury a revolving fund for the Department to be designated the "Oklahoma Tourism and Recreation Department Revolving Fund". The fund shall consist of all monies received by the Department pursuant to the provisions of this act, monies derived from the sale or conveyance of real property under the jurisdiction of the Commission, and interest attributable to investment of money in the fund. The revolving fund shall be a continuing fund not subject to fiscal year limitations and shall be under the administrative direction of the Department. Expenditures from the fund created by this section shall be for the administration, operation, and maintenance expenses of the Department, for purchase of real property, and shall be made pursuant to the laws of this state and the statutes relating to the Department. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 994. AMENDATORY 74 O.S. 2011, Section 2252, is amended to read as follows:

Section 2252. There is hereby created in the State Treasury a revolving fund for the Department to be designated the "Oklahoma Today Magazine Revolving Fund". The fund shall be a continuing

fund, not subject to fiscal year limitations, and shall consist of all monies received by the Department from donations, gifts and bequests by individuals, corporations, organizations, associations and foundations specifying that such monies be expended on "Oklahoma Today Magazine" and its ancillary products and activities. No state monies shall be deposited in this fund. From monies deposited in this fund, the Executive Director may reimburse the publisher of "Oklahoma Today Magazine" and its staff for all actual and necessary expenses for travel, subsistence and entertainment in order to gain advertising and promotion for "Oklahoma Today Magazine", pursuant to Section 500.18 of ~~Title 74 of the Oklahoma Statutes~~ this title. All monies accruing to the credit of said fund are hereby appropriated and may be budgeted and expended by the Department for the purpose of supporting and promoting "Oklahoma Today Magazine" and its ancillary products and activities, and for soliciting contributions for other expenses for "Oklahoma Today Magazine", so that the magazine can become self-supporting and not dependent on state-appropriated funds in the future. Expenditures from the fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 995. AMENDATORY 74 O.S. 2011, Section 2253, is amended to read as follows:

Section 2253. There is hereby created in the State Treasury a revolving fund for the Oklahoma Tourism and Recreation Department to be designated the "Tourism and Recreation Environmental Loan Proceeds Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies received from the State Revolving Fund loan programs as administered by the Oklahoma Water Resources Board designated specifically for the purposes of reimbursements, construction, repair, remediation, or improvement of eligible facilities under the jurisdiction of the Oklahoma Tourism and Recreation Commission. The fund shall be under the administrative direction of the Oklahoma Tourism and Recreation Department. All monies accruing to the credit of the fund may be budgeted and expended by the Oklahoma Tourism and Recreation Department for the purpose of constructing, repairing, remediating, improving loan eligible projects, reimbursing the Department for eligible planning and design expenses, or paying for associated loan financing requirements. Expenditures from the fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 996. AMENDATORY 74 O.S. 2011, Section 2254, is amended to read as follows:

Section 2254. There is hereby created in the State Treasury a revolving fund for the Oklahoma Tourism and Recreation Department to

be designated the "State Park System Improvement Revolving Fund". The fund shall be a continuing fund not subject to fiscal year limitations. The fund shall consist of all monies that are received by the Department, from all entrance or day-use charges for the state park system, including charges for an annual pass for visitors to the state parks. All monies accruing to the fund are hereby appropriated and may be expended by the Department for the exclusive purpose of capital improvements at the state park where the charges were collected. Expenditures from the fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 997. AMENDATORY 74 O.S. 2011, Section 2254.1, is amended to read as follows:

Section 2254.1 A. There is hereby created in the State Treasury a revolving fund for the Oklahoma Tourism and Recreation Department to be designated the "Oklahoma Tourism and Recreation Department Capital Expenditure Revolving Fund".

B. The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies received by the Oklahoma Tourism and Recreation Department from the apportionment of gross production tax revenues as prescribed by Section 1004 of Title 68 of the Oklahoma Statutes.

C. All monies accruing to the credit of said fund are hereby appropriated and may be budgeted and expended by the Oklahoma Tourism and Recreation Department for the purpose of one-time capital expenditures for capital assets owned, managed or controlled by the Oklahoma Tourism and Recreation Department.

D. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

E. No monies in the fund shall be used for the payment of administrative expenses, salary or any other continuing obligation of the Oklahoma Tourism and Recreation Department.

F. The provisions of this section shall cease to have the force and effect of law on July 1, 2014. Any monies remaining in the fund created by this section on July 1, 2014, which have been encumbered, but not expended, may be expended according to the terms pursuant to which the monies were encumbered.

SECTION 998. AMENDATORY 74 O.S. 2011, Section 2255, is amended to read as follows:

Section 2255. A. There is hereby created a petty cash fund in the revolving fund of each of the properties or activities with sales under the control of the Department. The petty cash funds shall be such amounts as are determined to be necessary by the Director of ~~State Finance~~ the Office of Management and Enterprise

Services and the Executive Director of the Department. Petty cash funds may be expended for the payment of emergency purchases, for postage due, for bank charges, for resale merchandise and firewood purchases under One Hundred Dollars ($100.00), for refund of charges for returned merchandise, for refund of advance deposits, to reimburse lease concessions, for purchases charged to guests' statement of account, to reimburse employees for gratuities charged to guests' statement of accounts, to pay artisans the net proceeds resulting from the sale of consignment arts and crafts products, to purchase beverage and vending licenses, and to purchase low-point beer.

B. The petty cash funds may be reimbursed by the State Treasurer upon the filing of a claim with the proper receipts or from the agency clearing account if the petty cash disbursement was a refund of erroneous or excessive collections or credits. Petty cash funds may be reimbursed from the agency clearing account for shortages accruing to the account. Reimbursements are to be made from the revolving fund. The Director of ~~State Finance~~ the Office of Management and Enterprise Services shall prescribe all forms, systems and procedures for administering the petty cash funds of the various properties or activities with sales of the Department.

SECTION 999. AMENDATORY 74 O.S. 2011, Section 2288, is amended to read as follows:

Section 2288. There shall be created in the State Treasury a revolving fund to be designated the "Oklahoma Recreation and Development Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of monies designated for the fund by statute, monies the Legislature may appropriate or transfer to the fund, monies contributed for the fund from any other sources public or private, and income from investment of the fund. All monies accruing to the credit of the fund are hereby appropriated and may be budgeted and expended by the Oklahoma Tourism and Recreation Commission, with advice from the Oklahoma Recreation and Development Revolving Fund Advisory Board. Expenditures from the fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 1000. AMENDATORY 74 O.S. 2011, Section 3001, is amended to read as follows:

Section 3001. A. There is hereby created in the ~~Department of Central Services~~ Office of Management and Enterprise Services a committee to be known as the "State Use Committee". The Committee shall consist of five (5) members and one nonvoting member as follows:

1. A private citizen conversant with the employment needs of people with severe disabilities who shall be appointed by and serve

at the pleasure of the Governor to act as an advocate for the employment needs of people with severe disabilities;

2. The Director of the ~~Department of Central Services~~ Office of Management and Enterprise Services or designee;

3. The Director of Visual Services, or designee;

4. The past president of Oklahoma Community-Based Providers or designee to serve for a one-year period, who may be reappointed by the succeeding president;

5. An individual or a parent or guardian of an individual with severe disabilities who participates in vocational programming through a sheltered environment facility, to be selected by the Committee; and

6. As a nonvoting member, a person employed by the ~~Department of Central Services~~ Office of Management and Enterprise Services as a contracting officer in the purchasing division, appointed by the State Purchasing Director with the advice of the Committee and designated specifically to solicit, develop, and negotiate contracts with agencies and individuals.

B. The Committee shall elect from among its membership a Chair and a Vice Chair who shall both serve for a period of one year.

C. The four private citizens on the Committee shall serve for a period of two (2) years and may be reappointed by the appointing authority. Any private citizen appointed pursuant to this section to fill a vacancy occurring prior to the expiration of the term for

which the predecessor was appointed shall be appointed only for the remainder of the term.

D. Any member of the Committee shall be prohibited from voting on any issue in which the member has an interest.

SECTION 1001. AMENDATORY 74 O.S. 2011, Section 3004.1, is amended to read as follows:

Section 3004.1 A one-percent fee of any contract for products or services of the severely disabled shall be assessed against the qualified organization and deposited in the State Use Committee Revolving Fund, as created in Section 3004.2 of this title, for the salary, administrative costs, and other expenses incurred by the Purchasing Division of the ~~Department of Central Services~~ Office of Management and Enterprise Services for promoting goods and services provided by qualified organizations.

SECTION 1002. AMENDATORY 74 O.S. 2011, Section 3004.2, is amended to read as follows:

Section 3004.2 There is hereby created in the State Treasury a revolving fund for the ~~Department of Central Services~~ Office of Management and Enterprise Services to be designated the "State Use Committee Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all proceeds from the one-percent fee on contracts for purchases of products or services of the severely disabled, as provided in Section 3004.1 of this title. The fund shall be invested in any of

the types of instruments in which the State Treasurer is authorized by law to invest. Interest earned shall be retained by the fund. All monies accruing to the credit of the fund are hereby appropriated and may be budgeted and expended by the ~~Department of Central Services~~ Office of Management and Enterprise Services for the salary and other administrative expenses of the buyer and clerical and technical support in the Purchasing Division of the ~~Department of Central Services~~ Office of Management and Enterprise Services responsible for contracts for the products and services of the severely disabled and expenses the ~~Department~~ Office incurs to support Committee operations. Expenditures from the fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 1003. AMENDATORY 74 O.S. 2011, Section 3007, is amended to read as follows:

Section 3007. A. Whenever the State of Oklahoma or any of its agencies intends to procure any product or service included in the procurement schedule, that entity shall secure the product or service from a qualified nonprofit agency providing employment to people with severe disabilities at the fair market price determined by the Committee if the product or service is available within the period required by the entity.

B. An agency of this state shall not evade the intent and meaning of this section by slight variations from standards adopted by the ~~Department of Central Services~~ Office of Management and Enterprise Services.

C. Provided, the requirements of this section shall not apply to the procurement of janitorial services by the Oklahoma State Bureau of Investigation. The Bureau shall conduct background investigations and national criminal history record checks on companies and individuals with which it contracts to provide janitorial services.

SECTION 1004. AMENDATORY 74 O.S. 2011, Section 3119, is amended to read as follows:

Section 3119. Any statewide organization limited to state employee membership with a minimum membership of two thousand dues-paying members and serving employees of a state agency including, but not limited to, the Department of Corrections, may annually send one general mailing to all state employees and shall pay for the total cost of the mailing. The ~~Office of State Finance~~ Office of Management and Enterprise Services and any qualifying organization under this section shall agree on the method of providing a list of the names and addresses of the state employees to accomplish the mailing, while preserving the confidentiality of the list. Such an agreement may include providing the list to a third party in the business of providing mailing services if the third party agrees to

maintain the confidentiality of the list. The State of Oklahoma shall not be held responsible or be liable to employees for providing the names and addresses as provided herein.

SECTION 1005. AMENDATORY 74 O.S. 2011, Section 3200.2, is amended to read as follows:

Section 3200.2 A. There is hereby created the Health Care Workforce Resources Board whose purpose shall be to govern the Health Care Workforce Resources Center promoting the purposes for which the Health Care Workforce Resources Center was created in the Health Care Workforce Resources Act.

B. 1. The Board shall consist of nineteen (19) members as follows:

a. two members of the Oklahoma State Senate. One member shall be appointed by the President Pro Tempore of the Senate and one member shall be appointed by the minority leader of the Senate,

b. two members of the Oklahoma House of Representatives. One member shall be appointed by the Speaker of the House of Representatives and one member shall be appointed by the minority leader of the House of Representatives,

c. the Chancellor of the Oklahoma State Regents for Higher Education or a designee,

d. the Director of the Oklahoma Department of Career and Technology Education or a designee,

e. the State Superintendent of Public Instruction or a designee,

f. the Secretary of Health or a designee,

g. the Commissioner of Health or a designee,

h. a representative of the Governor's Council for Workforce and Economic Development,

i. a representative of the University of Oklahoma Health Sciences Center, designated by the president of that institution,

j. a representative of the ~~Office of State Finance~~ Office of Management and Enterprise Services, designated by the Director of ~~State Finance~~ the Office of Management and Enterprise Services, and

k. a representative of the Oklahoma State University Center for Health Sciences, designated by the president of that institution.

2. Six members shall be appointed by the Governor as follows:

a. one member of a statewide association representing urban and rural hospitals,

b. one member of a statewide association representing nurses,

c. one member of a statewide association representing allopathic physicians,

d. one member of a statewide association representing osteopathic physicians,

e. one member representing the long-term care industry chosen from a list of at least three names submitted by a statewide association representing urban and rural nursing homes, and

f. one lay member who shall represent the general public.

3. All designated members shall serve at the pleasure of their designators. The initial appointments of the Governor shall be for the following terms:

a. the initial term of the member of a statewide association representing urban and rural hospitals shall be for a three-year term,

b. the initial term of the member of a statewide association representing nurses shall be for a three-year term,

c. the initial term of the member of a statewide association representing allopathic physicians shall be for a two-year term,

d. the initial term of the member of a statewide association representing osteopathic physicians shall be for a two-year term,

e. the initial term of the member representing the long-term care industry shall be for a one-year term, and

f. the initial term of the lay member representing the general public shall be for a one-year term.

4. After the initial terms, all other terms of members appointed by the Governor shall be for four-year terms. Members appointed by the Governor may be removed by the Governor for cause. A vacancy of an appointed member shall be filled in the same manner as the original appointment for the unexpired portion of the term.

5. The Board shall elect from among its membership a chair and a vice-chair and shall adopt procedures for the governance of its operations. Ten members shall constitute a quorum for the transaction of business. The Board shall meet at such times as it deems appropriate.

6. Members of the Board shall receive no compensation for their services but may be reimbursed for reasonable and necessary travel expenses incurred in the performance of their duties by their respective legislative house or state agency pursuant to the provisions of the State Travel Reimbursement Act. Members appointed by the Governor shall be reimbursed by the Oklahoma State Regents for Higher Education pursuant to the provisions of the State Travel Reimbursement Act.

7. Until such time as private or public funds become available, administrative support for the Board, including, but not limited to,

personnel necessary to ensure the proper performance of the duties and responsibilities of the Board shall be provided by the Oklahoma State Regents for Higher Education and the Oklahoma Department of Health. All represented agencies shall provide any additional administrative support requested by the Board.

C. The duties of the Health Care Workforce Resources Board shall include, but not be limited to, the hiring of, or contracting for, an Executive Director of the Health Care Workforce Resources Center as private or public funds become available. The Executive Director shall report to the Board and be responsible for the hiring of staff and activities of the Health Care Workforce Resources Center as stated in the Health Care Workforce Resources Act. These activities include contracting for services including, but not limited to, data collection and analysis and Web support. Until such time as private or public funds become available to hire an Executive Director, the Board shall be responsible for activities of the Health Care Workforce Resources Center.

SECTION 1006. AMENDATORY 74 O.S. 2011, Section 3317, is amended to read as follows:

Section 3317. A. Compliance with the provisions of The Oklahoma Central Purchasing Act shall not be required of CompSource Oklahoma. CompSource Oklahoma shall observe internal purchasing procedures approved by the Purchasing Director of the ~~Department of Central Services~~ Office of Management and Enterprise Services and

keep records of acquisitions which shall be subject to audit by the ~~Department of Central Services~~ Office of Management and Enterprise Services.

B. Compliance with the provisions of the Public Competitive Bidding Act of 1974, Public Building Construction and Planning Act, and Consulting Services through the Construction and Properties Division of the ~~Department of Central Services~~ Office of Management and Enterprise Services shall not be required of CompSource Oklahoma. CompSource Oklahoma shall observe internal procurement and bidding procedures and keep records of contracts and acquisitions which shall be subject to audit by the ~~Department of Central Services~~ Office of Management and Enterprise Services.

C. Compliance with the provisions of the Oklahoma Surplus Property Act shall not be required of CompSource Oklahoma. CompSource Oklahoma shall observe internal property disposition procedures and keep records of property dispositions which shall be subject to audit by the ~~Department of Central Services~~ Office of Management and Enterprise Services.

D. CompSource Oklahoma shall additionally be exempted from compliance with Sections 78 through 78b of ~~Title 74 of the Oklahoma Statutes~~ this title concerning Fleet Management within the ~~Department of Central Services~~ Office of Management and Enterprise Services and shall keep records and documentation of its motor-vehicle-related transactions which shall be subject to audit by the

~~Department of Central Services~~ Office of Management and Enterprise Services.

E. CompSource Oklahoma shall be exempted from the requirements of the ~~Office of State Finance~~ Office of Management and Enterprise Services to file the annual budget work program, budget request, information systems plan and telecommunications plan. CompSource Oklahoma shall continue to file an annual audited financial statement in accordance with governmental accounting standards.

F. CompSource Oklahoma shall further be exempted from conversion to CORE Phase II requirements of the ~~Office of State Finance~~ Office of Management and Enterprise Services.

SECTION 1007. AMENDATORY 74 O.S. 2011, Section 3601.2, is amended to read as follows:

Section 3601.2 A. Beginning January 1, 2010, the agency, board, commission, department or program shall establish the salary of each of the chief executive officers for which they have appointing authority. Such salary shall be set between the minimum and maximum of the range specified below, for full-time employees only, per annum, payable monthly, pursuant to the limitations outlined below:

1. If the chief executive officer's salary is below the minimum annual salary then it can not be raised to more than the minimum annual salary in one (1) fiscal year. If the chief executive officer's salary is at or above the minimum annual salary then the

salary may not be increased above the midpoint in one (1) fiscal year.

2. Such increases shall not occur more than once in a fiscal year; and

3. The salary of the incumbent chief executive officer shall not be increased if the officer's salary exceeds the maximum of the range.

	MINIMUM ANNUAL SALARY	MIDPOINT ANNUAL SALARY	MAXIMUM ANNUAL SALARY
CompSource Oklahoma	$86,136.00	$101,337.00	$116,536.00
Oklahoma Employment Security Commission	$93,190.00	$109,635.00	$126,080.00
Board of Governors of the Licensed Architects, Landscape Architects and Interior Designers of Oklahoma	$45,513.00	$62,757.00	$80,000.00
Board of Chiropractic Examiners	$46,788.00	$55,044.00	$63,301.00
State Board of Cosmetology	$46,788.00	$55,044.00	$63,301.00
Board of Dentistry	$54,956.00	$64,334.00	$75,687.00
Oklahoma Funeral Board	$46,788.00	$55,044.00	$63,301.00

State Board of Registration for Professional Engineers and Land Surveyors	$55,748.00	$65,585.00	$75,424.00
State Board of Medical Licensure and Supervision, Board of Podiatric Medical Examiners/State Board of Examiners of Perfusionists	$67,551.00	$79,471.00	$91,392.00
Commission on Marginally Producing Oil and Gas Wells	$55,748.00	$65,585.00	$75,424.00
Oklahoma Motor Vehicle Commission	$55,748.00	$65,585.00	$75,424.00
Oklahoma Board of Nursing	$67,551.00	$79,471.00	$91,392.00
Oklahoma State Board of Examiners for Nursing Home Administrators	$46,788.00	$55,044.00	$63,301.00
State Board of Osteopathic Examiners	$54,956.00	$64,334.00	$75,687.00
Oklahoma Peanut Commission	$45,513.00	$55,044.00	$63,300.00

State Board of Examiners of Psychologists	$46,788.00	$55,044.00	$63,301.00
Oklahoma Real Estate Commission	$67,551.00	$79,471.00	$91,392.00
Board of Examiners for Speech-Language Pathology and Audiology	$38,001.00	$44,706.00	$51,412.00
Oklahoma Used Motor Vehicle and Parts Commission	$55,748.00	$65,585.00	$75,424.00
State Board of Veterinary Medical Examiners	$46,788.00	$55,044.00	$63,301.00
Oklahoma Wheat Utilization, Research and Market Development Commission	$55,748.00	$65,585.00	$75,424.00
Oklahoma Firefighters Pension and Retirement System	$80,732.00	$94,980.00	$109,226.00
Oklahoma Police Pension and Retirement System	$80,733.00	$94,981.00	$109,227.00
Teachers' Retirement System of Oklahoma	$86,136.00	$101,337.00	$116,536.00
Oklahoma Public Employees Retirement System	$86,136.00	$101,337.00	$116,536.00

Oklahoma Student Loan Authority	$83,790.00	$101,377.00	$116,536.00
Oklahoma Industrial Finance Authority	$80,731.00	$94,979.00	$109,225.00
~~State and Education Employees Group Insurance Board~~	~~$86,136.00~~	~~$101,337.00~~	~~$116,536.00~~
Oklahoma Capital Investment Board	$80,731.00	$94,979.00	$109,225.00
State Board of Licensed Social Workers	$46,788.00	$55,044.00	$63,301.00
~~Oklahoma State Employees Benefits Council~~	~~$80,731.00~~	~~$94,979.00~~	~~$109,225.00~~
Grand River Dam Authority	$101,437.00	$119,339.00	$137,239.00
Oklahoma State Banking Department	$101,437.00	$119,339.00	$137,239.00
Liquefied Petroleum Gas Administration	$55,748.00	$65,585.00	$75,424.00
Oklahoma Securities Commission	$101,437.00	$119,339.00	$137,239.00

B. All increases require certification of the appointing authority that said action can be implemented for the current fiscal year and subsequent fiscal year without the need for additional funding. The agency, board, commission, department or program shall

report increases granted under this section to the ~~Office of Personnel Management~~ Office of Management and Enterprise Services on an annual basis by August 1 of each year. The ~~Office of Personnel Management~~ Office of Management and Enterprise Services shall forward a report of such increases to the Governor, President Pro Tempore of the Senate, and Speaker of the House of Representatives no later than September 1 of each year.

C. Every two (2) years starting FY-05, the ~~Office of Personnel Management~~ Office of Management and Enterprise Services shall review these salary ranges and report on and make recommendations on proposed salary ranges in their annual compensation reports mandated by paragraph 5 of Section 840-1.6A of this title by no later than December 1.

D. Every three (3) years the Legislature shall review the salary ranges specified in subsection A of this section.

SECTION 1008. AMENDATORY 74 O.S. 2011, Section 3605, is amended to read as follows:

Section 3605. A. There is hereby re-created, the Contingency Review Board consisting of the following ex officio voting members:

1. The Governor;

2. The Speaker of the House of Representatives;

3. The President Pro Tempore of the Senate; and

4. The Director of ~~State Finance~~ the Office of Management and Enterprise Services shall be an ex officio nonvoting member of the Board.

B. The Governor shall act as Chair of the Board. The Director of ~~State Finance~~ the Office of Management and Enterprise Services shall be the Executive Secretary of the Board and shall perform all the duties pertaining to such position.

C. A simple majority of the total voting membership shall be required to constitute a quorum and shall be necessary for any official action of the Board.

D. The Board shall hold such meetings as are necessary to carry out the purposes of this act. The Board shall meet at the call of the Governor.

SECTION 1009. AMENDATORY 74 O.S. 2011, Section 3909, is amended to read as follows:

Section 3909. A. Except as otherwise provided by law, any statutory entity listed in Sections 3903 through 3908 of this title which is terminated shall have a period of one (1) year after its termination date for the purpose of ceasing its affairs and termination shall not reduce or otherwise limit the powers, duties, or functions of said entity. Upon the expiration of the one-year period, the entity and its personnel positions shall be abolished.

B. Except as otherwise provided by law, one (1) year after the termination date of a statutory entity, the State Treasurer shall

transfer all funds of that entity to the General Revenue Fund. All debts of that entity shall be paid by the State Treasurer from the funds of that statutory entity. All equipment, files, fixtures, furniture, and supplies of the terminated entity shall be transferred to the ~~Office of Public Affairs~~ Office of Management and Enterprise Services to be stored or disposed of as specified by law. Any other outstanding obligations or functions remaining to be performed after termination of an entity shall be performed by the ~~Office of Public Affairs~~ Office of Management and Enterprise Services until provisions are made for such obligations or functions by the Legislature.

SECTION 1010. AMENDATORY 74 O.S. 2011, Section 3920, is amended to read as follows:

Section 3920. All persons employed by any statutory entity which has been terminated by operation of the Oklahoma Sunset Law, but has been re-created within one (1) year after the final termination date shall be deemed employees of the ~~Office of Public Affairs~~ Office of Management and Enterprise Services for not more than one (1) year after such final termination date. Salaries and benefits of such employees shall continue from the final termination date until the effective date re-creating the statutory entity, and shall be paid from the funds of the re-created statutory entity as soon as available. For the purpose of this section "final termination date" shall mean the date on which a statutory entity's

powers, duties and functions are to be abolished pursuant to the provisions of the Oklahoma Sunset Law.

After the effective date of the act re-creating the statutory entity the employees shall resume their positions with the entities they were employed by on the final termination date.

The provisions of this section shall have prospective and retrospective application.

SECTION 1011. AMENDATORY 74 O.S. 2011, Section 4103, is amended to read as follows:

Section 4103. A. The State Capitol Preservation Commission shall be composed of fifteen (15) members as follows:

1. Three members shall be appointed by the Governor;

2. Three members shall be appointed by the President Pro Tempore of the Senate;

3. Three members shall be appointed by the Speaker of the House of Representatives;

4. One member shall be appointed by the Chief Justice of the Oklahoma Supreme Court; and

5. The following shall be ex officio members:

a. Chairman of the Oklahoma Arts Council,

b. President of the Oklahoma Historical Society,

c. Capitol Architect and Curator,

d. Superintendent of the Capitol, and

e. Director of ~~Public Affairs~~ the Office of Management and Enterprise Services or a designee.

B. The initial term of office of the appointed members shall be as follows:

1. One of the members appointed by the Governor, the President Pro Tempore of the Senate, the Speaker of the House of Representatives, and the member appointed by the Chief Justice of the Oklahoma Supreme Court shall serve a one-year term;

2. One of the members appointed by the Governor, the President Pro Tempore of the Senate, and the Speaker of the House of Representatives shall serve a three-year term; and

3. One of the members appointed by the Governor, the President Pro Tempore of the Senate, and the Speaker of the House of Representatives shall serve a five-year term.

The term of office for each successor shall be for five (5) years. Any member of the Legislature who is appointed to the Commission shall serve only as long as he is a member of the respective house from which he was appointed.

C. The Commission shall elect a chairman and a vice-chairman from its membership to serve for a period of two (2) years. Members of the Commission shall not be compensated except for reimbursement as provided in the State Travel Reimbursement Act.

D. The ~~Department of Central Services~~ Office of Management and Enterprise Services shall make the necessary arrangements for support services for the State Capitol Preservation Commission.

SECTION 1012. AMENDATORY 74 O.S. 2011, Section 4104, is amended to read as follows:

Section 4104. The State Capitol Preservation Commission shall:

1. Research, plan, and have control of modifications and decor of the interior and exterior of the Capitol and the Governor's Mansion; and

2. Establish in conjunction with the ~~Office of Public Affairs~~ Office of Management and Enterprise Services, such annual operating and capitol construction budgets as necessary for the operation, restoration, and preservation of the Capitol and the Governor's Mansion and for providing such works of art as are considered desirable and suitable; and

3. Establish standards for the acquisition and display of works of art for public display in the Capitol and the Governor's Mansion and select such works. Such works of art shall be directly related to the history and culture of the State of Oklahoma; and

4. Establish procedures by which private contributions of suitable art can be accepted for the Capitol and the Governor's Mansion. The Commission is authorized to accept and make proper disposition of works of art as may be donated to the Commission and this state; and

5. Have final approval authority for any proposed modification, alteration, renovation, repair, or construction on any part of the Capitol and the Governor's Mansion or any plans or programs for the restoration, preservation, or display of fine art programs in and surrounding the Capitol and the Governor's Mansion.

SECTION 1013. AMENDATORY 74 O.S. 2011, Section 4105, is amended to read as follows:

Section 4105. There is hereby established the position of the Capitol Architect and Curator who shall:

1. Develop the technical plans and programs for consideration by the State Capitol Preservation Commission with regard to restoration, renovation, and preservation of the Capitol and the Governor's Mansion; and

2. Develop and enforce standards adopted for acquisition and display of works of art in and surrounding the Capitol and the Governor's Mansion; and

3. Coordinate space demands of the various agencies in the Capitol and the Governor's Mansion; and

4. Maintain a record of all structural and decor changes made in the Capitol and the Governor's Mansion; and

5. Make recommendations to the Commission of necessary action on proposed modifications in decor or design to ensure preservation and maintenance of the cultural and historic integrity of the Capitol and the Governor's Mansion.

The Director of ~~Public Affairs~~ the Office of Management and Enterprise Services may contract for the services of a Capitol Architect and Curator or employ such an individual on either a full- or part-time basis. Compensation for the position will be in accord with similar professional positions in state government.

SECTION 1014. AMENDATORY 74 O.S. 2011, Section 4109, is amended to read as follows:

Section 4109. By the order of the Director of the ~~Department of Central Services~~ Office of Management and Enterprise Services, restoration and preservation projects of the State Capitol Building or of the Governor's Mansion may be exempted from the provisions of the Public Competitive Bidding Act of 1974, Section 101 et seq. of Title 61 of the Oklahoma Statutes. For exempted State Capitol Building or Governor's Mansion construction projects, the ~~Department of Central Services~~ Office of Management and Enterprise Services shall select among contractors qualified by past experience to conduct historical preservation projects.

SECTION 1015. AMENDATORY 74 O.S. 2011, Section 4112, is amended to read as follows:

Section 4112. There is hereby created within the Office of ~~Personnel Management~~ Management and Enterprise Services the Committee for Incentive Awards for State Employees, referred to in the Incentive Awards for State Employees Act as the "Committee".

The Committee shall consist of ~~seven (7)~~ five (5) members as follows:

1. The Director of ~~Central Services~~ the Office of Management and Enterprise Services or designee who shall be the chairperson;

2. ~~The Director of State Finance or designee;~~

~~3. The Administrator of the Office of Personnel Management or designee;~~

~~4.~~ The chief administrative officer of a state executive agency, department, commission, or office who shall be appointed by the Governor;

~~5.~~ 3. A state employee who does not occupy a supervisory position, to be appointed by the Governor;

~~6.~~ 4. A person who is not a state officer or employee, to be appointed by the President Pro Tempore of the Senate; and

~~7.~~ 5. A person who is not a state officer or employee, to be appointed by the Speaker of the House of Representatives.

Each member who is appointed by the Governor shall serve on the Committee at the pleasure of the Governor. Those members not appointed by the Governor shall serve on the Committee at the pleasure of their respective appointing authority. Each member who is not a state officer or employee shall have experience in administering employee incentive programs as such programs are used in private industry or in the public sector. Each member shall serve on the Committee without receiving compensation for said

service or any reimbursement pursuant to the provisions of the State Travel Reimbursement Act.

SECTION 1016. AMENDATORY 74 O.S. 2011, Section 4119, is amended to read as follows:

Section 4119. At the conclusion of the eligible fiscal year, subject to the rules and regulations promulgated by the Committee, the Committee shall compare the unit dollar expenditures for that year of each agency, department, commission, office, or defined work unit or work teams against the base year data and, after making such adjustments as in the judgment of the Committee are required to eliminate distortions, shall determine the amount, if any, that the agency, department, commission, office, or defined work unit or work teams has reduced its unit dollar cost of operations or increased its level of services in the eligible fiscal year. Adjustments to eliminate distortions may include any legislative increases in employee compensation and inflationary increases in the cost of services, materials, or supplies. If the Committee shall determine an agency, department, commission, or office qualifies for award, it may award, after consultation with the ~~Office of State Finance~~ Office of Management and Enterprise Services, to the employees of that agency, department, commission, office, defined work unit or work teams a sum not in excess of twenty-five percent (25%) of the amount determined to be the total unit dollar savings to the state for the level of services rendered. Incentive pay awards provided

pursuant to the provisions of the Incentive Awards for State Employees Act shall be exempt from retirement contributions and shall not be included for the purpose of computing a retirement allowance pursuant to any public retirement system of this state. The amount awarded shall be divided and distributed in equal shares to the employees of the agency, department, commission, office, defined work unit or work teams except that employees who have worked for the agency, department, commission, office, defined work unit or work teams less than the full twelve (12) months of the fiscal year shall receive only a pro rata share based on the fraction of the year said employees have worked for that agency, department, commission, office, defined work unit or work teams. Employees voluntarily leaving the employment of state government or employees dismissed for cause shall forfeit their share. Funds for this incentive pay shall be drawn from the operating expenses of the agency, department, commission, or office for the eligible fiscal year. No nominations for a unit incentive compensation award shall be made until the nominating agency, department, commission, or office assures that funds for said award are available. Funds for the payment of unit incentive compensation awards shall be considered encumbered to the extent said awards are approved by the Committee.

SECTION 1017. AMENDATORY 74 O.S. 2011, Section 4120, is amended to read as follows:

Section 4120. The ~~Administrator~~ Director of the ~~Office of Personnel Management~~ Office of Management and Enterprise Services shall include a status report on the employee incentive award program in the annual report for the ~~Office of Personnel Management~~ Office of Management and Enterprise Services required by Section 840-1.6A of this title.

SECTION 1018. AMENDATORY 74 O.S. 2011, Section 4121, is amended to read as follows:

Section 4121. A. In order to establish a public employee benefit program to encourage outstanding performance in the workplace, the ~~Administrator~~ Director of the ~~Office of Personnel Management~~ Office of Management and Enterprise Services is hereby directed to establish an on-the-job employee performance recognition program which encourages outstanding job performance and productivity.

B. In order to promote excellence in job performance and provide recognition for work units with exceptional performance, state agencies are authorized to expend from monies available in the agency's operating funds so much thereof as may be necessary for the purchase of recognition awards for presentation to the members of work units or individual employees with exceptional job performance records or for other significant contributions to the operation of the agency. State agencies may also provide for such recognition awards to be cash awards.

C. Recognition awards may be presented to members of work units or individual employees having exceptional job performance records or other significant contributions and such awards may be presented at a formal or informal ceremony, banquet or reception, the cost of which may be expended from monies available in the agency's operating funds.

D. 1. Recognition awards may consist of distinctive wearing apparel, service pins, plaques, writing pens, or other distinguished awards of a value not exceeding One Hundred Fifty Dollars ($150.00) per recognized employee each fiscal year to recognize the achievement of the work unit or individual employee.

2. In addition to recognition awards listed in paragraph 1 of this subsection, the agency may establish an employee cash recognition program not to exceed Five Hundred Dollars ($500.00) per recognized employee each fiscal year.

SECTION 1019. AMENDATORY 74 O.S. 2011, Section 4190, is amended to read as follows:

Section 4190. A. The ~~Administrator of the Office of Personnel Management~~ Director of the Office of Management and Enterprise Services is authorized to approve and administer child care centers for minor dependents of state employees, and may provide consultation to state agencies regarding child care centers.

B. 1. The ~~Administrator~~ Director shall appoint an advisory committee to review the child care needs of state employees,

recommend suitable sites for centers, monitor and evaluate the operation of centers.

2. The advisory body shall report annually on the progress of the centers to the Governor, the President Pro Tempore of the Senate, and the Speaker of the House of Representatives.

C. The ~~Department of Central Services~~ Office of Management and Enterprise Services, the Department of Human Services, and the Oklahoma State Department of Health are directed to assist the ~~Administrator of the Office of Personnel Management~~ Director of the Office of Management and Enterprise Services in the implementation of Sections 4190 through 4192 of this title.

D. The ~~Administrator~~ Director is authorized to promulgate any rules necessary for the establishment and implementation of Sections 4190 through 4192 of this title.

E. Licensed spaces in the child care centers shall be open to all eligible children, including those individuals not employed by the State of Oklahoma and those financially eligible for Department of Human Services child care assistance. However, minor dependents of state employees shall be given highest priority and children financially eligible for Department of Human Services child care assistance second priority for all vacant spaces.

F. The ~~Administrator~~ Director shall approve rates for child care consistent with the rates of the industry within the geographic area.

SECTION 1020. AMENDATORY 74 O.S. 2011, Section 4191, is amended to read as follows:

Section 4191. A. The ~~Administrator of the Office of Personnel Management~~ Director of the Office of Management and Enterprise Services shall establish and administer child care centers with funds available for that purpose.

B. The ~~Administrator of the Office of Personnel Management~~ Director of the Office of Management and Enterprise Services may approve a consortium, partnership, cooperative or agreement to provide child care centers with other public or private employers.

C. The child care centers shall be operated through a contract with child care providers. Specifications for a contract shall be developed with the assistance of, and subject to the approval of, the ~~Administrator of the Office of Personnel Management~~ Director of the Office of Management and Enterprise Services. Any such contract shall be made through the Central Purchasing Division of the ~~Department of Central Services~~ Office of Management and Enterprise Services. The low bid will not be the single qualifier. Any child care provider shall be required to carry sufficient liability insurance coverage which will pay damages incurred as a result of the negligent acts or omissions of an employee of the child care provider within the scope of the employment of such person. Any child care provider shall meet or exceed applicable state child care facilities licensure standards.

D. Nothing in this section shall prevent the ~~Administrator~~ Director from utilizing paragraph 13 of Section 85.5 of this title and paragraph 3 of subsection A of Section 85.7 of this title to continue the operation of a child care center with emergency contracts when the service provider's contract is canceled or terminated before another qualified service provider is procured. The employees of the ~~Office of Personnel Management~~ Office of Management and Enterprise Services shall not be employed to operate the centers.

E. Any parent utilizing the services of a child care center shall be responsible for the charges assessed by the child care provider for child care services.

SECTION 1021. AMENDATORY 74 O.S. 2011, Section 4192, is amended to read as follows:

Section 4192. There is hereby created in the State Treasury a revolving fund for the Office of ~~Personnel Management~~ Management and Enterprise Services, to be designated the "Child Care Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies received by the Office of ~~Personnel Management~~ Management and Enterprise Services, from appropriations or fees. All monies accruing to the credit of said fund are hereby appropriated and may be budgeted and expended by the Office of ~~Personnel Management~~ Management and Enterprise Services for the purpose of establishing and administering child

care centers. All expenditures from said revolving fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 1022. AMENDATORY 74 O.S. 2011, Section 4258, is amended to read as follows:

Section 4258. There is hereby created in the State Treasury a revolving fund for the Ethics Commission to be designated the "Ethics Commission Fund". The fund shall be a continuing fund, not subject to fiscal year limitations and shall consist of all copying fees, lobbyist registration fees, and committee registration fees received by the Commission. All monies accruing to the credit of the fund are hereby appropriated and may be budgeted and expended by the Commission for any expenses incurred in the implementation of this act. Expenditures from the fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 1023. AMENDATORY 74 O.S. 2011, Section 4260, is amended to read as follows:

Section 4260. All candidates allowed to receive the maximum contribution of Five Thousand Dollars ($5,000.00), pursuant to paragraph 2 of subsection A of Section 187.1 of Title 21 of the

Oklahoma Statutes, shall file a campaign contributions and expenditures report electronically with the Ethics Commission. The Ethics Commission shall make the report available online. The Ethics Commission shall consult with the ~~Office of State Finance~~ Office of Management and Enterprise Services regarding an information technology services contract to comply with this section.

SECTION 1024. AMENDATORY 74 O.S. 2011, Section 5001, is amended to read as follows:

Section 5001. A. The Oklahoma Economic Development Commission, the Office of the Governor - Department of Economic Development, and the Department of Economic and Community Affairs~~,~~ are hereby abolished.

B. All powers, duties, responsibilities, property, personnel, assets, liabilities, fund balances, encumbrances and obligations of the Oklahoma Economic Development Commission, the Office of the Governor - Department of Economic Development, and the Department of Economic and Community Affairs are hereby transferred to the Oklahoma Department of Commerce or other appropriate governmental entity as provided for in this act. As soon as possible the offices and staff of the Oklahoma Department of Commerce shall be moved to a common location.

C. The current Tulsa field office of the Department of Commerce shall be designated as the Tulsa Division of the Department of

Commerce. The Tulsa Division shall include, but not be limited to the following services: film industry promotion, international trade recruitment and export assistance, trade reference, business expansion and start-up, small business assistance, economic and community development financing, and economic and community development.

All powers, duties, responsibilities, property, personnel, and assets of the Division of Waterways of the Department of Commerce abolished by this act are hereby transferred to the Department of Transportation.

The Department of Commerce shall transfer only those employees requesting to be transferred to the Tulsa Division, provided the employee meets the criteria established by the Department for positions to be placed in the Tulsa Division, and shall fill any remaining positions at the Tulsa Division through accrued vacancies within the Department of Commerce.

D. All powers, duties, responsibilities, property, personnel, assets, liabilities, fund balances, encumbrances and obligations of the film industry program in the Marketing Division of the Oklahoma Department of Tourism and Recreation are hereby transferred to the Oklahoma Department of Commerce.

E. The Director of ~~Public Affairs and Director of~~ ~~State Finance~~ <u>the Office of Management and Enterprise Services</u> shall coordinate the transfers made pursuant to subsections B and D of this section.

SECTION 1025. AMENDATORY 74 O.S. 2011, Section 5008.3, is amended to read as follows:

Section 5008.3 There is hereby created in the State Treasury a revolving fund for the Oklahoma Department of Commerce, to be designated the "World Trade/Export Insurance Program Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of appropriated funds and any other monies collected as a result of the operations of the World Trade/Export Insurance Program. All monies accruing to the credit of said fund are hereby appropriated and may be budgeted and expended by the Oklahoma Department of Commerce for the purpose of establishing, managing and administering a program to access federal and private insurance and federal and private guarantees for Oklahoma businesses that wish to export products. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 1026. AMENDATORY 74 O.S. 2011, Section 5009.16, is amended to read as follows:

Section 5009.16 There is hereby created in the State Treasury a revolving fund for the Oklahoma Bioenergy Center to be designated the "Oklahoma Bioenergy Center Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall

consist of all monies received by the Oklahoma Department of Commerce or any other entity authorized to accept or expend funds on behalf of the Oklahoma Bioenergy Center from any authorized source. All monies accruing to the credit of the fund are hereby appropriated and may be budgeted and expended by the Oklahoma Bioenergy Center for the purpose of implementing the provisions of the Oklahoma Bioenergy Center Act. Expenditures from the fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 1027. AMENDATORY 74 O.S. 2011, Section 5012, is amended to read as follows:

Section 5012. A. There is hereby created the "Oklahoma Department of Commerce Revolving Fund". The fund shall consist of all monies, other than appropriated monies, received by the Department which are not directed to be placed into another fund. The fund shall be a continuing fund not subject to fiscal year limitations and shall be subject to the administrative direction of the Oklahoma Department of Commerce. Expenditures from the fund shall be made upon warrants issued by the State Treasurer against claims submitted to the Director of ~~State Finance~~ the Office of Management and Enterprise Services. Monies in the fund may be

expended for the operating expenses of the Department and shall be made pursuant to the laws of this state.

B. On July 1, 1986, any unallotted cash balance in the funds created in Sections 678 and 2008 of ~~Title 74 of the Oklahoma Statutes~~ this title shall be transferred to the Oklahoma Department of Commerce Revolving Fund. All outstanding financial obligations and encumbrances of the funds created in Sections 678 and 2008 of ~~Title 74 of the Oklahoma Statutes~~ this title are hereby transferred to the Oklahoma Department of Commerce. After November 15, 1986, any unexpended balance in the funds created in Sections 678 and 2008 of ~~Title 74 of the Oklahoma Statutes~~ this title shall be transferred to the Oklahoma Department of Commerce Revolving Fund.

SECTION 1028. AMENDATORY 74 O.S. 2011, Section 5013, is amended to read as follows:

Section 5013. A. There is hereby created the "Community Planning Project Revolving Fund". The fund shall consist of any monies appropriated thereto and any monies payable to the Oklahoma Department of Commerce by the United States Federal Government or cities, towns, or counties of the State of Oklahoma for assistance in communities' planning projects. The fund shall be a continuing fund not subject to fiscal year limitations and shall be subject to the administrative direction of the Oklahoma Department of Commerce. Expenditures from the fund shall be made upon warrants issued by the State Treasurer against claims submitted to the Director of ~~State~~

~~Finance~~ the Office of Management and Enterprise Services. The monies deposited in the revolving fund shall be expended by the Oklahoma Department of Commerce to pay the cost of providing these services for the various planning projects.

B. On July 1, 1986, any unallotted cash balance in the fund created in Section 686 of ~~Title 74 of the Oklahoma Statutes~~ this title shall be transferred to the Community Planning Project Revolving Fund. All outstanding financial obligations and encumbrances of the fund created in Section 686 of ~~Title 74 of the Oklahoma Statutes~~ this title are hereby transferred to the Oklahoma Department of Commerce. After November 15, 1986, any unexpended balance in the fund created in Section 686 of ~~Title 74 of the Oklahoma Statutes~~ this title shall be transferred to the Community Planning Project Revolving Fund created in this section.

SECTION 1029. AMENDATORY 74 O.S. 2011, Section 5013.1, is amended to read as follows:

Section 5013.1 There is hereby created in the State Treasury a revolving fund for the Oklahoma Department of Commerce to be designated the "Minority Business Development Program Fund". The fund shall be a continuing fund, not subject to fiscal year limitations. The fund shall consist of all monies authorized by law for deposit in such fund including, but not limited to appropriations, gifts, grants, private donations, fee revenues and funds by governmental entities authorized to provide funding for the

purposes authorized for the use of the fund. Monies deposited or apportioned to the credit of the fund may be expended for the purposes of job creation and enhancement and business creation and expansion of Oklahoma minority owned businesses pursuant to law. All monies accruing to the credit of said fund are hereby appropriated and may be budgeted and expended by the Oklahoma Department of Commerce for purposes authorized by law. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 1030. AMENDATORY 74 O.S. 2011, Section 5013.3, is amended to read as follows:

Section 5013.3 There is hereby created the "Capital Improvement Program Revolving Fund". The fund shall consist of any monies appropriated thereto. The fund shall be a continuing fund, not subject to fiscal year limitations, and shall be subject to the administrative direction of the Oklahoma Department of Commerce. Expenditures from the fund shall be made upon warrants issued by the State Treasurer against claims submitted to the Director of ~~State Finance~~ the Office of Management and Enterprise Services. The monies deposited in the revolving fund shall be expended by the Oklahoma Department of Commerce to pay the cost of providing services for the various capital improvement planning projects.

SECTION 1031. AMENDATORY 74 O.S. 2011, Section 5019, is amended to read as follows:

Section 5019. There is hereby created in the State Treasury a revolving fund for the Oklahoma Department of Commerce to be designated the "State Data Center Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies received by the Oklahoma Department of Commerce from monies received for costs of data processing, copying, duplication and other costs incident to the production of printed reports from entities receiving such services. All monies accruing to the credit of said fund are hereby appropriated and may be budgeted and expended by the Oklahoma Department of Commerce for the purpose of costs of data processing, copying, duplication and other costs incident to the production of printed reports for entities which have requested the services of the State Data Center. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 1032. AMENDATORY 74 O.S. 2011, Section 5020.1, is amended to read as follows:

Section 5020.1 There is hereby created in the State Treasury a revolving fund for the Oklahoma Department of Commerce to be designated the "Community Development Centers Program Fund". The

fund shall be a continuing fund, not subject to fiscal year limitations. The fund shall consist of all monies authorized by law for deposit in such fund including, but not limited to appropriations, gifts, grants, private donations, fee revenues and funds by governmental entities authorized to provide funding for the purposes authorized for the use of the fund. Monies deposited or apportioned or donated to the credit of the fund may be expended for the purposes of community development centers, with emphasis on aging and elderly citizen interests pursuant to law. All monies accruing to the credit of said fund are hereby appropriated and may be budgeted and expended by the Oklahoma Department of Commerce for purposes authorized by law. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 1033. AMENDATORY 74 O.S. 2011, Section 5028, is amended to read as follows:

Section 5028. A. There is hereby created in the State Treasury a special fund for the Oklahoma Department of Commerce to be designated the "County Jail Improvement Fund". The fund shall be a continuing fund, not subject to fiscal year limitations. All monies appropriated to the fund may be budgeted and expended by the Oklahoma Department of Commerce for the purpose of providing

matching funds to counties to renovate existing or to construct new jail facilities in accordance with state-approved jail standards. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

B. On July 1, 1986, any unallotted cash balance in the County Jail Improvement Fund created in Section 66 of Title 57 of the Oklahoma Statutes shall be transferred to the County Jail Improvement Fund created in this section. All outstanding financial obligations and encumbrances of the County Jail Improvement Fund created in Section 66 of Title 57 of the Oklahoma Statutes are hereby transferred to the Oklahoma Department of Commerce. After November 15, 1986, any unexpended balance in the County Jail Improvement Fund created in Section 66 of Title 57 of the Oklahoma Statutes shall be transferred to the County Jail Improvement Fund created in this section.

SECTION 1034. AMENDATORY 74 O.S. 2011, Section 5030, is amended to read as follows:

Section 5030. A. There is hereby created in the State Treasury a revolving fund to be designated as the "Weatherization Revolving Fund", which shall consist of all monies appropriated or transferred to the fund. Said revolving fund shall be a continuing fund not subject to fiscal year limitations and shall be under the

administration of the Oklahoma Department of Commerce and may be disbursed without legislative appropriation. Warrants for expenditures from said revolving fund shall be drawn by the State Treasurer, based on claims signed by an authorized employee or employees of the Oklahoma Department of Commerce and approved for payment by the Director of ~~State Finance~~ the Office of Management and Enterprise Services. It is hereby declared that energy conservation is in the interest of the State of Oklahoma. The purpose of this fund is to provide monies to be used for the purpose of weatherizing households in Oklahoma thereby conserving the oil and natural gas resources of the state.

B. On July 1, 1986, any unallotted cash balance in the Weatherization Revolving Fund created in Section 1537.1 of ~~Title 74 of the Oklahoma Statutes~~ this title shall be transferred to the Weatherization Revolving Fund created in this section. All outstanding financial obligations and encumbrances of the Weatherization Revolving Fund created in Section 1537.1 of ~~Title 74 of the Oklahoma Statutes~~ this title are hereby transferred to the Oklahoma Department of Commerce. After November 15, 1986, any unexpended balance in the Weatherization Revolving Fund created in Section 1537.1 of ~~Title 74 of the Oklahoma Statutes~~ this title shall be transferred to the Weatherization Revolving Fund created in this section.

SECTION 1035. AMENDATORY 74 O.S. 2011, Section 5060.2, is amended to read as follows:

Section 5060.2 A. In order to attain the goals as set forth in the Oklahoma Science and Technology Research and Development Act, Oklahoma enterprises need institutions that combine the resources of the public and private sectors to encourage the development of new products, new processes and whole new industries in Oklahoma. The institutions are needed to:

1. Support the development of new or expanded technologies;

2. Provide basic and applied research capital to move innovation to commercial application;

3. Encourage the transfer of technology to firms and farms throughout the geographic regions of the state;

4. Stimulate seed-capital investment in firms that will use innovation, new technologies, or technological advances in profitable commercial applications;

5. Foster competitiveness, productivity and modernization in Oklahoma firms and farms; and

6. Establish public-private partnerships to provide opportunities for development, expansion, and retention of, funding and financing for, and investment in, technology-oriented enterprises in Oklahoma.

B. There is hereby created the Oklahoma Center for the Advancement of Science and Technology. The Oklahoma Center for the

Advancement of Science and Technology is hereby constituted an instrumentality of the state and the exercise of the authority and powers conferred by law shall be deemed and held to be the performance of an essential governmental function.

C. There is hereby created the Oklahoma Institute of Technology as an institute within the Oklahoma Center for the Advancement of Science and Technology. The Oklahoma Science and Technology Research and Development Board and the Oklahoma Center for the Advancement of Science and Technology are hereby directed to support the Oklahoma Institute of Technology and to include the Institute in the Center's budget work program submitted each fiscal year to the ~~Office of State Finance~~ Office of Management and Enterprise Services.

SECTION 1036. AMENDATORY 74 O.S. 2011, Section 5060.11, is amended to read as follows:

Section 5060.11 There is hereby created in the State Treasury a revolving fund for the Oklahoma Center for the Advancement of Science and Technology to be designated the "Research Support Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations. The fund shall consist of all monies authorized by law for deposit in such fund including, but not limited to, gifts, grants, private donations, fee revenues and funds by government entities authorized to provide funding for the purposes authorized for the use of the fund. Monies deposited or

apportioned to the credit of the fund in excess of that required for implementation of the program or programs for which expenditures from the fund are authorized may be transferred to any other fund under the control of the Center. All monies accruing to the credit of said fund are hereby appropriated and may be budgeted and expended by the Oklahoma Center for the Advancement of Science and Technology for purposes authorized by law. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 1037. AMENDATORY 74 O.S. 2011, Section 5060.21, is amended to read as follows:

Section 5060.21 A. There is hereby created in the State Treasury a revolving fund for the Oklahoma Center for the Advancement of Science and Technology to be designated the "Seed-Capital Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations. The fund shall consist of all monies authorized by law for deposit in the fund including but not limited to gifts, grants, private donations and funds by government entities authorized to provide funding for the purposes authorized for use of the fund and with payments on loans made from the fund, rents, dividends paid on shares of stock purchased with monies from the fund, royalty proceeds, or any other form of return on

authorized investments made by the Center. All monies accruing to the credit of said fund are hereby appropriated and may be budgeted and expended by the Oklahoma Center for the Advancement of Science and Technology for use as seed-capital for enterprises and for the purposes set forth in this section, and shall not be used for administrative, management, or operating expenses of the Center. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

B. The Seed-Capital Revolving Fund shall be managed consistent with the long-term goal that revenues earned from investment of the fund be used to cover administrative costs of the fund. The Center may contract with the Commercialization Center or another entity to manage the Seed-Capital Revolving Fund and to carry out the activities set forth in this section.

C. The Center may use the Seed-Capital Revolving Fund to provide seed-capital to enterprises and to carry out the purposes of the Oklahoma Science and Technology Research and Development Act through authorized investments, including:

1. Loans, loans convertible to equity, and equity;

2. Leaseholds;

3. Management or consultant service agreements;

4. Loans with stock subscription or similar warrants that are beneficially owned by the Center;

5. Loans with stock subscription or similar warrants that are beneficially owned by a party other than the Center;

6. Any other contractual arrangement in which the Center is providing scientific and technological services to any federal, state, county or municipal agency, or to any individual, corporation, enterprise, association or any other entity involving science and technology. The Center, in connection with the provision of any form of financial assistance, may enter into royalty agreements with an enterprise;

7. Participation as a general or limited partner in other seed-capital funds or participation as a limited partner in individual cases as authorized by the board of directors;

8. Royalty or other interests in patents, licenses, trade secrets or other technology; and

9. All other seed-capital investments and qualified securities as defined in the Oklahoma Science and Technology Research and Development Act.

D. The Center may use the Seed-Capital Revolving Fund to purchase qualified securities issued by enterprises engaged in new product or process innovations subject to the conditions set forth in this section.

E. The Center may use the Seed-Capital Revolving Fund to make loans for business incubator facilities in exchange for interests in the enterprises.

F. The Center shall make authorized seed-capital investments in enterprises engaged in new product or process innovations only after:

1. Receipt of an application from the enterprise which contains:

a. a business plan including a description of the enterprise and its management, product and market,

b. a statement of the amount, timing and projected use of the capital required,

c. a statement of the potential economic impact of the enterprise, including the number, location and types of jobs expected to be created, and

d. such other information as the Center board of directors shall request~~.~~; and

2. Approval of the investment by the Center. Such approval may be made after the board of directors finds, based upon the application submitted by the enterprise and such additional investigation as the staff of the Center shall make and incorporate in its minutes, or based on the recommendation of the fund manager, if the Center contracts with the Commercialization Center or another entity to manage the Seed-Capital Revolving Fund, that:

a. the proceeds of the investment or financial assistance will be used only to cover the seed-capital needs of the enterprise except as authorized by this section,

b. the enterprise has a reasonable chance of success,

c. the Center's participation is instrumental to the success of the enterprise and will assist in its retention within the state,

d. the Center's investment is leveraged by at least one additional equity or near-equity investor,

e. the enterprise has the reasonable potential to enhance employment opportunities within the state,

f. the entrepreneur and other founders of the enterprise have already made or are contractually committed to make an appropriate financial and time commitment to the enterprise,

g. any securities to be purchased are qualified securities,

h. there is a reasonable possibility that the Center will recoup at least its initial investment or financial commitment, and

i. binding commitments have been made to the Center by the enterprise for adequate reporting of financial data to the Center, which shall include a requirement for an annual report, or if required by the board, an

annual audit of the financial and operational records of the enterprise, and for such control on the part of the Center as the board of directors shall consider prudent over the management of the enterprise, so as to protect the investment or financial commitment of the Center, including in the discretion of the board and without limitation, right of access to financial and other records of the enterprise, and membership or representation on the board of directors of the enterprise.

G. The board of directors shall create an investment committee to assist in evaluating potential investments in qualified securities and provision of other forms of authorized financial assistance. The membership of this investment committee shall serve at the pleasure of the board and shall consist of:

1. No more than two members of the board of directors, neither of whom serves on any advisory committee to the Center; and

2. Persons drawn from sources other than the Center who meet standards similar to those applying to the board of directors and who are recognized by their peers for outstanding knowledge and leadership in their fields, all of whom shall serve at the pleasure of the board.

H. The Center shall not make investments in qualified securities issued by enterprises in excess of the amount necessary

to own more than forty-nine percent (49%) of qualified securities in any one enterprise at the time such securities are purchased by the Center, after giving effect to the conversion of all outstanding convertible qualified securities of the enterprise; however, in the event of severe financial difficulty of the enterprise, threatening, in the judgment of the board of directors, the investment of the Center therein, a greater percentage of such securities may be owned by the Center.

SECTION 1038. AMENDATORY 74 O.S. 2011, Section 5060.24, is amended to read as follows:

Section 5060.24 There is hereby created in the State Treasury a revolving fund for the Oklahoma Center for the Advancement of Science and Technology to be designated the "Administration and Data Processing Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations. The fund shall consist of all monies authorized by law for deposit therein, grants, donations or reimbursements that the President of the Center may direct to be deposited therein, proceeds from the sale of surplus property, insurance payments to the agency, receipts pursuant to the Oklahoma Open Records Act, and transfers from other revolving funds of the Center as the President may direct. Monies accruing to the credit of said fund are hereby appropriated and may be budgeted and expended by the Center for the administrative costs of all programs of the Center, including all personal and other operating expenses.

Expenditures from the fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 1039. AMENDATORY 74 O.S. 2011, Section 5060.30, is amended to read as follows:

Section 5060.30 A. The "Oklahoma Institute of Technology Trust Fund" is hereby created. The trust fund shall be administered as follows:

1. The trustees of the trust fund shall consist of seven members of the Oklahoma Science and Technology Research and Development Board who are the presidents of Oklahoma State University, the University of Oklahoma, and the private university offering graduate engineering degrees and the four chief executive officers or senior executive officers of corporations or foundations. The chair of the board of trustees shall be elected by the trustees from among the four chief executive officers or senior executive officers who also serve on the Oklahoma Science and Technology Research and Development Board.

2. After January 1, 2003, the board of trustees may by unanimous vote expand the number of trustees at any time. No more than three members added by the board of trustees may serve concurrently. The members added by the board of trustees shall be representatives of industries that have demonstrated support for the

Oklahoma Institute of Technology, shall have full voting rights, and shall serve four-year terms. A position added by the board of trustees may be filled at the end of the term by vote of the trustees. A position not filled by the trustees at the end of the term shall be considered abolished.

3. The trust fund shall be utilized to further the mission and purposes of the Institute.

4. The trust fund principal shall consist of monies received from any monies the Legislature appropriates for, or transfers to, the trust fund and any monies or assets contributed to the trust fund from any other source, public or private. Notwithstanding other provisions of law, income and investment return on trust fund principal shall accrue to the trust fund and may be authorized upon a majority vote of the trustees for use and expenditure by the Oklahoma Science and Technology Research and Development Board for the purposes of the Institute. Use of the trust fund principal may be authorized upon a vote of three-fourths of the trustees for use and expenditure by the Oklahoma Science and Technology Research and Development Board to achieve the purposes and goals of the Institute.

5. The trustees shall develop procedures for accomplishing transfer of income and investment return to appropriate accounts set up in the Office of the State Treasurer.

6. The trust fund may be dissolved upon an act approved by three-fourths (3/4) of both houses of the Legislature or pursuant to a plan for use of the principal, leading to dissolution of the trust fund, over a ten-year period that has been proposed by the trustees and approved by the Legislature and the Governor. Upon the trust fund's dissolution, any funds in the trust fund shall be placed in the state general revenue fund, unless the Legislature specifically provides otherwise.

B. There is hereby created in the State Treasury a fund for the Oklahoma Institute of Technology to be designated the "Oklahoma Institute of Technology Fund".~~"~~ The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of any monies received by the Institute from the Legislature or other sources for the fund. All monies accruing to the credit of the fund are hereby appropriated and may be budgeted and expended by the Oklahoma Science and Technology Research and Development Board for the purposes of the Institute. Expenditures from the fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment. The Oklahoma Science and Technology Research and Development Board shall develop procedures for setting up accounts within the fund as necessary in the Office of the State Treasurer. The Board shall place only funds appropriated for or otherwise

received for the Institute in the accounts for the Institute and shall not commingle funds that are not appropriated or otherwise received for the Institute with funds appropriated or received for any other purpose of the Center.

SECTION 1040. AMENDATORY 74 O.S. 2011, Section 5063.17, is amended to read as follows:

Section 5063.17 A. Before the commencement of each legislative session, the Director of ~~State Finance~~ the Office of Management and Enterprise Services shall determine the estimated amount required during the next fiscal year for payment of the debt service on the bonds issued under this act, after making deductions therefrom of estimated monies to be available to the Fund from other sources therefor, and shall certify such estimated amount to the Governor. The Governor shall thereupon promptly prepare and submit to the Legislature his request for an appropriation to meet the debt service on the bonds during such fiscal year. The Legislature shall appropriate funds and provide for timely payment of the maturing debt service of bonds issued under this act.

B. The Authority shall have the power to establish and maintain reserve funds to provide for payment of debt service on the bonds. Monies credited to the reserve funds shall be used only for the purpose of paying debt service on the bonds, either at maturity or on redemption prior to maturity. The reserve funds shall be held and used to ensure prompt payment of debt service on the bonds in

such manner and pursuant to such conditions as may be specified by the Authority in the resolution or trust indenture authorizing or securing such bonds. Monies in the reserve funds over and above the amounts necessary to ensure the prompt payment of debt service on the bonds, and the establishment and maintenance of a reserve fund, may be used for the redemption of bonds prior to maturity in the manner and in accordance with the provisions pertaining to redemption prior to maturity, as set forth in the resolution or trust indenture authorizing or securing such bonds.

SECTION 1041. AMENDATORY 74 O.S. 2011, Section 5064.8, is amended to read as follows:

Section 5064.8 A. There is hereby created in the State Treasury a separate revolving fund for the Oklahoma Department of Commerce, to be designated the "Inventors and Entrepreneurs Program Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies received by the Department for implementation of this act from all funds appropriated thereto by the Legislature, all fees received pursuant to this act, any federal funds, gifts, private and matching funds and all contributions dedicated thereto from private, state, federal or whatever source. All monies accruing to the credit of said fund are hereby appropriated and may be budgeted and expended by the Department for the purpose of implementing this act; however, monies expended for administrative costs shall not exceed five percent (5%)

of the total amount of monies in said fund. Any amount in said fund not directly needed to implement the provisions of this act shall go to the General Revenue Fund of the state. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

B. On July 1, 1998, the Inventors and Entrepreneurs Program Fund shall be abolished and any unencumbered funds remaining in the Inventors and Entrepreneurs Program Fund shall be transferred to the credit of the OCAST Research Support Revolving Fund. Any unexpended funds remaining in the Inventors and Entrepreneurs Program Fund after November 1, 1998, shall be transferred to the credit of the OCAST Research Support Revolving Fund.

SECTION 1042. AMENDATORY 74 O.S. 2011, Section 5066.6, is amended to read as follows:

Section 5066.6 There is hereby created in the State Treasury a separate revolving fund for the Oklahoma Department of Commerce to be designated as the "Product Development Program Fund". The fund shall be a continuing fund, not subject to fiscal year limitations and shall consist of all monies received by the Department for implementation of the Product Development Act from all funds appropriated thereto by the Oklahoma State Legislature, all fees received pursuant to this act, any federal funds, gifts, private and

matching funds and all contributions dedicated thereto from any source. All monies accruing to the credit of said fund are hereby appropriated and may be budgeted and expended by the Department for the purposes of this act. Any amount in said fund not directly needed to implement the provisions of this act shall go to the General Revenue Fund of the state. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 1043. AMENDATORY 74 O.S. 2011, Section 5085.11, is amended to read as follows:

Section 5085.11 A. There is hereby created in the State Treasury a revolving fund for the Oklahoma Department of Commerce to be designated the "Oklahoma Capital Formation Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of appropriated funds. All monies accruing to the credit of said fund are hereby appropriated and, as authorized by the Oklahoma Capital Investment Board, shall be expended by the Oklahoma Department of Commerce to perform the duties imposed upon the Oklahoma Capital Investment Board by law. Expenditures of appropriated funds from said fund shall be made upon warrants issued by the State Treasurer against claims filed as

prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

B. On the effective date of this act, any unencumbered funds remaining in the Oklahoma Capital Investment Board Revolving Fund shall be transferred to the credit of the Oklahoma Capital Formation Revolving Fund. Any unexpended funds remaining in the Oklahoma Capital Investment Board Revolving Fund after November 15, 1991, shall be transferred to the credit of the Oklahoma Capital Formation Revolving Fund.

SECTION 1044. AMENDATORY 74 O.S. 2011, Section 5208.1, is amended to read as follows:

Section 5208.1 There is hereby created in the State Treasury a revolving fund for the Oklahoma Space Industry Development Authority to be designated the "Oklahoma Space Industry Development Authority Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies received by the Authority from private and public donations, contributions, gifts, and any monies appropriated or directed by law to be deposited thereto. All monies accruing to the credit of the fund are hereby appropriated and may be budgeted and expended by the Authority for the purpose of creating, operating, staffing and maintaining an Oklahoma Space Industry Development Authority, and any legitimate expenses of the Authority. Expenditures from the fund shall be made upon warrants issued by the State Treasurer

against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 1045. AMENDATORY 74 O.S. 2011, Section 6201, is amended to read as follows:

Section 6201. A. The ~~Department of Central Services~~ Office of Management and Enterprise Services shall enter into a lease agreement with the Greater Sand Springs Trust Authority for a term of ninety-nine (99) years with respect to the real property and improvements constituting the former Hissom Memorial Treatment Center, as more particularly described by subsection C of this section.

B. The lease agreement described in subsection A of this section:

1. Shall allow the Greater Sand Springs Trust Authority to enter into agreements regarding the property described in subsection C of this section with third parties without the express consent of the ~~Department of Central Services~~ Office of Management and Enterprise Services, including the right of the Authority to sublease all or any part of the real property described in subsection C of this section;

2. Shall provide for the unrestricted access, use and development of the real property described in subsection C of this section by the Greater Sand Springs Trust Authority in order for the

Authority to fulfill its purposes according to the terms of its trust indenture, including, but not limited to, the right of the Authority to construct capital improvements on, above or under the property to fulfill the purposes stated in the indenture of the Authority. The lease shall provide that the Authority owns and maintains capital improvements constructed upon the real property with the funds of the Authority;

3. Shall provide for the conveyance by the ~~Department of Central Services~~ Office of Management and Enterprise Services to the Greater Sand Springs Trust Authority, by quit claim deed or by such other instrument of conveyance as the ~~Department of Central Services~~ Office of Management and Enterprise Services and the Authority may mutually agree, for not more than a payment by the Authority to the Department of a nominal consideration not to exceed Ten Dollars ($10.00), of any parcel of real property described by the Authority and certified, by a majority of the trustees of the Authority, to be necessary for a complete development of the property described in subsection C of this section and necessary for the Authority to fulfill any purpose specified in its trust indenture. A rebuttable presumption shall exist that any conveyance made pursuant to the provisions of this paragraph shall be considered to have been made for the general economic benefit of the residents of the beneficiary of the Greater Sand Springs Trust Authority and that the disposition of the parcel by the Authority is in furtherance of an essential

governmental function by making a productive use of the parcel. After conveyance of a parcel of real property to the Authority pursuant to this paragraph, the Authority shall have the exclusive right to exercise all powers, rights and privileges with respect to the parcel as authorized by law to the owner of any real property, including, but not limited to, the right to sell the parcel as provided by paragraph 4 of this subsection;

4. Shall provide for the conveyance by the Authority to another legal entity, by quit claim deed or by such other instrument of conveyance as the Authority and the other legal entity may mutually agree, of any parcel of real property described by the Authority the proposed conveyance of which to be certified, by a majority of the trustees of the Authority, as necessary for a complete development of the property described in subsection C of this section and necessary for the Authority to fulfill any purpose specified in its trust indenture. A rebuttable presumption shall exist that any conveyance made pursuant to the provisions of this paragraph shall be considered to have been made for the general economic benefit of the residents of the beneficiary of the Greater Sand Springs Trust Authority and that the disposition of the parcel by the Authority is in furtherance of an essential governmental function by making a productive use of the parcel. If the Authority sells any part or all of the real property or improvements described in subsection C of this section subsequent to the conveyance to the Authority by the

~~Department of Central Services~~ Office of Management and Enterprise Services, the Authority shall determine the value of the real property sold separate and apart from the value of the improvements, if any. The Authority shall determine its direct and indirect costs for acquisition, maintenance, improvement, marketing and sale of any parcel of real property conveyed to a legal entity pursuant to this paragraph. The Authority shall pay to the ~~Department of Central Services~~ Office of Management and Enterprise Services the amount of consideration received by the Authority from the sale of the real property in excess of the direct and indirect costs incurred by the Authority. The ~~Department of Central Services~~ Office of Management and Enterprise Services shall budget all funds received from the sale of any parcel pursuant to this section. These funds shall be expended by the ~~Department of Central Services~~ Office of Management and Enterprise Services for the sole purpose of additional maintenance or improvements for the remainder of the real property or for improvements at the property described in this section. Upon sale of the final parcel or real property and improvements pursuant to this section, the ~~Department of Central Services~~ Office of Management and Enterprise Services shall remit the amount received and all remaining funds from previous sales for deposit to the credit of the Hissom Memorial Treatment Center Surplus Fund for appropriation pursuant to law;

5. Shall provide that the ~~Department of Central Services~~ Office of Management and Enterprise Services shall maintain the real property and the improvements located on the real property described in subsection C of this section in a manner conducive to the preservation of existing economic value of the real property and improvements, subject to the ordinary depreciation of the improvements, until such time as the Authority acquires ownership of a parcel whereupon the Authority and the ~~Department of Central Services~~ Office of Management and Enterprise Services, by mutual written agreement, shall amend the lease to provide for proportionately diminished maintenance expenses to be incurred by the ~~Department of Central Services~~ Office of Management and Enterprise Services or some other legal entity;

6. Shall not require the payment of rent by the Greater Sand Springs Trust Authority in excess of One Dollar ($1.00) per year;

7. Shall not require a purchase price for any option granted to the Greater Sand Springs Trust Authority to acquire any parcel of the property described by subsection C of this section in excess of Ten Dollars ($10.00);

8. Shall not require the ~~Department of Central Services~~ Office of Management and Enterprise Services to consent to a sublease of the property described by subsection C of this section by the Authority to any other legal entity; and

9. Shall not impose the expense of maintenance or repair of the real property or improvements located on the property described by subsection C of this section upon the Greater Sand Springs Trust Authority, except as otherwise provided by paragraph 5 of this subsection.

C. The real property and improvements which shall be leased by the ~~Department of Central Services~~ Office of Management and Enterprise Services to the Greater Sand Springs Trust Authority as required by subsection A of this section are described as follows:

1. Governmental lots 5, 7, and 8 in Section 9; and

2. The part of Governmental Lots 6 and 7 lying north of the centerline of the Burlington Northern Santa Fe Railroad right-of-way, formerly the S.L. & S.F. Railroad right-of-way, in Section 15; and

3. Lots 1 and 2, and that part of Governmental Lot 3 lying north of the centerline of said railroad right-of-way and those parts of each of the following tracts lying north of the centerline of said railroad right-of-way:

a. the Southwest Quarter (SW/4) of the Northeast Quarter (NE/4);

b. the Northwest Quarter (NW/4); and

c. the Northeast Quarter (NE/4) of the Southeast Quarter (SE/4) in Section 16;

4. All in Township 19 North, Range 11 East of the Indian Meridian, Tulsa County, Oklahoma; and

5. Together with all the appurtenances thereto belonging to such property.

D. The Authority shall have the right to access, ingress, egress, use and enjoyment of the roads existing on the property described by subsection C of this section as of July 1, 1997.

E. With respect to the real property and improvements described in subsection C of this section and the lease agreement required by subsection A of this section, or any transfer of the property to the Authority, the ~~Department of Central Services~~ Office of Management and Enterprise Services shall not be subject to the requirements of:

1. Section 387 of Title 60 of the Oklahoma Statutes;

2. Section ~~241~~ 1056 of Title 64 of the Oklahoma Statutes;

3. Section 126.2 of this title;

4. Section 129.4 of this title; or

5. Section 456.7 of this title.

F. With respect to the lease or sale of any part or all of the real property or improvements described in subsection C of this section, the Greater Sand Springs Trust Authority shall not be subject to the requirements of:

1. Section 387 of Title 60 of the Oklahoma Statutes;

2. Section 241 of Title 64 of the Oklahoma Statutes;

3. Section 129.4 of this title; or

4. Section 456.7 of this title.

SECTION 1046. AMENDATORY 74 O.S. 2011, Section 6202, is amended to read as follows:

Section 6202. A. There is hereby created the Hissom Memorial Treatment Center Oversight Committee.

B. The Committee shall consist of the following persons:

1. One person appointed by the Governor from a list of three nominees submitted by the Speaker of the House of Representatives;

2. One person appointed by the Governor from a list of three nominees submitted by the President Pro Tempore of the Senate; and

3. One person appointed by the Governor from a list of three nominees submitted by the City Council of the City of Sand Springs.

C. The duties of the Committee shall be to:

1. Monitor the continued maintenance of the real property and improvements described in subsection C of Section ~~1~~ 6201 of this ~~act~~ title to ensure that the improvements do not diminish in economic value further than is reasonable to be expected given the condition of the improvements and available financial resources;

2. Assist the Greater Sand Springs Trust Authority and the ~~Department of Central Services~~ Office of Management and Enterprise Services in providing for the orderly and beneficial development of the real property and improvements constituting the former Hissom Memorial Treatment Center; and

3. Serve as an additional resource of information for persons or legal entities that express an interest in occupying, using or purchasing any part or all of the real property constituting the former Hissom Memorial Treatment Center.

D. The Committee shall be subject to the provisions of the Oklahoma Open Meeting Act.

E. The Committee shall be subject to the provisions of the Oklahoma Open Records Act, including the provisions regarding information that may be kept confidential pursuant to Section 24A.10 of Title 51 of the Oklahoma Statutes.

F. No person appointed to any of the positions constituting the Committee who is, at the time of the appointment to the Committee or subsequent to the date of appointment, a public official or officer shall be deemed to be serving in a dual capacity and such person shall be specifically exempt from the provisions of Section 6 of Title 51 of the Oklahoma Statutes.

G. The Committee shall:

1. Act in the interest of and for the economic benefit of persons and business entities in the region of the facility formerly known as the Hissom Memorial Treatment Center with the objective of economic development;

2. Make recommendations in the event of disputes or issues regarding the development, use or occupancy of the real property described by subsection C of Section ~~1~~ 6201 of this ~~act~~ title, but

shall not have the power to bind any party to such recommendation; and

3. Make such reports or recommendations to the Board of Trustees of the Greater Sand Springs Trust Authority at such times and regarding such topics as may be pertinent to the development of the real property and improvements described in subsection C of Section ~~1~~ 6201 of this ~~act~~ title.

H. The Committee shall act in an advisory capacity only and shall not have the power or authority to require the Greater Sand Springs Trust Authority to obtain permission or consent from the Committee in order to take any action with respect to the real property or improvements described in subsection C of Section ~~1~~ 6201 of this ~~act~~ title. No power or authority conferred upon the Committee shall in any way be construed as a limit or modification of the powers granted to the Greater Sand Springs Trust Authority pursuant to its trust indenture.

I. The Committee shall not have authority or power to perform any act that is inconsistent with the powers, rights or duties of the ~~Department of Central Services~~ Office of Management and Enterprise Services with respect to the real property described by subsection C of Section ~~1~~ 6201 of this ~~act~~ title.

SECTION 1047. AMENDATORY 74 O.S. 2011, Section 6203, is amended to read as follows:

Section 6203. There is hereby created in the State Treasury a fund for the ~~Department of Central Services~~ Office of Management and Enterprise Services to be designated the "Hissom Memorial Treatment Center Surplus Fund". The fund shall be subject to legislative appropriation and shall consist of all monies deposited into the fund by law.

SECTION 1048. AMENDATORY 74 O.S. 2011, Section 6204, is amended to read as follows:

Section 6204. The ~~Department of Central Services~~ Office of Management and Enterprise Services shall have the authority to enter into a lease-purchase agreement for a period not to exceed twenty (20) years for the purposes of providing funding in the amount of Three Million Dollars ($3,000,000.00) for additional repairs, construction, and remediation to the land and improvements formerly known as the Hissom Memorial Treatment Center. The Legislature shall appropriate sufficient funds each year to the Hissom Memorial Treatment Center Surplus Fund to satisfy the obligations under the lease-purchase agreement authorized pursuant to this section. Upon the sale of the land or improvements funded through the lease-purchase agreement, the proceeds of the sale shall be used first to satisfy the remaining payments under the lease-purchase agreement, and then the balance of the proceeds shall be applied as otherwise provided by law.

SECTION 1049. AMENDATORY 74 O.S. 2011, Section 7005, is amended to read as follows:

Section 7005. A. The Oversight Committee for State Employee Charitable Contributions shall be composed of the ~~Administrator~~ Director of the ~~Office of Personnel Management~~ Office of Management and Enterprise Services, or designee and six (6) state employees, of which two shall be appointed by the Governor, two shall be appointed by the President Pro Tempore of the Senate and two shall be appointed by the Speaker of the House of Representatives. Members shall serve at the pleasure of their appointing authorities. The provisions of Section 6 of Title 51 of the Oklahoma Statutes shall not apply to appointments to the Committee. The Committee is created to continue until July 1, 2012, in accordance with the provisions of the Oklahoma Sunset Law.

B. The Committee annually shall elect a chairman from its membership. The ~~Administrator~~ Director of the ~~Office of Personnel Management~~ Office of Management and Enterprise Services shall serve as chairman until the first such election.

C. The Oversight Committee for State Employee Charitable Contributions shall have the following duties and responsibilities:

1. Arrange for publication of information about the application process;

2. Review applications of federations electing to participate in the State Charitable Campaign and certify that a federation and

each of its member agencies meet the eligibility criteria set forth in Sections 7009 and 7010 of this title;

3. Notify in writing each of the applying federations of its acceptance or rejection. Provided, if a federation is rejected, the Committee shall provide the reason for rejection of each of the member agencies of the federation;

4. Hear appeals of rejected agencies;

5. Delegate to the principal combined fund raising organization the primary responsibility for the staffing of and the financial obligations necessary to comply with the provisions of this subsection;

6. Develop a pledge card to be used throughout the State Charitable Campaign;

7. Select a principal combined fund raising organization to assist the Committee in gathering and accumulating the applications; and

8. Promulgate rules to implement the provisions of the Oklahoma State Employee Charitable Contribution Act.

D. The ~~Office of Personnel Management~~ Office of Management and Enterprise Services shall provide such staff support as is required by the Committee.

E. The Oversight Committee for State Employee Charitable Contributions is authorized to appoint such advisory councils and task forces as it deems necessary for counsel, advice and review

concerning the formulation and administration of the rules, application review process and the implementation of the Oklahoma State Employee Charitable Contribution Act.

SECTION 1050. AMENDATORY 74 O.S. 2011, Section 8121, is amended to read as follows:

Section 8121. A. There is hereby created to continue until June 1, 2007, the Task Force on Electronic Commerce. The purpose of the Task Force shall be to study the technology of and applications for electronic commerce and to prepare recommendations for legislative and other action needed to assure the availability and use of electronic commerce technology in the state.

B. The Task Force shall be composed of fifty (50) members as follows:

1. The Secretary of State or designee;

2. The Director of ~~State Finance~~ the Office of Management and Enterprise Services or designee;

3. The Director of the Information Services Division of the ~~Office of State Finance~~ Office of Management and Enterprise Services or designee;

4. The Attorney General or designee;

5. The Director of the ~~Department of Central Services~~ Office of Management and Enterprise Services or designee;

6. The Director of the Oklahoma Department of Commerce or designee;

7. The Chancellor of the Oklahoma State Regents for Higher Education or designee;

8. The Chief Justice of the Oklahoma Supreme Court or designee;

9. The State Auditor and Inspector or designee;

10. The Superintendent of Public Instruction or designee;

11. The Administrator of the Oklahoma Securities Commission or designee;

12. One member who represents the Uniform Commercial Code Filing Office in the office of the county clerk of Oklahoma County;

13. The Chair of the Evidence Code Committee for the Oklahoma Bar Association;

14. Three members of the House of Representatives appointed by the Speaker of the House of Representatives;

15. One member who represents a statewide association of professional engineers and architects to be appointed by the Speaker of the House of Representatives;

16. Three members of the Senate appointed by the President Pro Tempore of the Senate;

17. Two members who represent a business association to be appointed by the Governor;

18. Two members who represent the banking industry to be appointed by the Governor;

19. One member who represents a state banking association to be appointed by the President Pro Tempore of the Senate;

20. Two members who represent the insurance industry to be appointed by the Governor;

21. Two members of the Oklahoma Bar Association to be appointed by the Governor;

22. One member who represents large manufacturing businesses to be appointed by the Governor;

23. One member who represents small manufacturing businesses to be appointed by the Governor;

24. One member from a software or computer services business entity to be appointed by the Governor;

25. One member who represents the land title profession to be appointed by the Speaker of the House of Representatives;

26. Two members who represent the telecommunications industry, one to be appointed by the President Pro Tempore of the Senate and one to be appointed by the Speaker of the House of Representatives;

27. One member who represents a federal governmental agency with offices in Oklahoma to be appointed by the President Pro Tempore of the Senate;

28. Two members who represent vocational-technical education, one to be appointed by the Speaker of the House of Representatives and one to be appointed by the Governor;

29. One member who represents credit unions to be appointed by the President Pro Tempore of the Senate;

30. One member who represents a public school district to be appointed by the Speaker of the House of Representatives;

31. One member representing the transportation industry appointed by the Governor;

32. One member representing a statewide oil and gas royalty owners association to be appointed by the Speaker of the House of Representatives;

33. One member representing a statewide organization of cities and towns to be appointed by the President Pro Tempore of the Senate;

34. Two members, one who represents a large retailer located in Oklahoma that conducts a majority of its business by means of electronic commerce to be appointed by the Speaker of the Oklahoma House of Representatives and one who represents a small retailer located in Oklahoma that conducts a majority of its business by means of electronic commerce to be appointed by the President Pro Tempore of the State Senate;

35. One member from a business or firm specializing in web design to be appointed by the Speaker of the House of Representatives;

36. One member from city government from a city below ten thousand (10,000) in population according to the latest Federal Decennial Census;

37. One member from county government from a county below thirty thousand (30,000) in population according to the latest Federal Decennial Census; and

38. Two members at large, one to be appointed by the Speaker of the House of Representatives and one to be appointed by the President Pro Tempore of the Senate.

C. Members who were serving on the Task Force as of June 1, 2001, shall automatically be appointed to serve on the Task Force on Electronic Commerce after June 1, 2001.

D. Meetings shall be held at the call of the chairperson. The Task Force shall meet at such time as established by the chairperson.

E. The Task Force shall:

1. Study the technology of and applications for electronic commerce;

2. Review and compare electronic commerce legislation from other states;

3. Survey vendors which have developed technology for electronic commerce and review the available technology;

4. Study the cost of implementing and maintaining a state electronic signature certification program;

5. Make recommendations on an appropriate structure for a state electronic signature certification program; and

6. Make recommendations for implementing electronic commerce procedures for state agencies.

F. Members of the Task Force shall receive no compensation for serving on the Task Force, but shall receive travel reimbursement as follows:

1. Legislative members of the Task Force shall be reimbursed for their necessary travel expenses incurred in the performance of their duties in accordance with Section 456 of this title from the legislative body in which they serve;

2. State agency employees who are members of the Task Force shall be reimbursed for travel expenses incurred in the performance of their duties by their respective agencies in accordance with the State Travel Reimbursement Act; and

3. All other Task Force members shall be reimbursed by the Oklahoma Department of Commerce for travel expenses incurred in performance of their duties on the Task Force, in accordance with the State Travel Reimbursement Act.

G. As necessary to carry out its charge, the Task Force may seek technical assistance from specialists in electronic commerce technology.

H. Staffing for the Task Force shall be provided jointly by the staff for the House of Representatives and the State Senate.

SECTION 1051. AMENDATORY 74 O.S. 2011, Section 8201.2, is amended to read as follows:

Section 8201.2 A. There is hereby created in the State Treasury a revolving fund for the Oklahoma Historical Society to be designated The 1921 Tulsa Race Riot Memorial of Reconciliation Revolving Fund. The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of: revenue received pursuant to publication of the final report of The 1921 Tulsa Race Riot Commission; funds received from a joint venture between the City of Tulsa and The 1921 Tulsa Race Riot Commission; gifts; donations; or private, state, or federal grant funds.

B. All monies accruing to the credit of such fund are hereby appropriated and may be budgeted and expended by the Oklahoma Historical Society for the purpose of paying for expenses associated with publication of the final report of The 1921 Tulsa Race Riot Commission and expenses incurred by The 1921 Tulsa Race Riot Memorial of Reconciliation Design Committee in developing criteria for, selecting the design of, and providing oversight and advice during the development, design and construction of The 1921 Tulsa Race Riot Memorial of Reconciliation.

C. Expenditures from the fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 1052. AMENDATORY 74 O.S. 2011, Section 8401, is amended to read as follows:

Section 8401. A. There is hereby created the War on Terror Memorial Design Committee. The purpose of the Committee shall be to recommend the design of the Memorial and to provide oversight and advice to the Oklahoma Historical Society in the site selection, design, construction, and funding sources of the Memorial.

B. The Committee shall consist of twelve (12) members as follows:

1. Two members of the Oklahoma House of Representatives appointed by the Speaker of the House of Representatives;

2. Two members of the Oklahoma State Senate appointed by the President Pro Tempore of the Senate;

3. Two members appointed by the Governor;

4. The Lieutenant Governor, or a designee;

5. The Executive Director of the Oklahoma Historical Society, or a designee;

6. The Executive Director of the Oklahoma Tourism and Recreation Department, or a designee;

7. The Director of the ~~Department of Central Services~~ Office of Management and Enterprise Services, or a designee;

8. The President of the Oklahoma Veterans Council, or a designee; and

9. The Executive Director of the Oklahoma Arts Council, or a designee.

C. The members shall annually elect a chair and vice-chair from among the membership. Meetings of the Committee shall be subject to the provisions of the Oklahoma Open Meeting Act and the Oklahoma Open Records Act.

D. Members of the Committee shall receive no compensation for their service on the Committee, but shall receive travel reimbursement as follows:

1. Legislative members of the Committee shall be reimbursed for necessary travel expenses incurred in the performance of their duties in accordance with the provisions of Section 456 of Title 74 of the Oklahoma Statutes;

2. Nonlegislative state agency members of the Committee shall be reimbursed by their agencies pursuant to the provisions of the State Travel Reimbursement Act; and

3. Other members of the Committee shall be reimbursed by the Oklahoma Historical Society pursuant to the provisions of the State Travel Reimbursement Act.

E. Staffing for the Committee shall be provided by the staffs of the Oklahoma House of Representatives, the Oklahoma State Senate and the Oklahoma Historical Society.

F. The duties of the Committee shall be to:

1. Develop criteria for and solicit public comment and input on the development and design of the Memorial;

2. Develop and implement criteria for a design competition which shall include, but not be limited to, solicitation of designs from appropriate persons or entities. The Committee shall select three designs as finalists from among the designs submitted through the competition and shall present the selected designs to the public for comment and input. The Committee shall give due consideration to the comments received from the public in choosing the design that, in the opinion of a majority of the Committee members, is most appropriate to commemorate the lives of the soldiers that served and honor the survivors of the War on Terror;

3. From the three finalists, select the design winner and an alternate whose designs shall be forwarded to the Executive Director of the Oklahoma Historical Society; and

4. Provide oversight and advice to the Oklahoma Historical Society during the site selection, design, and construction of the Memorial.

G. The Executive Director of the Oklahoma Historical Society shall be responsible for awarding all contracts related to the construction of the Memorial. The Executive Director, in consultation with the Committee, may elect to use the alternate design or recommend the reopening of the award process if the winning design construction exceeds the anticipated budget for the Memorial.

H. Upon completion of the Memorial, the ~~Department of Central Services~~ Office of Management and Enterprise Services shall be responsible for the maintenance and upkeep of the Memorial.

SECTION 1053. AMENDATORY 74 O.S. 2011, Section 8402, is amended to read as follows:

Section 8402. A. The ~~Department of Central Services~~ Office of Management and Enterprise Services is hereby authorized to negotiate with an Internal Revenue Code Section 501(c)(3) tax-exempt corporation for the purpose of designating a site within the State Capitol Complex Park for the Korean War Veterans Memorial.

B. Any contract, pursuant to this section, must be approved by the Oklahoma Capitol Improvement Authority.

SECTION 1054. AMENDATORY 74 O.S. 2011, Section 8403, is amended to read as follows:

Section 8403. A. There is hereby created the African-American Centennial Plaza Design Committee. The purpose of the Committee shall be to recommend the design of the African-American Centennial Plaza and to provide oversight and advice to the Oklahoma Historical Society in the design, construction, and funding sources of the Plaza which shall be located in the median of Lincoln Boulevard between 18th Street and the State Capitol Building; provided, however, such construction shall begin only when the total amount of non-state-appropriated funds necessary to complete the Plaza has been raised or secured. Should the total amount of non-state-

appropriated funds not be raised or secured within two (2) years after the effective date of this act, the site referred to in this section shall no longer be reserved for the Plaza.

B. The Committee shall consist of seven (7) members as follows:

1. The President Pro Tempore of the Senate, or a designee;

2. The Speaker of the House of Representatives, or a designee;

3. The Governor, or a designee;

4. The Lieutenant Governor, or a designee;

5. The Executive Director of the Oklahoma Historical Society, or a designee;

6. The Director of the ~~Department of Central Services~~ Office of Management and Enterprise Services, or a designee; and

7. The Executive Director of the Oklahoma Arts Council, or a designee.

C. The President Pro Tempore of the Senate and the Speaker of the House of Representatives shall annually appoint a chair and a vice-chair, respectively, from among the membership. The Committee may elect other officers as deemed necessary. Meetings of the Committee shall be subject to the provisions of the Oklahoma Open Meeting Act and the Oklahoma Open Records Act.

D. Members of the Committee shall receive no compensation for their service on the Committee, but may receive travel reimbursement as follows:

1. Legislative members of the Committee may be reimbursed for necessary travel expenses incurred in the performance of their duties in accordance with the provisions of Section 456 of Title 74 of the Oklahoma Statutes;

2. Nonlegislative state agency members of the Committee may be reimbursed by their agencies pursuant to the provisions of the State Travel Reimbursement Act; and

3. Other members of the Committee may be reimbursed by the Oklahoma Historical Society pursuant to the provisions of the State Travel Reimbursement Act.

E. Staffing for the Committee shall be provided by the staffs of the:

1. Oklahoma Historical Society;

2. Oklahoma State Senate; and

3. Oklahoma House of Representatives.

F. The duties of the Committee shall be to:

1. Develop criteria for and solicit public comment and input on the development and design of the Plaza;

2. Develop and implement criteria for a design competition which shall include, but not be limited to, solicitation of designs from appropriate persons or entities, and incorporation of any work

that may already have been initiated on the design of the Plaza. The Committee shall select three designs as finalists from among the designs submitted through the competition and shall present the selected designs to the public for comment and input. The Committee shall give due consideration to the comments received from the public in choosing the design that, in the opinion of a majority of the Committee members, is most appropriate to commemorate the unique history and contributions of African Americans in Oklahoma;

3. From the three finalists, select the design winner and an alternate whose designs shall be forwarded to the Executive Director of the Oklahoma Historical Society; and

4. Provide oversight and advice to the Oklahoma Historical Society during the design and construction of the Plaza.

G. The Director of the ~~Department of Central Services~~ Office of Management and Enterprise Services shall be responsible for awarding all contracts related to the construction of the Plaza. The Director, in consultation with the Committee, may elect to use the alternate design or recommend the reopening of the award process if the winning design construction exceeds the anticipated budget for the Plaza.

H. Upon completion of the Plaza, the ~~Department of Central Services~~ Office of Management and Enterprise Services shall be responsible for the maintenance and upkeep of the Plaza.

SECTION 1055. AMENDATORY 74 O.S. 2011, Section 9030.3, is amended to read as follows:

Section 9030.3 A. The Oklahoma Historical Society may create an Art in Public Places Division to administer the Oklahoma Art in Public Places Act.

B. There is hereby created an Art in Public Places Oversight Committee comprised of:

1. The Director of the ~~Department of Central Services~~ Office of Management and Enterprise Services, or designee;

2. The Director of the Oklahoma Arts Council, or designee;

3. The Director of the Oklahoma Historical Society, or designee;

4. The Director of the Department of Transportation, or designee;

5. The Chancellor of the Oklahoma State Regents for Higher Education or designee;

6. One artist appointed by the Director of the Oklahoma Arts Council;

7. One architect appointed by the Director of ~~Central Services~~ the Office of Management and Enterprise Services;

8. One engineer appointed by the Director of ~~Central Services~~ the Office of Management and Enterprise Services; and

9. One museum director/curator appointed by the Director of the Oklahoma Historical Society.

C. 1. All appointed members shall serve a term of three (3) years and may be reappointed for one additional three-year term.

2. The Director of the Oklahoma Historical Society shall be the initial chair of the Committee. The officers of the Committee shall be a chair, a vice-chair, and a secretary elected at the last meeting of each fiscal year. Appointments to fill officer vacancies shall be made by the chair between elections.

3. Meetings shall be held at the call of the chair, and for the initial appointments, a majority of the members present shall constitute a quorum.

D. Except as provided for in subsections F and G of this section, the Oversight Committee is empowered with overseeing each of the following phases of the development and management of the Oklahoma Art in Public Places Act:

1. Develop job specifications for a Division Director of the Art in Public Places Division, who shall not be subject to the Merit System of Personnel Administration;

2. Make recommendations for the implementation of the Art in Public Places Program to the Director of the Oklahoma Historical Society; and

3. Develop methods of selection of artists, criteria for selection, final approval of site projects, maintenance and repair of works of art, and periodic evaluation of the Program.

E. Artwork or art restoration projects in the administrative control of the Oversight Committee pursuant to the Oklahoma Art in Public Places Act shall not be subject to The Oklahoma Central Purchasing Act, but the projects shall be subject to a call for entries process established by the Oversight Committee.

F. Members shall be reimbursed for necessary travel expenses in accordance with the State Travel Reimbursement Act.

G. The State Capitol Preservation Commission shall retain its administrative control over art projects for the Capitol and the Governor's Mansion as provided for in Section 4104 of Title 74 of the Oklahoma Statutes.

H. The governing boards for institutions of higher education or local boards of trustees shall perform the duties of the Oversight Committee for art projects on the campuses that they oversee.

SECTION 1056. AMENDATORY 74 O.S. 2011, Section 9030.6, is amended to read as follows:

Section 9030.6 A. 1. There is hereby created in the State Treasury a revolving fund for the Oklahoma Historical Society to be designated the "Commissioning of Art in Public Places Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies received by the Society from the sources provided for in Section ~~6~~ 9030.5 of this ~~act~~ title.

2. The Society shall establish a separate subaccount for each project. Monies in these subaccounts may be used to match monies from other private and public sources for commissioning art in accordance with the Oklahoma Art in Public Places Act.

3. All monies accruing to the credit of the fund are hereby appropriated and may be budgeted and expended by the Oklahoma Historical Society for the commissioning of art and insurance for the art in accordance with the Oklahoma Art in Public Places Act.

4. Expenditures from the fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

B. If there are monies from a project for the commissioning of art not spent, those monies may be pooled in the fund for the commissioning of art in, on, or near other state buildings.

SECTION 1057. AMENDATORY 74 O.S. 2011, Section 9030.7, is amended to read as follows:

Section 9030.7 A. 1. There is hereby created in the State Treasury a revolving fund for the Oklahoma Historical Society to be designated the "Art in Public Places Administrative and Maintenance Revolving Fund". All monies accruing to the credit of said fund are hereby appropriated and may be budgeted and expended by the Society. The fund shall be a continuing fund, not subject to fiscal year

limitations, and shall consist of all monies received by the Society from the sources provided for in Section ~~6~~ 9030.5 of this ~~act~~ title.

2. This fund shall consist of two subaccounts, one account for maintenance and repair purposes and one account for administrative and education purposes. Monies accruing to the credit of the subaccount for maintenance and repair shall be used for the purpose of restoring art in all state public buildings including, but not limited to, public buildings at institutions within The Oklahoma State System of Higher Education.

3. Expenditures from the fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

B. Whenever the unencumbered balance in this fund exceeds One Million Dollars ($1,000,000.00), the assessment shall be placed in the Commissioning of Art in Public Places Revolving Fund to the credit of the subaccount established for the project upon which the assessment was made.

SECTION 1058. AMENDATORY 80 O.S. 2011, Section 34.2, is amended to read as follows:

Section 34.2 A. The Director of the ~~Department of Central Services~~ Office of Management and Enterprise Services shall appoint and fix the duties and compensation of a Surplus Property Agent. The Purchasing Division of the ~~Department of Central Services~~ Office

of Management and Enterprise Services shall purchase for the Surplus Property Agent a bond payable to the State of Oklahoma in the sum of Fifty Thousand Dollars ($50,000.00), conditioned for the faithful performance of the duties of the Surplus Property Agent.

B. Pursuant to the provisions of Sections 34.1 through ~~34.7~~ 34.6 of this title, the Director of the ~~Department of Central Services~~ Office of Management and Enterprise Services shall promulgate rules for acquisition of surplus property by the Surplus Property Agent, state departments, institutions and agencies, and other authorized entities. The rules shall provide for the determination of a reasonable fee to assess the state departments, institutions and agencies, and other authorized entities for surplus property. The fee determination shall include costs the Surplus Property Agent incurs to acquire, warehouse, distribute, and other administrative costs and expenses.

SECTION 1059. AMENDATORY 80 O.S. 2011, Section 34.3, is amended to read as follows:

Section 34.3 A. The Surplus Property Agent shall, under the supervision and direction of the Director of the ~~Department of Central Services~~ Office of Management and Enterprise Services:

1. Ascertain from the federal government through any of its agencies, any surplus property available for sale, lease, or donation either within or outside this state and shall notify the state departments, boards, commissions, institutions, and agencies,

counties, cities, and towns, and school districts of the availability of such property as is deemed necessary according to the types and quantities of property available;

2. Secure from state departments, boards, commissions, institutions, and agencies and from counties, cities, and towns, and school districts, estimates of their needs for surplus property and keep federal agencies informed of such needs;

3. Purchase, or accept as gifts or donations, any surplus property from the federal government, its departments or agencies for redistribution, by sale or donation to any state department, board, commission, institution, or agency and to counties, cities, or towns, and school districts, and provide for the care and handling, transportation, and warehousing of property if necessary;

4. Distribute surplus property to state departments, boards, commissions, institutions, and agencies and to counties, cities, towns, school districts, and other entities authorized by the federal government to receive federal surplus property, provided, the entity reimburses the Surplus Property Agent for the purchase price and expenses incurred in connection with acquiring, warehousing, and distributing the surplus property;

5. With the approval of the Director of the ~~Department of Central Services~~ Office of Management and Enterprise Services, employ such employees and assistants as may be necessary to carry out the purposes of Sections 34.1 through 34.6 of this title;

6. Make acquisition of surplus automobiles in a manner consistent with other applicable sections of law in this state; and

7. Perform other duties as are necessary for the purposes of Sections 34.1 through 34.6 of this title.

B. The surplus property agent may participate in programs through which the Government of the United States offers to provide surplus military equipment, including weapons, protective clothing and transportation devices.

SECTION 1060. AMENDATORY 80 O.S. 2011, Section 34.6, is amended to read as follows:

Section 34.6 There is hereby created in the State Treasury a revolving fund to be designated as the "State Surplus Property Revolving Fund" which shall consist of all monies appropriated thereto by the Legislature and all monies received by the Surplus Property Agent from state departments, boards, commissions, institutions, and agencies and from counties, cities, and towns, and school districts and other authorized program participants as a reimbursement to the state of monies spent in acquiring surplus property for such entities, and for services to the entities. The State Surplus Property Revolving Fund shall be a continuing fund, not subject to fiscal year limitations, and shall be expended by the Surplus Property Agent, under the supervision of the Director of ~~Central Services~~ the Office of Management and Enterprise Services, for any expense incurred in the handling, transportation,

warehousing, distribution of surplus property received by purchase or donation, including the purchase of trucks and equipment, the salary of the Surplus Property Agent and other employees' salaries, other necessary expenses incurred in program administration and operation and expenses the ~~Department of Central Services~~ Office of Management and Enterprise Services incurs to support program operations. Expenditures shall be made from the fund on claims signed by the Surplus Property Agent and approved for payment by the Director of ~~State Finance~~ the Office of Management and Enterprise Services. Excess funds above the operational needs may be invested in any of the types of instruments in which the State Treasurer is authorized by law to invest. Interest earned shall be retained by the State Surplus Property Revolving Fund, and the funds may be expended by the ~~Department of Central Services~~ Office of Management and Enterprise Services to acquire, improve, or maintain state agency surplus property facilities.

SECTION 1061. AMENDATORY 82 O.S. 2011, Section 864, is amended to read as follows:

Section 864. A. 1. The Board of Directors of the Grand River Dam Authority shall select a secretary who shall keep true and complete records of all proceedings of the Board. Until the appointment of a secretary, or in the event of absence or inability to act, a secretary pro tempore shall be selected by the Board.

2. The Board shall also select a general manager, who shall be the chief executive officer of the district, and a treasurer, who may also hold the office of secretary.

3. All such officers shall have the powers and duties, and shall hold office for such term and be subject to removal in such manner as may be provided in the compensation of such officers. The Board may appoint such officers, fix their compensation and term of office and the method by which they may be removed and delegate to them such other powers and duties as it may deem appropriate.

4. Except for the purpose of inquiry, the Board and its members shall deal with the operations of the district solely through the general manager. The Board and its members shall not:

a. direct or request the general manager or other authority to appoint or remove officers or employees except as herein provided,

b. participate in any manner in the appointment or removal of officers and employees of the district, except as provided by law, or

c. give orders or ordinary administrative matters to any subordinate of the general manager either publicly or privately.

B. The general manager may appoint such other officers, agents, and employees, fix their compensation pursuant to the provisions of this section, and term of office and the method by which they may be

removed, and delegate to them such of its power and duties as the general manager may deem proper.

C. Except as provided in subsection A of this section, the compensation of the classified employees of the Grand River Dam Authority shall be computed as follows:

1. Beginning July 1, 1993, and biannually thereafter, the ~~Office of Personnel Management~~ Office of Management and Enterprise Services shall conduct a comprehensive classification and compensation study of all classified positions in the Grand River Dam Authority. The study shall be limited to an analysis of prevailing rates of pay for all positions in electrical generating utilities for jobs comparable to those performed by employees of the Grand River Dam Authority. Such study shall compare all classified positions within the Grand River Dam Authority, including support and maintenance staff employees, with comparable positions within other similarly sized electrical generating utilities only. Each biannual report shall be provided to the Governor, the President Pro Tempore of the Senate, the Speaker of the House of Representatives and the Board of Directors of the Grand River Dam Authority. The report shall include an analysis of all classified positions and classifications and recommend an average comparable pay scale developed through the study. The Grand River Dam Authority shall bear the cost of the study;

2. Upon the issuance of any such report, the Board of Directors of the Grand River Dam Authority shall implement the classification and compensation recommendations as appropriate, if fiscal constraints and commitments to ratepayers permit; and

3. The Board of Directors of the Grand River Dam Authority may implement adjustments in compensation to correct inequities as determined by the Board of Directors. The total of these adjustments and those described in paragraph 2 of this subsection may increase the base payroll in excess of the recommendation in the ~~Office of Personnel Management~~ Office of Management and Enterprise Services study.

SECTION 1062. AMENDATORY 82 O.S. 2011, Section 866, is amended to read as follows:

Section 866. The domicile of the district shall be in the City of Vinita, County of Craig, where the district shall maintain its principal office in charge of its general manager, until otherwise designated by the affirmative vote of four directors. The district shall cause to be kept complete and accurate accounts conforming to approved methods of bookkeeping. The accounts and all contracts, documents and records of the district shall be kept at the principal office. The accounts and contracts shall be open to public inspection at all reasonable times. The Board shall cause to be made and completed within ninety (90) days after the end of each calendar year an audit of the books of account and financial records

of the district for such calendar year, such audit to be made by an independent certified public accountant or firm of certified public accountants. Copies of a written report of such audit, certified to by the accountant or accountants, shall be placed and kept on file with the Governor, the State Treasurer, Oklahoma Department of Libraries and the State Auditor and Inspector of the State of Oklahoma, and at the principal office, and shall be open to public inspection at all reasonable times. The audit shall also be filed with the Director of ~~State Finance~~ the Office of Management and Enterprise Services, in accordance with the requirements set forth for financial statement audits in Section 212A of Title 74 of the Oklahoma Statutes.

SECTION 1063. AMENDATORY 82 O.S. 2011, Section 1020.16, is amended to read as follows:

Section 1020.16 A. All persons engaged in the commercial drilling or commercial plugging of groundwater wells, monitoring wells, observation wells, wells utilized for heat exchange purposes, including but not limited to heat pump wells and geothermal wells, and in the commercial drilling or plugging of geotechnical borings and all persons engaged in the commercial installation of water well pumps in this state shall make application for and become licensed with the Board. After July 1, 1990, persons required to be licensed pursuant to this section shall pay an annual fee as required by the

Board. Such fees shall be deposited and expended as provided in subsection B of this section.

B. 1. There is hereby created within the Oklahoma Water Resources Board the Well Drillers and Pump Installers Remedial Action Indemnity Fund. The Indemnity Fund shall be administered by the Board.

2. The Indemnity Fund shall be excluded from budget and expenditure limitations. Except as otherwise provided by subsection C of this section, the monies deposited in the Indemnity Fund shall at no time become part of the general budget of the Oklahoma Water Resources Board or any other state agency. Except as otherwise provided by subsection C of this section, no monies from the Indemnity Fund shall be transferred for any purpose to any other state agency or any account of the Board or be used for the purpose of contracting with any other state agency or reimbursing any other state agency for any expenses. Monies in the Indemnity Fund shall only be expended for remedial actions necessary, without notice and hearing, to protect groundwater from pollution or potential pollution from wells, or boreholes under the jurisdiction of the Board that do not meet minimum standards for construction or that have been abandoned or as may be recommended by the Well Drillers and Pump Installers Advisory Council.

3. The fees collected pursuant to subsection A of this section shall be first credited to the Well Drillers and Pump Installers

Remedial Action Indemnity Fund. The Indemnity Fund shall be maintained at Fifty Thousand Dollars ($50,000.00).

4. Expenditures from the Indemnity Fund required pursuant to the provisions of this section shall be made pursuant to the provisions of The Oklahoma Central Purchasing Act upon terms and conditions established by the ~~Department of Central Services~~ Office of Management and Enterprise Services and shall not exceed Fifteen Thousand Dollars ($15,000.00) for each well, borehole or pump for which action is taken.

5. Except in situations where the Governor has declared an emergency and a claim by the owner of the well or borehole for costs of remedial action is not paid by private insurance or other relief, the Board shall seek reimbursement as recommended by the Well Drillers and Pump Installers Advisory Council for any remedial action taken or required by the Board. Any monies received as reimbursement shall be deposited in the Well Drillers and Pump Installers Remedial Action Indemnity Fund except as otherwise provided in subsection C of this section.

C. When the Well Drillers and Pump Installers Remedial Action Indemnity Fund reaches Fifty Thousand Dollars ($50,000.00), the fees, monies received as reimbursement, and administrative penalties recovered under subsection E of this section shall be deposited in a separate account in the Water Resources Board Revolving Fund designated as the Well Drillers and Pump Installers Regulation

Account, which shall be a continuing account not subject to fiscal year limitations. Monies in said account shall be used by the Board for inspections, licensing, enforcement and education, reimbursing per diem and travel costs for members of the Well Drillers and Pump Installers Advisory Council pursuant to the State Travel Reimbursement Act, and as otherwise determined to be necessary to implement the provisions of this section.

D. Before any person or firm licensed pursuant to this section shall commence the commercial drilling or plugging of any well or borehole or commence installation of any pump, such person or firm shall file with the Board such data or information as the Board may by rule require. After completion, the driller or installer shall file a completion report showing such data as the Board may require together with a log of the well and pumping test data if applicable.

E. The Board may, after notice and hearing, impose on any person administrative penalties of up to Five Thousand Dollars ($5,000.00) and may revoke, suspend or deny renewal of any license or operator certification for each violation of the rules of the Board regarding license or certification requirements, the requirement to obtain a license or certification, or minimum construction or installation standards. Each day a violation continues shall constitute a separate violation. Such administrative penalties shall be deposited in the Well Drillers and

Pump Installers Remedial Action Indemnity Fund except as otherwise provided in subsection C of this section.

F. The Board is authorized to create a Well Drillers and Pump Installers Advisory Council. The Board shall establish rules stating the qualifications for membership and organization of the Council. Meetings of the Council shall be held at the call of the Executive Director of the Board. The Council shall have the following duties:

1. To recommend rules to the Board, provided such written recommendations have been concurred upon by a majority of the membership of the Council; and

2. To review and recommend approval or denial of use of monies in the Well Drillers and Pump Installers Remedial Action Indemnity Fund for:

a. remedial actions to protect groundwater from pollution or potential pollution from wells, or boreholes under the jurisdiction of the Board which do not meet minimum standards for construction or that have been abandoned, and

b. inspections, licensing, enforcement and education by the Board.

SECTION 1064. AMENDATORY 82 O.S. 2011, Section 1085.2, is amended to read as follows:

Section 1085.2 In addition to any and all other authority conferred upon it by law, the Oklahoma Water Resources Board shall also have authority:

1. Generally to do all such things as in its judgment may be necessary, proper or expedient in the accomplishment of its duties;

2. To make such contracts and execute such instruments as in the judgment of the Board are necessary or convenient to the exercise of any of the powers conferred upon it by law. Provided, however, no contract shall be made conveying the title or use of any waters of the State of Oklahoma to any person, firm, corporation or other state or subdivision of government, for sale or use in any other state, unless such contract be specifically authorized by an act of the Oklahoma Legislature and thereafter as approved by it;

3. To negotiate contracts and other agreements with the federal government to arrange for the development of water resources and for the storage and distribution of water for beneficial purposes; provided, however, that the Board shall act in such capacity only as an intermediary in assisting others, and under no circumstances shall the Board have any power or authority to build, construct or finance any waterways, dams or other such projects for itself, except as may be otherwise specifically provided by the laws of this state;

4. To develop statewide and local plans to assure the best and most effective use and control of water to meet both the current and

long-range needs of the people of Oklahoma; to cooperate in such planning with any public or private agency, entity or person interested in water, and is directed to prepare such plans for consideration and approval by the Legislature; and to aid, at all times, counties, incorporated cities and towns and special purpose districts in the state in promoting and developing flood control and water conservation in the state;

5. To employ and fix the compensation of such officers, agents, attorneys, technical personnel and employees of the Board as it shall deem necessary to the proper performance of its duties;

6. To adopt and use an official seal;

7. To promulgate such rules and make orders as it may deem necessary or convenient to the exercise of any of the powers or the performance of any of the duties conferred or imposed upon it by this or any other law;

8. To institute and maintain, or to intervene in, any actions or proceedings in or before any court, board, commission or officer of this or any other state or of the United States to stop or prevent any use, misuse, appropriation or taking of any of the waters of this state which is in whole or in part in violation of any law, or of any rules, orders, judgments or decrees of any court, board, commission or officer of this or any state or of the United States; and to institute and maintain or intervene in any other action or proceeding where the Board deems it necessary to the

proper execution and discharge of any of the powers or duties conferred or imposed upon it by law;

9. To determine, charge and receive fees to be collected in advance for the filing and examination of applications for permits to:

a. construct water use works,

b. appropriate groundwater,

c. appropriate stream water,

d. establish vested rights,

e. inspect water use works,

f. file other papers,

g. make copies of documents,

h. make prints of maps and drawings,

i. certify copies of documents, maps and drawings,

j. file transfers of water rights,

k. gauge wells and ditches, changes in point of diversion and changes in place of use of water,

l. test wells, and

m. hold hearings, make records and provide transcripts of hearings.

Such fees shall not be collected from any state agency or state institution;

10. To negotiate contracts or water compacts with the federal government or any department or bureau thereof, or with any other

state for the purpose of obtaining assistance and cooperation in the accomplishment of the purpose of flood control and water conservation and use in the state. To that end, the Board may match funds with the federal government and with other states upon such terms as shall be agreed upon and approved by the Governor of the state, with the limitation that contracts or water compacts with other states for the division and apportionment of the cost and use of the water controlled by interstate projects shall be submitted to and approved by the Legislature of the state and the Governor of the state, and Congress and the President of the United States conformable to the State and Federal Constitutions;

11. To accept gifts and grants of money and property or any interest therein;

12. To provide funding from federal and state monies for water and wastewater project purposes to eligible entities for preliminary engineering reports and planning and feasibility studies;

13. To sell or dispose of real or personal property held by the Board when no longer needed in such manner as provided by law;

14. To make appropriations of water to all special purpose districts;

15. To execute and deliver, without actual consideration therefor, a written release of any easement or easement deed heretofore given to the Conservation Commission of the State of Oklahoma, the Planning and Resources Board or the Oklahoma Water

Resources Board on lands situated in this state, whenever it shall appear to said Oklahoma Water Resources Board that the need for such easement or easement deed no longer exists; provided, the owner of the lands affected shall file a written application for such release with the Oklahoma Water Resources Board;

16. To adopt, modify or repeal and promulgate standards of quality of the waters of the state and to classify such waters according to their best uses in the interest of the public under such conditions as the Board may prescribe for the prevention, control, and abatement of pollution. The standard of quality of waters of the state adopted by the Board pursuant to the provisions of Section 1085.30 of this title shall be utilized by all appropriate state environmental agencies in implementing their respective duties to abate and prevent pollution to the waters of the state;

17. To review disputes involving service areas or territories, rates for raw or treated water, and abrogation clauses in contracts among municipalities and rural water districts or not-for-profit rural water corporations; to recommend mediation and refer parties in appropriate disputes to mediators and provide technical information to such mediators; and to recommend other means of resolving disputes; provided, that no party to such dispute may initiate action in any district court regarding the dispute until written notice of the dispute has been filed with the Board;

provided further that the provisions of this paragraph shall not be construed to diminish any right of access to the court granted to a party by law;

18. To provide workshop training sessions for board members of rural water districts and not-for-profit rural water corporations throughout the year on a regional basis for the purpose of study and instruction in the areas of financing, law and the ethics, duties and responsibilities of such board members. Such training shall be provided by the Board in conjunction with the Oklahoma Rural Water Association as required by law. To the extent possible, the Board shall attempt to schedule training workshops in three-hour segments to be held in any public facility at a time convenient to the attendees;

19. To establish an agency special account through the ~~Office of State Finance~~ Office of Management and Enterprise Services and the State Treasurer's Office as necessary for the collection and distribution of funds, including funds of sponsors and registration fees related to conferences, meetings and training sessions; and

20. To accredit persons having requisite knowledge in floodplain management and in minimization and prevention of flood hazards and losses.

SECTION 1065. AMENDATORY 82 O.S. 2011, Section 1085.7, is amended to read as follows:

Section 1085.7 All monies derived from fees shall be deposited with the State Treasurer and credited, apportioned and appropriated to a separate and distinct fund to be known as the Water Resources Board Fee Revolving Fund to be used to enforce and administer the water duties of the Oklahoma Water Resources Board, but no monies shall be paid out of said Water Resources Board Fee Revolving Fund until the claim therefor has been itemized and verified by claimant and approved by the Oklahoma Water Resources Board and the Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services as provided by law. When so approved, the State Treasurer shall draw his warrant therefor upon the State Treasurer and the same shall be paid out of the Water Resources Board Fee Revolving Fund hereby created.

SECTION 1066. AMENDATORY 82 O.S. 2011, Section 1085.7A, is amended to read as follows:

Section 1085.7A A. There is hereby created in the State Treasury a revolving fund for the Oklahoma Water Resources Board to be designated the "Community Water Infrastructure Development Revolving Fund".

B. The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies received by the Oklahoma Water Resources Board from the apportionment of gross production tax revenues as prescribed by Section 1004 of Title 68 of the Oklahoma Statutes.

C. All monies accruing to the credit of said fund are hereby appropriated and may be budgeted and expended by the Oklahoma Water Resources Board for the purpose of establishing and maintaining critical water infrastructure in all areas of the state.

D. Of the monies accruing to the credit of said fund:

1. Fifty percent (50%) of these funds shall be budgeted and expended for financial assistance loans and grants to public water supply and wastewater systems in Oklahoma; and

2. Fifty percent (50%) of these funds shall be budgeted and expended to accomplish all phases and funding needs for the Oklahoma Comprehensive Water Plan.

E. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

F. Other than expenditures directly related to activities authorized in subsection D of this section, no monies in the fund shall be used for the payment of administrative expenses, salary or any other continuing obligation of the Oklahoma Water Resources Board.

G. The provisions of this section shall cease to have the force and effect of law on July 1, 2014. Any monies remaining in the fund created by this section on July 1, 2014, which have been encumbered,

but not expended, may be expended according to the terms pursuant to which the monies were encumbered.

SECTION 1067. AMENDATORY 82 O.S. 2011, Section 1087.6, is amended to read as follows:

Section 1087.6 A. The Board may, subject to any limitations otherwise imposed by law, receive and accept for and in the name of the state any funds which may be offered or become available from federal grants or appropriations, private gifts, donations or bequests, or from any other source, and may expend such funds, unless their use is restricted and subject to any limitations otherwise provided by law, for the administration of this act for operations and research and for the encouragement of research and development by a state or public or private agency, either by direct grant, by contract or other cooperative means.

B. All monies received by the Board and derived from all license and permit fees authorized and contemplated under the provisions of this act or derived from all additional sources referred to in subsection A of this section shall be deposited with the State Treasurer and credited, apportioned and appropriated to a separate and distinct fund to be known as the Oklahoma Weather Modification Revolving Fund to be used to enforce, administer and implement the weather modification powers, duties and responsibilities of the Board. The Oklahoma Weather Modification Revolving Fund herein created shall be a continuing fund not subject

to fiscal year limitations. No monies shall be paid out of the Oklahoma Weather Modification Revolving Fund until the claim therefor has been itemized and verified by the Board and the Director of ~~State Finance~~ the Office of Management and Enterprise Services as provided by law. When so approved, the State Treasurer shall draw his warrant therefor upon the State Treasurer and the same shall be paid out of the Oklahoma Weather Modification Revolving Fund hereby created.

SECTION 1068. AMENDATORY 82 O.S. 2011, Section 1462A, is amended to read as follows:

Section 1462A. A. The Director of ~~State Finance~~ the Office of Management and Enterprise Services is hereby authorized to establish a special fund in the State Treasury for each Scenic Rivers Commission.

B. Said fund shall consist of all monies received by the Commission under statutory authority or appropriated for its use. The fund shall be a continuing fund not subject to fiscal year limitations.

C. Monies accruing to the credit of the fund shall be expended pursuant to laws of the state in carrying out the duties and responsibilities of the Commission, and without legislative appropriation.

D. Warrants for expenditure from the fund shall be made pursuant to claims prepared by the Administrator of the Scenic

Rivers Commission and approved by the Director of ~~State Finance~~ the Office of Management and Enterprise Services for payment.

E. Expenditures made pursuant to the provisions of the Scenic Rivers Act may be spent for water quality monitoring, streambank stabilization projects, and riparian area protection agreements located within the drainage basin of a scenic river that will stop degradation or improve the water quality of a scenic river.

SECTION 1069. AMENDATORY 82 O.S. 2011, Section 1462B, is amended to read as follows:

Section 1462B. A. The Director of ~~State Finance~~ the Office of Management and Enterprise Services is hereby authorized to establish a Petty Cash Fund for each Scenic Rivers Commission in an amount not to exceed Five Hundred Dollars ($500.00).

B. The fund shall be established and replenished from any monies available to a Scenic Rivers Commission for operating expenses.

C. The Director of ~~State Finance~~ the Office of Management and Enterprise Services shall prescribe all forms, systems and procedures for administering a Petty Cash Fund so established.

SECTION 1070. AMENDATORY 82 O.S. 2011, Section 1462C, is amended to read as follows:

Section 1462C. A. The fees collected pursuant to the provisions of subsection B of Section 1470 of this title shall be used to purchase additional public access areas along the Flint

Creek and Illinois River Scenic River Areas within Adair, Cherokee and Delaware Counties and those portions of Barren Fork Creek within Cherokee County or for the general operations of the Commission.

B. 1. For these purposes, there is hereby created in the State Treasury a revolving fund for the Scenic Rivers Commission, to be designated the "Scenic Rivers Commission Revolving Fund".

2. The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies received by the Scenic Rivers Commission from all fees. All monies accruing to the credit of said fund are hereby appropriated and may be budgeted and expended by the Scenic Rivers Commission for the purpose of performing the duties imposed by law upon the Scenic Rivers Commission.

3. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 1071. AMENDATORY 82 O.S. 2011, Section 1501-205.1, is amended to read as follows:

Section 1501-205.1 A. As used in this section and in ~~Section~~ Sections 1501-205.2 and 1501-205.3 of this title ~~and Section 3 of this act~~:

1. "Geographic information" means any data or databases in which location or spatial distribution is an essential element,

including, but not limited to, land, air, water, and mineral resources, the distribution of plant, animal, and human populations, real property interests, zoning and other land development regulations, and political, jurisdictional, ownership, and other artificial divisions of geography;

2. "Geographic Information System" or "GIS" means computer systems that allow the analysis of data or databases containing geographic information; and

3. "Statewide data" means geographic information whose spatial extent is defined by the geographic boundary of the state of Oklahoma.

B. There is hereby created a State Geographic Information Council composed of nineteen (19) members as follows:

1. Director of the Oklahoma Conservation Commission or designee;

2. Director of the Department of Environmental Quality or designee;

3. Chair of the Corporation Commission or designee;

4. Director of the Oklahoma Department of Commerce or designee;

5. Commissioner of the Oklahoma Department of Agriculture, Food, and Forestry or designee;

6. Director of the Oklahoma Water Resources Board or designee;

7. Director of the Department of Transportation or designee;

8. State Geographer or designee;

9. Director of the Oklahoma Geological Survey or designee;

10. Director of the Center for Spatial Analysis of the University of Oklahoma or designee;

11. Dean of the Division of Agricultural Sciences and Natural Resources of Oklahoma State University or designee;

12. Director of the Ad Valorem Division of the Oklahoma Tax Commission or designee;

13. A member appointed by the Director of the Conservation Commission from a list of names submitted to the Director from the Oklahoma regional universities;

14. Director of Information Services of the ~~Office of State Finance~~ Office of Management and Enterprise Services or designee;

15. Director of Wildlife Conservation or designee;

16. Director of Homeland Security or designee; and

17. Three members to be appointed by the Governor pursuant to subsection C of this section.

C. The Governor shall appoint three members to the Council to serve initial terms as specified by this subsection. Thereafter, the terms of all appointed members shall be four (4) years. Gubernatorial members shall not be appointed more than three successive terms. Incumbent members may continue to serve on the Council until a new appointment is made. Upon recommendation by the Council, the following members shall be appointed by the Governor:

1. A representative of the Oklahoma Association of Regional Councils, appointed for an initial four-year term;

2. A representative of county assessors, appointed for an initial three-year term; and

3. A representative of city government, appointed for an initial two-year term.

D. The chair of the Council shall be the Director of the Oklahoma Conservation Commission or designee. Meetings shall be called by the chair.

E. 1. A majority of the membership of the Council constitutes a quorum for the conduct of business.

2. The Council shall meet at least twice each year, and the chair may call a meeting of the Council as often as necessary to transact business.

F. A member of the Council shall not:

1. Be an officer, employee, or paid consultant of a business entity that has, or an officer, employee, or paid consultant of a trade association for business entities that have, a substantial interest in the geographic information industry and are doing business with state agencies or other governmental units of the state;

2. Own, control, or have directly or indirectly, more than ten percent (10%) interest in a business entity that has a substantial interest in the geographic information industry and is doing

business with state agencies or other governmental units of the state;

3. Be an officer, employee, or paid consultant of a business entity that is connected with any contract or bid for furnishing to any governmental body of the state with Geographic Information Systems, the computers on which they are automated, or a service related to Geographic Information Systems;

4. Be a person required to register as a lobbyist because of activities for compensation on behalf of a business entity that has, or on behalf of a trade association of business entities that have a substantial interest in the geographic information industry; or

5. Accept or receive money or another thing of value from an individual, firm, or corporation to whom a contract may be awarded, directly or indirectly, by rebate, gift or otherwise.

G. The duties of the Council shall include overseeing the Office of Geographic Information concerning the following:

1. Development, adoption, and recommendation of standards and procedures that may be applied to geographic information and Geographic Information Systems to promote consistency of data elements;

2. Development of a strategy for the implementation and funding of a statewide Geographic Information System;

3. Development, delivery, and periodic revision of a statewide geographic information plan and annually reporting to the Governor

and the Legislature. Such a plan shall include, but not be limited to, provisions for training and education; and

4. Promotion of collaboration and sharing of data and data development as well as other aspects of Geographic Information Systems.

H. Neither the Council nor its members shall have the power to form or award contracts or to employ staff. Members appointed by the Governor shall serve without compensation.

SECTION 1072. AMENDATORY 82 O.S. 2011, Section 1501-205.2, is amended to read as follows:

Section 1501-205.2 A. There is hereby created in the State Treasury a revolving fund to be designated as the "Geographic Information Revolving Fund", which shall be under the control and supervision of the Oklahoma Conservation Commission, and subject to the recommendations of the State Geographic Information Council.

B. The fund shall be a continuing fund not subject to fiscal year limitations, and shall consist of all monies specifically appropriated to the fund by the Legislature within the Oklahoma Conservation Commission appropriation. The fund may obtain additional monies through donation by any private entity, obtained by grants or designated by any federal, state or local government agency, as recommended by the State Geographic Information Council and approved by the Executive Director of the Oklahoma Conservation Commission, with specific intention for the purposes of carrying out

the duties of the Office of Geographic Information including, but not limited to, the development and maintenance of base map Geographic Information System (GIS) data layers.

C. Monies accruing to the fund may be expended by the Conservation Commission for expenses associated with the Office of Geographic Information.

D. Expenditures from the fund shall be made upon warrants issued by the State Treasurer against claims filed with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 1073. AMENDATORY 82 O.S. 2011, Section 1801.4, is amended to read as follows:

Section 1801.4 A. Funding to administer the provisions of the Oklahoma Weather Modification Act shall be provided by an appropriation of up to One Million Dollars ($1,000,000.00) made pursuant to law. In addition, voluntary participation by insurance companies and other interested persons, firms or corporations to reach a goal of Two Million Dollars ($2,000,000.00) for a total of Three Million Dollars ($3,000,000.00) for the first year of the program. Goals for successive years will be Three Million Dollars ($3,000,000.00) from the insurance companies and other interested parties. Voluntary assessments for insurance companies pursuant to this section shall be based on the amount of insurance premiums written in this state on property insurance, as defined in Section

704 of Title 36 of the Oklahoma Statutes, and casualty ~~of~~ insurance as defined in Section 707 of Title 36 of the Oklahoma Statutes, excluding accident and health insurance, workers' compensation insurance, burglary and theft insurance, leakage and fire extinguishing equipment insurance, credit insurance, malpractice insurance, and entertainments insurance.

B. Funding assessments to the insurance companies related to the provisions of this section shall be administered by the State Insurance Department. The Insurance Department shall be authorized to employ one additional full-time employee to perform these duties, funding for which shall be provided by proceeds derived from the provisions of this act. The State Insurance Department is hereby authorized to promulgate rules necessary to implement the provisions of this section.

C. There is hereby created an account within the Oklahoma Weather Modification Revolving Fund created pursuant to Section 1085.6 of ~~Title 82 of the Oklahoma Statutes~~ this title. The account shall be designated as the "Voluntary Participation Account" and shall consist of all monies received on behalf of the Oklahoma Weather Modification program pursuant to this act. All monies accruing to the credit of the account are hereby appropriated and may be budgeted and expended by the Oklahoma Weather Modification Advisory Board for expenses relating to administration, duties, operations, maintenance, special projects and acquisitions for the

Weather Modification Program. Expenditures from the account shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 1074. AMENDATORY 85 O.S. 2011, Section 303, is amended to read as follows:

Section 303. A. There is hereby created the Workers' Compensation Court which shall consist of ten (10) judges, notwithstanding any reduction in the number of judges by operation of law before the effective date of this act. Each judge of the Court shall be appointed to a designated numbered position on the Court. The positions shall be numbered one through ten, no more than seven of which shall be permanently assigned to the Oklahoma City location of the Workers' Compensation Court and no less than three of which shall be permanently assigned to the Tulsa location of the Workers' Compensation Court. The initial terms of the judges by position number shall expire on the following dates:

Position 1 shall expire 7-1-14.

Position 2 shall expire 7-1-14.

Position 3 shall expire 7-1-14.

Position 4 shall expire 7-1-12.

Position 5 shall expire 7-1-12.

Position 6 shall expire 7-1-16.

Position 7 shall expire 7-1-16.

Position 8 shall expire 7-1-12.

Position 9 shall expire 7-1-12.

Position 10 shall expire 7-1-14.

Provided, judges who are serving unexpired terms on the Workers' Compensation Court on the effective date of this act shall serve on the Court created by this section until their respective terms expire as provided in this act. Thereafter, each position shall be filled by a judge appointed to serve an eight-year term. Judges serving unexpired terms on the effective date of this act shall be eligible upon expiration of such terms for appointment to one term of eight (8) years pursuant to this section. After a judge serves an eight-year term, such judge shall be eligible to reapply for an additional term.

When a vacancy on the Court occurs or is certain to occur, or for initial appointments to the Court, the Judicial Nominating Commission shall choose and submit to the Governor and the Chief Justice of the Supreme Court the names of three persons for each appointment, each of whom has previously notified the Commission in writing that he or she will serve as a judge if appointed. The Governor shall appoint one of the nominees to fill the vacancy with the advice and consent of the Senate. If the Governor fails to do so within sixty (60) days, the Chief Justice of the Supreme Court shall appoint one of the nominees with the advice and consent of the

Senate, the appointment to be certified to the Secretary of State. Appointments by the Governor to fill a position for a term commencing July 1 shall be made by April 15. If the April 15 deadline cannot be met, the Governor shall notify the President Pro Tempore of the Senate of the date when the appointment is expected to be made. If the Senate fails to confirm within ninety (90) days, the Governor may select from the two remaining nominees or request three additional nominees from the Judicial Nominating Commission.

B. A judge of the Court shall have been licensed to practice law in this state for a period of not less than five (5) years and shall have not less than five (5) years of workers' compensation experience prior to appointment. Each judge, before entering upon the duties of office, shall take and subscribe to an oath of office and file the same with the Secretary of State. Each judge shall continue to serve until his or her successor has been appointed and qualified. A judge may be removed for cause by the Court on the Judiciary prior to the expiration of his or her term.

C. Each judge shall receive a salary equal to that paid to a district judge of this state, and shall devote full time to his or her duties and shall not engage in the private practice of law during the term in office.

D. The Court shall have the authority to adopt reasonable rules within its respective areas of responsibility including the rules of procedure for the Court en banc, after notice and public hearing,

for effecting the purposes of the Workers' Compensation Code. All of the judges of the Court shall be present at all meetings wherein rules are adopted or amended. All rules, upon adoption, shall be submitted to the Supreme Court, which shall either approve or disapprove them within thirty (30) days. All rules, upon approval by the Supreme Court, shall be published and be made available to the public and, if not inconsistent with the law, shall be binding in the administration of the Workers' Compensation Code.

E. The Court is hereby designated and confirmed as a court of record, with respect to any matter within the limits of its jurisdiction, and within such limits the judges thereof shall possess the powers and prerogatives of the judges of the other courts of record of this state, including the power to punish for contempt those persons who disobey a subpoena, or refuse to be sworn or to answer as a witness, when lawfully ordered to do so.

F. The principal office of the Court shall be situated in the City of Oklahoma City in quarters assigned by the ~~Department of Central Services~~ Office of Management and Enterprise Services. The Court may hold hearings in any city of this state. The Tulsa location of the Workers' Compensation Court shall not be closed without the approval of the Legislature.

G. All county commissioners and presiding district judges of this state shall make quarters available for the conducting of hearings by a judge of the Court upon request by the Court.

H. The judges of the Court shall determine the qualifications necessary for the position of Administrator. The qualifications shall be submitted to the Chief Justice of the Supreme Court for approval, disapproval or modification.

I. Judges of the Workers' Compensation Court may punish for direct contempt pursuant to Sections 565, 565.1 and 566 of Title 21 of the Oklahoma Statutes.

J. The Court shall be vested with jurisdiction over all claims filed pursuant to the Workers' Compensation Code. All claims so filed shall be heard by the judge sitting without a jury. The Court shall have full power and authority to determine all questions in relation to payment of claims for compensation under the provisions of the Workers' Compensation Code. The Court, upon application of either party, shall order a hearing. Upon a hearing, either party may present evidence and be represented by counsel. Except as provided in Section ~~40~~ 340 of this ~~act~~ title, the decision of the Court shall be final as to all questions of fact and law. The decision of the Court shall be issued within sixty (60) days following the submission of the case by the parties. The power and jurisdiction of the Court over each case shall be continuing and it may, from time to time, make such modifications or changes with respect to former findings or orders relating thereto if, in its opinion, it may be justified.

SECTION 1075. AMENDATORY 85 O.S. 2011, Section 361, is amended to read as follows:

Section 361. The Workers Compensation Self-Insurance Guaranty Fund shall be for the purpose of continuation of workers' compensation benefits due and unpaid or interrupted due to the inability of an impaired self-insurer as defined in Section ~~8~~ 308 of this ~~act~~ title to meet its compensation obligations when its financial resources, security deposit, guaranty agreements, surety agreements and excess insurance are either inadequate or not immediately accessible for the payment of benefits. Monies in the fund, including interest accruing thereon, are not subject to appropriation and shall be expended to compensate employees for eligible benefits for a compensable injury under the Workers' Compensation Code, pay outstanding workers' compensation obligations of the impaired self-insurer, and for all claims for related administrative fees, operating costs of the Workers' Compensation Self-Insurance Guaranty Fund Board, attorney fees, and other costs reasonably incurred by the Board in the performance of its duties. Expenditures from the fund shall be made upon warrants issued by the State Treasurer against claims as prescribed by law with the Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services for approval and payment. The Fund shall be subject to audit the same as state funds and accounts, the cost for which shall be paid for from the fund.

SECTION 1076. AMENDATORY 85 O.S. 2011, Section 365, is amended to read as follows:

Section 365. A. The Individual Self-Insured Guaranty Fund and its Board provided for in Section ~~58~~ 358 of this ~~act~~ title and the Group Self-Insurance Association Guaranty Fund and its Board provided for in Section ~~59~~ 359 of this ~~act~~ title shall cease to exist and shall be succeeded by the Workers' Compensation Self-Insurance Guaranty Fund and its Board once the initial appointments to the Workers' Compensation Self-Insurance Guaranty Fund Board are made pursuant to Section ~~60~~ 360 of this ~~act~~ title. At that time, all unexpended funds, including interest thereon, assets, property, records, and any outstanding financial obligations and encumbrances of the Individual Self-Insured Guaranty Fund Board and Group Self-Insurance Association Guaranty Fund Board shall be transferred to the Workers' Compensation Self-Insurance Guaranty Fund Board created by Section ~~60~~ 360 of this ~~act~~ title. The Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services is hereby directed to coordinate the transfer of funds, outstanding financial obligations or encumbrances provided for in this subsection.

B. Any claim existing or action or proceeding pending by, against or before the Individual Self-Insured Guaranty Fund Board or the Group Self-Insurance Association Guaranty Fund Board when the entities ceased existence may be continued as if the merger into the Workers' Compensation Self-Insurance Guaranty Fund Board did not

occur, or the Workers' Compensation Self-Insurance Guaranty Fund Board may be substituted in the matter. The Workers' Compensation Self-Insurance Guaranty Fund Board shall be responsible and liable for all liabilities and obligations of the entities that ceased existence.

SECTION 1077. AMENDATORY 85 O.S. 2011, Section 370, is amended to read as follows:

Section 370. A. Persons requesting and receiving copies of documents on file with the Administrator of the Workers' Compensation Court shall pay a fee to the Administrator of One Dollar ($1.00) for each page copied. All fees so collected shall be deposited in the State Treasury in a revolving fund to be designated the "Administrator of Workers' Compensation Revolving Fund". The fund created in this section shall be a continuing fund not subject to fiscal year limitations. Monies accruing to the credit of the fund may be expended in the manner prescribed by law in defraying necessary expenses in carrying out the provisions of this act and without legislative appropriation. Expenditures from the fund shall be made upon warrants issued by the State Treasurer against claims as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

B. All penalties and fines imposed by the Workers' Compensation Court or Administrator, upon collection, shall be deposited to the credit of the Administrator of Workers' Compensation Revolving Fund.

SECTION 1078. AMENDATORY 85 O.S. 2011, Section 376, is amended to read as follows:

Section 376. A. There is hereby created a Board to be known as the "Board of Managers of CompSource Oklahoma", which Board shall have supervision over the administration and operation of CompSource Oklahoma, and shall be composed of ~~nine (9)~~ eight (8) members as follows:

1. The Director of ~~State Finance~~ the Office of Management and Enterprise Services or a designee;

2. The Lieutenant Governor or a designee;

3. The State Auditor and Inspector or a designee;

4. ~~The Director of Central Purchasing of the Department of Central Services;~~

~~5.~~ One member appointed by the Governor;

~~6.~~ 5. Two members appointed by the Speaker of the House of Representatives, one of whom shall be representative of employers; and

~~7.~~ 6. Two members appointed by the President Pro Tempore of the Senate, one of whom shall be representative of employees.

The appointed members of the Board shall serve at the pleasure of the appointing authority.

B. The members of the Board shall elect annually from their number a Chair and a Secretary. The Secretary shall keep true and complete records of all proceedings of the Board. The Board shall

meet quarterly, and at all other times when a meeting is called by the Chair, and at such meetings the Board may consider the condition of CompSource Oklahoma and quarterly shall make a detailed examination into the condition of its reserves and investments and at each meeting may examine all other matters relating to the administration of such fund. The time and place of the regular meetings and the manner in which special meetings may be called shall be set forth in the bylaws of the said Fund. Except as otherwise provided in this act or in the bylaws, all actions shall be taken by the affirmative vote of a majority of the Board members present at a meeting, except that no investment policy and no amendment of bylaws shall be valid unless authorized or ratified by the affirmative vote of at least four Board members.

C. Appointed members of the Board shall be reimbursed for expenses as provided in the State Travel Reimbursement Act. Said reimbursement, not to exceed thirty (30) days in any calendar year, shall be paid only when the Board is transacting official business. Any reimbursement in excess of thirty (30) days shall be approved by a majority of the Board. The Board shall have access to all records and books of account and shall have power to require the presence or appearance of any officer or employee of CompSource Oklahoma. All information obtained by the members of the Board shall be confidential unless disclosed by order of the Board.

D. No person or organization in a position to influence official action of members of the Board of Managers of CompSource Oklahoma, the President and Chief Executive Officer, and the employees of CompSource Oklahoma shall furnish presents, gratuities, transportation, lodging, educational seminars, conferences, meetings, or similar functions to the Board of Managers of CompSource Oklahoma, the President and Chief Executive Officer, and the employees of CompSource Oklahoma other than as provided by law and the rules of the Ethics Commission.

E. The official name of the Board of Managers which is known as the "Board of Managers of the State Insurance Fund" shall be designated in all future references as the "Board of Managers of CompSource Oklahoma". Any references in the Oklahoma Statutes to the Board of Managers of the State Insurance Fund shall be deemed references to the Board of Managers of CompSource Oklahoma.

SECTION 1079. AMENDATORY 85 O.S. 2011, Section 384, is amended to read as follows:

Section 384. There is hereby created a petty cash fund within CompSource Oklahoma. Said petty cash fund shall be in such amounts as are determined to be necessary by the Director of ~~State Finance~~ <u>the Office of Management and Enterprise Services</u> and the CompSource Oklahoma President and Chief Executive Officer. Petty cash funds may be expended for the payment of emergency purchases and bills. The said funds may be reimbursed by the Director of ~~State Finance~~

the Office of Management and Enterprise Services upon the filing of a claim with the proper receipts showing the disbursements therefrom, reimbursement to be made from the revolving fund. The Director of ~~State Finance~~ the Office of Management and Enterprise Services shall prescribe all forms, systems and procedures for administering the petty cash fund.

SECTION 1080. AMENDATORY 85 O.S. 2011, Section 387, is amended to read as follows:

Section 387. A. The Board of Managers shall discharge their duties with respect to CompSource Oklahoma solely in the interest of CompSource Oklahoma and:

1. For the exclusive purpose of:

a. providing benefit to CompSource Oklahoma, and

b. defraying reasonable expenses of administering CompSource Oklahoma;

2. With the care, skill, prudence, and diligence under the circumstances then prevailing that a prudent person acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character and with like aims;

3. By diversifying the investments of CompSource Oklahoma so as to minimize the risk of large losses, unless under the circumstances it is clearly prudent not to do so; and

4. In accordance with the laws, documents and instruments governing CompSource Oklahoma.

B. The monies of CompSource Oklahoma shall be invested only in assets eligible for the investment of funds of a domestic property and casualty insurance company as provided for in the Oklahoma Insurance Code, Title 36 of the Oklahoma Statutes. The term admitted assets shall mean the amount of the monies of CompSource Oklahoma and the provisions relating to limitation of investments as a percentage of surplus as regards policyholders shall be inapplicable with respect to investment of the monies of CompSource Oklahoma. The monies of CompSource Oklahoma may be invested in certificates of indebtedness or such other enforceable evidences of obligation as may be utilized in the rights-of-way acquisitions by the Oklahoma Department of Transportation. The monies of CompSource Oklahoma may also be invested in bonds secured by first mortgages, pass-through securities and insured participation certificates representing interests in first mortgages or insured mortgage pass-through certificates on one- to four-family residences located within this state. CompSource Oklahoma may enter into agreements with the Multiple Injury Trust Fund to fulfill any payment obligation of the Multiple Injury Trust Fund, including all court orders for material increases and the accrued interest thereon, and all orders for interest on previously paid awards.

C. 1. The CompSource Oklahoma President and Chief Executive Officer, with the approval of the Board of Managers, is authorized to acquire any real estate deemed necessary for the immediate and

reasonably anticipated future administrative office space needs of CompSource Oklahoma. The CompSource Oklahoma President and Chief Executive Officer, with the approval of the Board of Managers, may sell, lease, rent or sublet any real estate holdings of CompSource Oklahoma. Any revenues of such transactions shall accrue to the surplus or reserve fund of CompSource Oklahoma.

2. In any lease, rental, sublease or other agreement for the use or occupation of real estate holdings of CompSource Oklahoma, no state agency may enter into an agreement which has a gross effective rental rate which is greater than the gross effective rental rate for which they can continue to occupy the premises which is currently rented at the time the agency proposes to move. For a period of two (2) years after the first use or occupation by the state agency, subsequent agreements, whether new agreements or continuations of a prior agreement, shall not contain a gross effective rental rate which is greater than that of the original agreement.

D. The Board of Managers may procure insurance indemnifying the members of CompSource Oklahoma from personal loss or accountability from liability resulting from a member's action or inaction as a member of the Board of Managers.

E. The Board of Managers may establish an investment committee. The investment committee shall be composed of not more than three (3) members of the Board of Managers appointed by the chairman of

the Board of Managers. The committee shall make recommendations to the full Board on all matters related to the choice of custodians and managers of the assets of CompSource Oklahoma, on the establishment of investment and fund management guidelines, and in planning future investment policy. The committee shall have no authority to act on behalf of the Board of Managers or CompSource Oklahoma in any circumstances whatsoever. No recommendation of the committee shall have effect as an action of the Board of Managers nor take effect without the approval of the Board of Managers as provided by law.

F. The Board of Managers shall retain qualified investment managers to provide for the investment of the monies of CompSource Oklahoma. The investment managers shall be chosen by a solicitation of proposals on a competitive bid basis pursuant to standards set by the Board of Managers. Subject to the overall investment guidelines set by the Board of Managers, the investment managers shall have full discretion in the management of those monies of CompSource Oklahoma allocated to the investment managers. The Board of Managers shall manage those monies not specifically allocated to the investment managers. The monies of CompSource Oklahoma allocated to the investment managers shall be actively managed by the investment managers, which may include selling investments and realizing losses if such action is considered advantageous to longer term return maximization. Because of the total return objective, no distinction

shall be made for management and performance evaluation purposes between realized and unrealized capital gains and losses.

G. Funds and revenues for investment by the investment managers or the Board of Managers shall be placed with a custodian selected by the Board of Managers. The custodian shall be a bank or trust company offering master custodial services. The custodian shall be chosen by a solicitation of proposals on a competitive bid basis pursuant to standards set by the Board of Managers. In compliance with the investment policy guidelines of the Board of Managers, the custodian bank or trust company shall be contractually responsible for ensuring that all monies of CompSource Oklahoma are invested in income-producing investment vehicles at all times. If a custodian bank or trust company has not received direction from the investment managers of CompSource Oklahoma as to the investment of the monies of the State Insurance Fund in specific investment vehicles, the custodian bank or trust company shall be contractually responsible to the Board of Managers for investing the monies in appropriately collateralized short-term interest-bearing investment vehicles.

H. Prior to August 1 of each year, the Board of Managers shall develop and approve a written investment plan for CompSource Oklahoma.

I. The CompSource Oklahoma President and Chief Executive Officer shall compile a quarterly financial report of all the funds of CompSource Oklahoma. The report shall be compiled and filed

pursuant to uniform reporting standards prescribed by the State Insurance Commissioner for domestic property and casualty insurance companies. The report shall include several relevant measures of investment value, including acquisition cost and current fair market value with appropriate summaries of total holdings and returns. The report shall contain combined and individual rate of returns of the investment managers by category of investment, over periods of time. The report shall contain a list of all investments made by CompSource Oklahoma and a list of any commissions, fees or payments made for services regarding such investments for that reporting period. The report shall be distributed to the Governor, the Legislative Service Bureau and the Cash Management and Investment Oversight Commission.

J. CompSource Oklahoma, on behalf of the Multiple Injury Trust Fund, may enter into an agreement with any reinsurer licensed to sell reinsurance by the State Insurance Commissioner selected pursuant to a competitive process administered by the Director of Central Purchasing in the ~~Department of Central Services~~ Office of Management and Enterprise Services.

SECTION 1081. AMENDATORY 85 O.S. 2011, Section 389, is amended to read as follows:

Section 389. The entire expenses of administering "CompSource Oklahoma" shall be paid out of such fund upon warrants issued by the State Treasurer against claims filed as prescribed by law with the

Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment. On or before the first day of June of each year, or as soon thereafter as possible, there shall be submitted to the Board of Managers of CompSource Oklahoma, for approval, an estimated budget of expenses for the succeeding fiscal year. The CompSource Oklahoma President and Chief Executive Officer may not expend from the funds belonging to CompSource Oklahoma for purposes of administering any sum in excess of the amount specified in such budget for any item of expense therein set forth unless such expenditure is authorized by the Board of Managers of CompSource Oklahoma. In no event shall the entire expenses of administration of CompSource Oklahoma, as authorized for the entire year, exceed twenty percent (20%) of the earned premiums of the year. The Board of Managers may use present value discounting at a rate of four percent (4%) for computing reserves. The Board of Managers shall cause to be made and completed within ninety (90) days after the end of each calendar year, an audit of the books of account and financial records of the fund for such calendar year, such audit to be made by an independent certified public accountant, a licensed public accountant, a firm of certified public accountants, or an accounting firm or individual holding a permit to practice accounting in this state. The audit shall be filed with the Director of ~~State Finance~~ the Office of Management and Enterprise Services in accordance with the requirements set forth for financial

statement audits in Section 212A of Title 74 of the Oklahoma Statutes.

CompSource Oklahoma shall submit to the State Insurance Commissioner an annual financial statement in the same manner as a domestic insurance carrier. The Insurance Commissioner may audit CompSource Oklahoma in the same manner as a domestic insurance company if an audit does not conflict with any specific provision contained herein. The CompSource Oklahoma President and Chief Executive Officer shall provide a copy of the annual financial statement to the Governor and CompSource Oklahoma Board of Managers.

SECTION 1082. AMENDATORY 85 O.S. 2011, Section 403, is amended to read as follows:

Section 403. A. There is hereby created, for the purposes declared in this act, the "Multiple Injury Trust Fund" to be derived from the following sources:

1. As soon as practicable after January 1 of each year, the Administrator of the Workers' Compensation Court shall establish an assessment rate applicable to each mutual or interinsurance association, stock company, CompSource Oklahoma, or other insurance carrier writing workers' compensation insurance in this state, each employer carrying its own risk, and each group self-insurance association, for amounts for purposes of computing the assessment authorized by this section necessary to pay the annual obligations of the Multiple Injury Trust Fund determined on or before December

31 of each year by the Board of Managers of CompSource Oklahoma to be outstanding for the next calendar year, and to pay the allocations provided for in subsection I of this section. The rate shall be equal for all parties required to pay the assessment. The rate in effect on the effective date of this act shall remain effective through June 30, 2012;

2. The Oklahoma Tax Commission shall assess and collect from any uninsured employer a temporary assessment at the rate of five percent (5%) of the total compensation for permanent total disability awards, permanent partial impairment awards, and death benefits paid out during each quarter of the calendar year by the employers;

3. The assessments shall be paid to the Tax Commission. Insurance carriers, self-insurers, group self-insurance associations and CompSource Oklahoma shall pay the assessment in four equal installments not later than the fifteenth day of the month following the close of each quarter of the calendar year of the assessment. Assessments shall be determined based upon gross direct written premiums, normal premiums or actual paid losses of the paying party, as applicable, during the calendar quarter for which the assessment is due. Uninsured employers shall pay the assessment not later than the fifteenth day of the month following the close of each quarter of the calendar year of the assessment. For purposes of this section, "uninsured employer" means an employer required by law to

carry workers' compensation insurance but who has failed or neglected to do so. Only one-third (1/3) of assessments against insurance carriers and CompSource Oklahoma may be charged to policyholders and shall not be considered in determining whether any rate is excessive. The remaining two-thirds (2/3) of assessments against insurance carriers and CompSource Oklahoma may not be included in any rate, premium, charge, fee, assessment or other amount to be collected from a policyholder. Insurance carriers and CompSource Oklahoma shall not separately state the amount of the assessment on any invoice or billing assessment.

a. The assessment authorized in this section shall be determined using a rate equal to the proportion that the sum of the outstanding obligations of the Multiple Injury Trust Fund as determined pursuant to paragraph 1 of this subsection and the allocations provided for in subsection I of this section bear to the combined gross direct written premiums of all such insurers; all actual paid losses of all individual self-insureds; and the normal premium of all group self-insurance associations, for the year period from January 1 to December 31 preceding the assessment.

b. For purposes of this subsection:

(1) "actual paid losses" means all medical and indemnity payments, including temporary

disability, permanent disability, and death benefits, and excluding loss adjustment expenses and reserves, and

(2) "normal premium" means a standard premium less any discounts;

4. By April 15 of each year, the Insurance Commissioner, Board of Managers of CompSource Oklahoma and each individual and group self-insured shall provide the Administrator with such information as the Administrator may determine is necessary to effectuate the purposes of this section;

5. Each mutual or interinsurance association, stock company, CompSource Oklahoma, or other insurance carrier writing workers' compensation insurance in this state, and each employer carrying its own risk, including each group self-insurance association, shall be notified by the Administrator in writing of the rate for the assessment on or before May 1 of each year in which a rate is determined. The rate determined by the Administrator shall be in effect for four calendar quarters beginning July 1 following determination by the Administrator;

6. a. No mutual or interinsurance association, stock company, CompSource Oklahoma, or other insurance carrier writing workers' compensation insurance in this state, may be assessed in any year an amount

greater than six percent (6%) of the gross direct written premiums of that insurer.

b. No employer carrying its own risk may be assessed in any year an amount greater than six percent (6%) of the total actual paid losses of that individual self-insured.

c. No group self-insurance association may be assessed in any year an amount greater than six percent (6%) of the normal premium of that group self-insurance association.

d. If the maximum assessment does not provide in any one year an amount sufficient to make all necessary payments for obligations of the Multiple Injury Trust Fund and for the allocations provided for in subsection I of this section, the unpaid portion shall be paid as soon thereafter as funds become available.

B. The Multiple Injury Trust Fund is hereby authorized to receive and expend monies appropriated by the Legislature.

C. It shall be the duty of the Tax Commission to collect the payments provided for in this act. The Tax Commission is hereby authorized to bring an action for the recovery of any delinquent or unpaid payments required in this section.

D. Any mutual or interinsurance association, stock company, or other insurance company, which is subject to regulation by the

Insurance Commissioner, or CompSource Oklahoma, failing to make payments required in this act promptly and correctly, and failing to report payment of the same to the Insurance Commission within ten (10) days of payment shall be subject to administrative penalties as allowed by law, including but not limited to a fine in the amount of Five Hundred Dollars ($500.00) or an amount equal to one percent (1%) of the unpaid amount, whichever is greater, to be paid to the Insurance Commissioner.

E. Any employer carrying its own risk, or group self-insurance association failing to make payments required in this act promptly and correctly, and failing to report payment of the same to the Administrator within ten (10) days of payment shall be subject to administrative penalties as allowed by law, including but not limited to a fine in the amount of Five Hundred Dollars ($500.00) or an amount equal to one percent (1%) of the unpaid amount, whichever is greater, to be paid to the Administrator.

F. On or before the first day of April of each year, the State Treasurer shall advise the Administrator, the Board of Managers of CompSource Oklahoma and the Tax Commission of the amount of money held as of March 1 of that year by the State Treasurer to the credit of the Multiple Injury Trust Fund. On or before the first day of November of each year, the State Treasurer shall advise the Administrator, the Board of Managers of CompSource Oklahoma and the Tax Commission of the amount of money held as of October 1 of that

year by the State Treasurer to the credit of the Multiple Injury Trust Fund.

G. Eighty percent (80%) of all sums held by the State Treasurer to the credit of the Multiple Injury Trust Fund may by order of the CompSource Oklahoma President and Chief Executive Officer, with the approval of the Board of Managers of CompSource Oklahoma, be invested in or loaned on the pledge of any of the securities in which a state bank may invest the monies deposited therein by the State Treasurer; or may be deposited in state or national banks or trust companies upon insured time deposit bearing interest at a rate no less than currently being paid upon insured savings accounts in the institutions. As used in this section, "insured" means insurance as provided by an agency of the federal government. All such securities or evidence of indebtedness shall be placed in the hands of the State Treasurer, who shall be the custodian thereof, who shall collect the principal and interest when due, and pay the same into the Multiple Injury Trust Fund. The State Treasurer shall pay by vouchers drawn on the Multiple Injury Trust Fund for the making of such investments, when signed by the CompSource Oklahoma President and Chief Executive Officer and approved by the Board of Managers of CompSource Oklahoma, upon delivery of such securities or evidence of indebtedness to the State Treasurer. The CompSource Oklahoma President and Chief Executive Officer may, upon like approval of the Board of Managers of CompSource Oklahoma, sell any

of such securities, the proceeds thereof to be paid over to the State Treasurer for the Multiple Injury Trust Fund.

H. The refund provisions of Sections 227 through 229 of Title 68 of the Oklahoma Statutes shall be applicable to any payments made to the Multiple Injury Trust Fund. Refunds shall be paid from and out of the Multiple Injury Trust Fund.

I. The Tax Commission shall pay, monthly, to the State Treasurer to the credit of the Multiple Injury Trust Fund all monies collected pursuant to the provisions of this section, less the annual sum of Two Million Five Hundred Fifty Thousand Dollars ($2,550,000.00), of which One Million Two Hundred Seventy-five Thousand Dollars ($1,275,000.00) shall be payable by the Oklahoma Tax Commission to the State Treasurer in equal monthly installments to the credit of the Department of Labor, Six Hundred Thirty-seven Thousand Five Hundred Dollars ($637,500.00) shall be payable in equal monthly installments to the credit of the Office of the Attorney General, and Six Hundred Thirty-seven Thousand Five Hundred Dollars ($637,500.00) shall be payable in equal monthly installments to the credit of the Oklahoma Department of Career and Technology Education. Monies received by the Department of Labor under this section shall be used for safety consultation and the regulation of the safety of public employees through the Occupational Safety and Health Act of 1970. Monies received by the Office of the Attorney General shall be deposited to the credit of the Attorney General's

Workers' Compensation Fraud Unit Revolving Fund created pursuant to Section 19.2 of Title 74 of the Oklahoma Statutes. Monies received by the Oklahoma Department of Career and Technology Education shall supplement other funding to the Department for purposes of implementing the provisions of subsection B of Section 414 of Title 40 of the Oklahoma Statutes. The State Treasurer shall pay out of the Multiple Injury Trust Fund only upon the order and direction of the Workers' Compensation Court acting under the provisions hereof.

J. The Administrator shall promulgate rules as the Administrator deems necessary to effectuate the provisions of this section.

K. The Insurance Commissioner shall promulgate rules relating to insurers as defined in Title 36 of the Oklahoma Statutes, as the Insurance Commissioner deems necessary to effectuate the provisions of this section.

L. The Multiple Injury Trust Fund may enter into any agreement with CompSource Oklahoma for the purpose of fulfilling all of its payment obligations.

M. The Multiple Injury Trust Fund may enter into an agreement with any reinsurer licensed to sell reinsurance by the Insurance Commissioner pursuant to a competitive process administered by the Director of Central Purchasing in the ~~Department of Central Services~~ Office of Management and Enterprise Services.

N. Any dividend, rebate, or other distribution, payable by CompSource Oklahoma or any other workers' compensation insurance carrier, to a state agency policyholder shall be paid to the State Treasurer, and shall be credited as follows:

1. In the event of failure of the Multiple Injury Trust Fund to meet all lawful obligations, the monies shall be credited to the Multiple Injury Trust Fund and shall be used by the Multiple Injury Trust Fund to meet all lawful obligations of the Multiple Injury Trust Fund; and

2. Otherwise, all future dividends made by CompSource Oklahoma or any workers' compensation insurance carrier, on behalf of state agencies, shall be deposited to the credit of the General Revenue Fund of the State Treasury.

SECTION 1083. AMENDATORY 85 O.S. 2011, Section 412, is amended to read as follows:

Section 412. A. 1. All unexpended funds, assets, property, records, personnel and any outstanding financial obligations and encumbrances of the Workers' Compensation Court before the effective date of this act are hereby transferred to the Workers' Compensation Court created in Section ~~3~~ 303 of this ~~act~~ title. The personnel transferred shall retain leave, sick and annual time earned and any retirement and longevity benefits which have accrued during their employment with the state. The salaries of employees who are transferred shall not be reduced as a direct and immediate result of

the transfer. There shall be no reduction-in-force as a result of the transfer.

2. Any unexpended funds, including interest thereon, held by the State Treasurer in an interest bearing agency special account maintained by the Workers' Compensation Court before the effective date of this act from which a self-insured employer's workers' compensation obligations are paid following nonpayment by the self-insured employer for any reason, including insolvency, shall be transferred to the Workers' Compensation Court created by Section ~~3~~ 303 of this ~~act~~ title. Such funds shall be expended by the Court only for the purpose of paying workers' compensation obligations of the self-insured employer, and costs related to the administration of such obligations, to the extent of the availability of such funds.

B. 1. All unexpended funds, assets, property, and records and any outstanding financial obligations and encumbrances of the Individual Self-Insured Guaranty Fund Board before the effective date of this act are hereby transferred to the Individual Self-Insured Guaranty Fund Board created in Section ~~58~~ 358 of this ~~act~~ title.

2. Any unexpended funds, including interest thereon, held by the State Treasurer in the Individual Self-Insured Guaranty Fund before the effective date of this act, shall be transferred to the Individual Self-Insured Guaranty Fund Board created by Section ~~58~~

358 of this ~~act~~ title. Such funds shall be expended by the Board only as authorized in Section ~~58~~ 358 of this ~~act~~ title.

C. 1. All unexpended funds, assets, property, and records and any outstanding financial obligations and encumbrances of the Group Self-Insurance Association Board before the effective date of this act are hereby transferred to the Group Self-Insurance Association Guaranty Fund Board created in Section ~~59~~ 359 of this ~~act~~ title.

2. Any unexpended funds, including interest thereon, held by the State Treasurer in the Group Self-Insurance Association Guaranty Fund before the effective date of this act, shall be transferred to the Group Self-Insurance Association Guaranty Fund Board created by Section 59 of this act. Such funds shall be expended by the Board only as authorized in Section ~~59~~ 359 of this ~~act~~ title.

D. All property and records of the Physician Advisory Committee before the effective date of this act are hereby transferred to the Physician Advisory Committee created in Section ~~73~~ 373 of this ~~act~~ title.

E. All property and records of the Advisory Council on Workers' Compensation before the effective date of this act are hereby transferred to the Advisory Council on Workers' Compensation created in Section ~~74~~ 374 of this ~~act~~ title.

F. All unexpended funds, assets, property, records, personnel and any outstanding financial obligations and encumbrances of the Multiple Injury Trust Fund before the effective date of this act are

hereby transferred to the Multiple Injury Trust Fund created in Section ~~76~~ 403 of this ~~act~~ title. The personnel transferred shall retain leave, sick and annual time earned and any retirement and longevity benefits which have accrued during their employment with the state. The salaries of employees who are transferred shall not be reduced as a direct and immediate result of the transfer. There shall be no reduction-in-force as a result of the transfer.

G. The Director of ~~State Finance~~ the Office of Management and Enterprise Services is hereby directed to coordinate the transfer of funds, allotments, purchase orders, outstanding financial obligations or encumbrances provided for in subsections A and F of this section, and the transfer of funds, outstanding financial obligations or encumbrances provided for in subsections B and C of this section.

SECTION 1084. This act shall become effective July 1, 2012.

SECTION 1085. It being immediately necessary for the preservation of the public peace, health and safety, an emergency is hereby declared to exist, by reason whereof this act shall take effect and be in full force from and after its passage and approval.

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