

**COMMITTEE AMENDMENT**  
HOUSE OF REPRESENTATIVES  
State of Oklahoma

SPEAKER:

CHAIR:

I move to amend HB2462 \_\_\_\_\_  
Of the printed Bill  
Page \_\_\_\_\_ Section \_\_\_\_\_ Lines \_\_\_\_\_  
Of the Engrossed Bill

By striking the Title, the Enacting Clause, the entire bill, and by inserting in lieu thereof the following language:

**AMEND TITLE TO CONFORM TO AMENDMENTS**

Adopted: \_\_\_\_\_

Amendment submitted by: Mike Turner \_\_\_\_\_

\_\_\_\_\_  
Reading Clerk

1 STATE OF OKLAHOMA

2 2nd Session of the 54th Legislature (2014)

3 PROPOSED COMMITTEE  
4 SUBSTITUTE  
5 FOR  
6 HOUSE BILL NO. 2462

By: Turner

7  
8 PROPOSED COMMITTEE SUBSTITUTE

9 An Act relating to higher education; creating the  
10 Oklahoma Student Loan Public University Competition  
11 Act; authorizing certain higher education  
12 institutions to establish tuition payback programs;  
13 specifying certain details of the program; providing  
14 for program allowing enrollment without payment of  
15 tuition or fees; providing for program where  
16 institution pays off student loan obligations;  
17 establishing maximum income percentages for student  
18 contracts; setting percentages; allowing certain  
19 students to participate in the program; directing  
20 certain institutions to establish program  
21 participation policies; requiring institution to  
22 provide certain information to students; requiring  
23 execution of a contract; specifying certain contract  
24 provisions; allowing certain institutions to pay off  
or assume student loan obligations; allowing certain  
contracts for administration of a program;  
authorizing certain institutions to examine certain  
Oklahoma Tax Commission information and returns;  
amending 68 O.S. 2011, Section 205, as amended by  
Section 20, Chapter 227, O.S.L. 2013 (68 O.S. Supp.  
2013, Section 205), which relates to records and  
files of the Oklahoma Tax Commission; adding  
exception for disclosure of certain information to  
certain higher education institutions for certain  
purpose; providing for codification; and providing an  
effective date.

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

2 SECTION 1. NEW LAW A new section of law to be codified  
3 in the Oklahoma Statutes as Section 694.1 of Title 70, unless there  
4 is created a duplication in numbering, reads as follows:

5 Section 2 of this act shall be known and may be cited as the  
6 "Oklahoma Student Loan Public University Competition Act".

7 SECTION 2. NEW LAW A new section of law to be codified  
8 in the Oklahoma Statutes as Section 694.2 of Title 70, unless there  
9 is created a duplication in numbering, reads as follows:

10 A. Beginning with the 2015-2016 academic year, each  
11 comprehensive and regional institution within The Oklahoma State  
12 System of Higher Education may establish a tuition payback program.  
13 The program shall offer the following opportunities to eligible  
14 resident students:

15 1. Upon initial enrollment in a full-time undergraduate,  
16 graduate or professional program an opportunity to attend the  
17 institution without paying tuition or fees. In lieu of paying  
18 tuition and fees the student shall be required to sign a binding  
19 contract to pay to the institution a certain percentage of the  
20 annual federal adjusted gross taxable income of the student upon  
21 graduation from the institution for a specified number of years as  
22 provided for in subsection B of this section; or

23 2. At any point prior to graduation from a full-time  
24 undergraduate, graduate or professional program the institution will

1 pay off or assume the liability for any student loan obligations  
2 incurred by the student. In exchange for the institution paying off  
3 or assuming the student loan obligations the student shall be  
4 required to sign a binding contract to pay to the institution a  
5 certain percentage of the annual federal adjusted gross taxable  
6 income of the student upon graduation from the institution for a  
7 specified number of years as provided for in subsection C of this  
8 section.

9 B. The percentage of annual federal adjusted gross income  
10 specified in any contract executed pursuant to paragraph 1 of  
11 subsection A of this section under a tuition payback program  
12 established by an institution pursuant to the Oklahoma Student Loan  
13 Public University Competition Act shall not exceed the following  
14 percentages:

15 1. Two percent (2%) of the annual federal adjusted gross income  
16 of the student for one (1) academic year of full-time enrollment;

17 2. Three percent (3%) of the annual federal adjusted gross  
18 income of the student for two (2) academic years of full-time  
19 enrollment;

20 3. Four percent (4%) of the annual federal adjusted gross  
21 income of the student for three (3) academic years of full-time  
22 enrollment; and  
23  
24

1 4. Five percent (5%) of the annual federal adjusted gross  
2 income of the student for four (4) or more academic years of full-  
3 time enrollment.

4 C. The percentage of annual federal adjusted gross income  
5 specified in any contract executed pursuant to paragraph 2 of  
6 subsection A of this section under a tuition payback program  
7 established by an institution pursuant to the Oklahoma Student Loan  
8 Public University Competition Act shall be a percentage negotiated  
9 between the institution and the student, but in no case shall the  
10 percentage exceed five percent (5%).

11 D. Students meeting the criteria established by the institution  
12 shall be given the opportunity to participate in the tuition payback  
13 program.

14 E. Each institution establishing a tuition payback program  
15 shall determine and set by policy the student qualifications and  
16 selection process for participation in the program. Each  
17 institution shall provide students with information detailing the  
18 selection standards, payback requirements and other contractual  
19 requirements of the program prior to enrolling in the program.

20 F. Each program established by an institution shall require the  
21 execution of an appropriate contract or contracts with eligible  
22 students which set forth the percentage of annual federal adjusted  
23 gross income required for payback of tuition and fees, subject to  
24 the maximum percentages set forth in subsection B or C of this

1 section as applicable. The term of each contract may vary depending  
2 on the total cost of education at the institution but shall not  
3 exceed a maximum of twenty-five (25) years. Each contract shall  
4 contain a provision requiring payback regardless of the residency of  
5 the student. Each contract shall contain a provision requiring a  
6 student to annually provide the institution a copy of their state  
7 income tax returns if the student moves out-of-state. The duty to  
8 perform and pay back the obligation under a contract shall be  
9 discharged upon the death of the student.

10 G. An institution which establishes a tuition payback program  
11 may pay off or assume payment of any student loan obligations, as  
12 allowed by law, incurred by an eligible student prior to entering  
13 into participation in the tuition payback program.

14 H. An institution which establishes a tuition payback program  
15 may contract with any other appropriate organization or unit of  
16 government for the administration of the program.

17 I. An institution which establishes a tuition payback program  
18 shall have authority to examine individual information or returns  
19 filed with the Oklahoma Tax Commission for purposes of verifying the  
20 income of participating students as authorized pursuant to Section  
21 205 of Title 68 of the Oklahoma Statutes.

22 SECTION 3. AMENDATORY 68 O.S. 2011, Section 205, as  
23 amended by Section 20, Chapter 227, O.S.L. 2013 (68 O.S. Supp. 2013,  
24 Section 205), is amended to read as follows:

1 Section 205. A. The records and files of the Oklahoma Tax  
2 Commission concerning the administration of the Uniform Tax  
3 Procedure Code or of any state tax law shall be considered  
4 confidential and privileged, except as otherwise provided for by  
5 law, and neither the Tax Commission nor any employee engaged in the  
6 administration of the Tax Commission or charged with the custody of  
7 any such records or files nor any person who may have secured  
8 information from the Tax Commission shall disclose any information  
9 obtained from the records or files or from any examination or  
10 inspection of the premises or property of any person.

11 B. Except as provided in paragraph 26 of subsection C of this  
12 section, neither the Tax Commission nor any employee engaged in the  
13 administration of the Tax Commission or charged with the custody of  
14 any such records or files shall be required by any court of this  
15 state to produce any of the records or files for the inspection of  
16 any person or for use in any action or proceeding, except when the  
17 records or files or the facts shown thereby are directly involved in  
18 an action or proceeding pursuant to the provisions of the Uniform  
19 Tax Procedure Code or of the state tax law, or when the  
20 determination of the action or proceeding will affect the validity  
21 or the amount of the claim of the state pursuant to any state tax  
22 law, or when the information contained in the records or files  
23 constitutes evidence of violation of the provisions of the Uniform  
24 Tax Procedure Code or of any state tax law.

1 C. The provisions of this section shall not prevent the Tax  
2 Commission from disclosing the following information and no  
3 liability whatsoever, civil or criminal, shall attach to any member  
4 of the Tax Commission or any employee thereof for any error or  
5 omission in the disclosure of such information:

6 1. The delivery to a taxpayer or a duly authorized  
7 representative of the taxpayer of a copy of any report or any other  
8 paper filed by the taxpayer pursuant to the provisions of the  
9 Uniform Tax Procedure Code or of any state tax law;

10 2. The exchange of information that is not protected by the  
11 federal Privacy Protection Act, 42 U.S.C., Section 2000aa et seq.,  
12 pursuant to reciprocal agreements entered into by the Tax Commission  
13 and other state agencies or agencies of the federal government;

14 3. The publication of statistics so classified as to prevent  
15 the identification of a particular report and the items thereof;

16 4. The examination of records and files by the State Auditor  
17 and Inspector or the duly authorized agents of the State Auditor and  
18 Inspector;

19 5. The disclosing of information or evidence to the Oklahoma  
20 State Bureau of Investigation, Attorney General, Oklahoma State  
21 Bureau of Narcotics and Dangerous Drugs Control, any district  
22 attorney, or agent of any federal law enforcement agency when the  
23 information or evidence is to be used by such officials to  
24 investigate or prosecute violations of the criminal provisions of

1 the Uniform Tax Procedure Code or of any state tax law or of any  
2 federal crime committed against this state. Any information  
3 disclosed to the Oklahoma State Bureau of Investigation, Attorney  
4 General, Oklahoma State Bureau of Narcotics and Dangerous Drugs  
5 Control, any district attorney, or agent of any federal law  
6 enforcement agency shall be kept confidential by such person and not  
7 be disclosed except when presented to a court in a prosecution for  
8 violation of the tax laws of this state or except as specifically  
9 authorized by law, and a violation by the Oklahoma State Bureau of  
10 Investigation, Attorney General, Oklahoma State Bureau of Narcotics  
11 and Dangerous Drugs Control, district attorney, or agent of any  
12 federal law enforcement agency by otherwise releasing the  
13 information shall be a felony;

14 6. The use by any division of the Tax Commission of any  
15 information or evidence in the possession of or contained in any  
16 report or return filed with any other division of the Tax  
17 Commission;

18 7. The furnishing, at the discretion of the Tax Commission, of  
19 any information disclosed by its records or files to any official  
20 person or body of this state, any other state, the United States, or  
21 foreign country who is concerned with the administration or  
22 assessment of any similar tax in this state, any other state or the  
23 United States. The provisions of this paragraph shall include the  
24 furnishing of information by the Tax Commission to a county assessor

1 to determine the amount of gross household income pursuant to the  
2 provisions of Section 8C of Article X of the Oklahoma Constitution  
3 or Section 2890 of this title. The Tax Commission shall promulgate  
4 rules to give guidance to the county assessors regarding the type of  
5 information which may be used by the county assessors in determining  
6 the amount of gross household income pursuant to Section 8C of  
7 Article X of the Oklahoma Constitution or Section 2890 of this  
8 title. The provisions of this paragraph shall also include the  
9 furnishing of information to the State Treasurer for the purpose of  
10 administration of the Uniform Unclaimed Property Act;

11 8. The furnishing of information to other state agencies for  
12 the limited purpose of aiding in the collection of debts owed by  
13 individuals to such requesting agencies;

14 9. The furnishing of information requested by any member of the  
15 general public and stated in the sworn lists or schedules of taxable  
16 property of public service corporations organized, existing, or  
17 doing business in this state which are submitted to and certified by  
18 the State Board of Equalization pursuant to the provisions of  
19 Section 2858 of this title and Section 21 of Article X of the  
20 Oklahoma Constitution, provided such information would be a public  
21 record if filed pursuant to Sections 2838 and 2839 of this title on  
22 behalf of a corporation other than a public service corporation;

23 10. The furnishing of information requested by any member of  
24 the general public and stated in the findings of the Tax Commission

1 as to the adjustment and equalization of the valuation of real and  
2 personal property of the counties of the state, which are submitted  
3 to and certified by the State Board of Equalization pursuant to the  
4 provisions of Section 2865 of this title and Section 21 of Article X  
5 of the Oklahoma Constitution;

6 11. The furnishing of information to an Oklahoma wholesaler of  
7 low-point beer, licensed under the provisions of Section 163.1 et  
8 seq. of Title 37 of the Oklahoma Statutes, or an association or  
9 organization whose membership is comprised of such wholesalers, of  
10 the licensed retailers authorized by law to purchase low-point beer  
11 in this state or the furnishing of information to a licensed  
12 Oklahoma wholesaler of low-point beer of shipments by licensed  
13 manufacturers into this state;

14 12. The furnishing of information as to the issuance or  
15 revocation of any tax permit, license or exemption by the Tax  
16 Commission as provided for by law. Such information shall be  
17 limited to the name of the person issued the permit, license or  
18 exemption, the name of the business entity authorized to engage in  
19 business pursuant to the permit, license or exemption, the address  
20 of the business entity, and the grounds for revocation;

21 13. The posting of notice of revocation of any tax permit or  
22 license upon the premises of the place of business of any business  
23 entity which has had any tax permit or license revoked by the Tax  
24 Commission as provided for by law. Such notice shall be limited to

1 the name of the person issued the permit or license, the name of the  
2 business entity authorized to engage in business pursuant to the  
3 permit or license, the address of the business entity, and the  
4 grounds for revocation;

5 14. The furnishing of information upon written request by any  
6 member of the general public as to the outstanding and unpaid amount  
7 due and owing by any taxpayer of this state for any delinquent tax,  
8 together with penalty and interest, for which a tax warrant or a  
9 certificate of indebtedness has been filed pursuant to law;

10 15. After the filing of a tax warrant pursuant to law, the  
11 furnishing of information upon written request by any member of the  
12 general public as to any agreement entered into by the Tax  
13 Commission concerning a compromise of tax liability for an amount  
14 less than the amount of tax liability stated on such warrant;

15 16. The disclosure of information necessary to complete the  
16 performance of any contract authorized by this title to any person  
17 with whom the Tax Commission has contracted;

18 17. The disclosure of information to any person for a purpose  
19 as authorized by the taxpayer pursuant to a waiver of  
20 confidentiality. The waiver shall be in writing and shall be made  
21 upon such form as the Tax Commission may prescribe;

22 18. The disclosure of information required in order to comply  
23 with the provisions of Section 2369 of this title;

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1 19. The disclosure to an employer, as defined in Sections  
2 2385.1 and 2385.3 of this title, of information required in order to  
3 collect the tax imposed by Section 2385.2 of this title;

4 20. The disclosure to a plaintiff of a corporation's last-known  
5 address shown on the records of the Franchise Tax Division of the  
6 Tax Commission in order for such plaintiff to comply with the  
7 requirements of Section 2004 of Title 12 of the Oklahoma Statutes;

8 21. The disclosure of information directly involved in the  
9 resolution of the protest by a taxpayer to an assessment of tax or  
10 additional tax or the resolution of a claim for refund filed by a  
11 taxpayer, including the disclosure of the pendency of an  
12 administrative proceeding involving such protest or claim, to a  
13 person called by the Tax Commission as an expert witness or as a  
14 witness whose area of knowledge or expertise specifically addresses  
15 the issue addressed in the protest or claim for refund. Such  
16 disclosure to a witness shall be limited to information pertaining  
17 to the specific knowledge of that witness as to the transaction or  
18 relationship between taxpayer and witness;

19 22. The disclosure of information necessary to implement an  
20 agreement authorized by Section 2702 of this title when such  
21 information is directly involved in the resolution of issues arising  
22 out of the enforcement of a municipal sales tax ordinance. Such  
23 disclosure shall be to the governing body or to the municipal  
24 attorney, if so designated by the governing body;

1       23. The furnishing of information regarding incentive payments  
2 made pursuant to the provisions of Sections 3601 through 3609 of  
3 this title or incentive payments made pursuant to the provisions of  
4 Sections 3501 through 3508 of this title;

5       24. The furnishing to a prospective purchaser of any business,  
6 or his or her authorized representative, of information relating to  
7 any liabilities, delinquencies, assessments or warrants of the  
8 prospective seller of the business which have not been filed of  
9 record, established, or become final and which relate solely to the  
10 seller's business. Any disclosure under this paragraph shall only  
11 be allowed upon the presentment by the prospective buyer, or the  
12 buyer's authorized representative, of the purchase contract and a  
13 written authorization between the parties;

14       25. The furnishing of information as to the amount of state  
15 revenue affected by the issuance or granting of any tax permit,  
16 license, exemption, deduction, credit or other tax preference by the  
17 Tax Commission as provided for by law. Such information shall be  
18 limited to the type of permit, license, exemption, deduction, credit  
19 or other tax preference issued or granted, the date and duration of  
20 such permit, license, exemption, deduction, credit or other tax  
21 preference and the amount of such revenue. The provisions of this  
22 paragraph shall not authorize the disclosure of the name of the  
23 person issued such permit, license, exemption, deduction, credit or  
24 other tax preference, or the name of the business entity authorized

1 to engage in business pursuant to the permit, license, exemption,  
2 deduction, credit or other tax preference;

3 26. The examination of records and files of a person or entity  
4 by the Oklahoma State Bureau of Narcotics and Dangerous Drugs  
5 Control pursuant to a court order by a magistrate in whose  
6 territorial jurisdiction the person or entity resides, or where the  
7 Tax Commission records and files are physically located. Such an  
8 order may only be issued upon a sworn application by an agent of the  
9 Oklahoma State Bureau of Narcotics and Dangerous Drugs Control,  
10 certifying that the person or entity whose records and files are to  
11 be examined is the target of an ongoing investigation of a felony  
12 violation of the Uniform Controlled Dangerous Substances Act and  
13 that information resulting from such an examination would likely be  
14 relevant to that investigation. Any records or information obtained  
15 pursuant to such an order may only be used by the Oklahoma State  
16 Bureau of Narcotics and Dangerous Drugs Control in the investigation  
17 and prosecution of a felony violation of the Uniform Controlled  
18 Dangerous Substances Act. Any such order issued pursuant to this  
19 paragraph, along with the underlying application, shall be sealed  
20 and not disclosed to the person or entity whose records were  
21 examined, for a period of ninety (90) days. The issuing magistrate  
22 may grant extensions of such period upon a showing of good cause in  
23 furtherance of the investigation. Upon the expiration of ninety  
24 (90) days and any extensions granted by the magistrate, a copy of

1 the application and order shall be served upon the person or entity  
2 whose records were examined, along with a copy of the records or  
3 information actually provided by the Tax Commission;

4 27. The disclosure of information, as prescribed by this  
5 paragraph, which is related to the proposed or actual usage of tax  
6 credits pursuant to Section 2357.7 of this title, the Small Business  
7 Capital Formation Incentive Act or the Rural Venture Capital  
8 Formation Incentive Act. Unless the context clearly requires  
9 otherwise, the terms used in this paragraph shall have the same  
10 meaning as defined by Section 2357.7, 2357.61 or 2357.72 of this  
11 title. The disclosure of information authorized by this paragraph  
12 shall include:

- 13 a. the legal name of any qualified venture capital  
14 company, qualified small business capital company, or  
15 qualified rural small business capital company,
- 16 b. the identity or legal name of any person or entity  
17 that is a shareholder or partner of a qualified  
18 venture capital company, qualified small business  
19 capital company, or qualified rural small business  
20 capital company,
- 21 c. the identity or legal name of any Oklahoma business  
22 venture, Oklahoma small business venture, or Oklahoma  
23 rural small business venture in which a qualified  
24 investment has been made by a capital company, or

1 d. the amount of funds invested in a qualified venture  
2 capital company, the amount of qualified investments  
3 in a qualified small business capital company or  
4 qualified rural small business capital company and the  
5 amount of investments made by a qualified venture  
6 capital company, qualified small business capital  
7 company, or qualified rural small business capital  
8 company;

9 28. The disclosure of specific information as required by  
10 Section 46 of Title 62 of the Oklahoma Statutes;

11 29. The disclosure of specific information as required by  
12 Section 205.5 of this title; ~~or~~

13 30. The disclosure of specific information as required by  
14 Section 205.6 of this title; or

15 31. The furnishing of records, files and returns to a higher  
16 education institution that is a member of The Oklahoma State System  
17 of Higher Education which has established a tuition payback program  
18 pursuant to the Oklahoma Student Loan Public University Competition  
19 Act for the limited purpose of aiding in the verification of income  
20 of individuals who have entered into a tuition payback program  
21 contract with the requesting institution.

22 D. The Tax Commission shall cause to be prepared and made  
23 available for public inspection in the office of the Tax Commission  
24 in such manner as it may determine an annual list containing the

1 name and post office address of each person, whether individual,  
2 corporate, or otherwise, making and filing an income tax return with  
3 the Tax Commission.

4 It is specifically provided that no liability whatsoever, civil  
5 or criminal, shall attach to any member of the Tax Commission or any  
6 employee thereof for any error or omission of any name or address in  
7 the preparation and publication of the list.

8 E. The Tax Commission shall prepare or cause to be prepared a  
9 report on all provisions of state tax law that reduce state revenue  
10 through exclusions, deductions, credits, exemptions, deferrals or  
11 other preferential tax treatments. The report shall be prepared not  
12 later than October 1 of each even-numbered year and shall be  
13 submitted to the Governor, the President Pro Tempore of the Senate  
14 and the Speaker of the House of Representatives. The Tax Commission  
15 may prepare and submit supplements to the report at other times of  
16 the year if additional or updated information relevant to the report  
17 becomes available. The report shall include, for the previous  
18 fiscal year, the Tax Commission's best estimate of the amount of  
19 state revenue that would have been collected but for the existence  
20 of each such exclusion, deduction, credit, exemption, deferral or  
21 other preferential tax treatment allowed by law. The Tax Commission  
22 may request the assistance of other state agencies as may be needed  
23 to prepare the report. The Tax Commission is authorized to require  
24 any recipient of a tax incentive or tax expenditure to report to the

1 Tax Commission such information as requested so that the Tax  
2 Commission may fulfill its obligations as required by this  
3 subsection. The Tax Commission may require this information to be  
4 submitted in an electronic format. The Tax Commission may disallow  
5 any claim of a person for a tax incentive due to its failure to file  
6 a report as required under the authority of this subsection.

7 F. It is further provided that the provisions of this section  
8 shall be strictly interpreted and shall not be construed as  
9 permitting the disclosure of any other information contained in the  
10 records and files of the Tax Commission relating to income tax or to  
11 any other taxes.

12 G. Unless otherwise provided for in this section, any violation  
13 of the provisions of this section shall constitute a misdemeanor and  
14 shall be punishable by the imposition of a fine not exceeding One  
15 Thousand Dollars (\$1,000.00) or by imprisonment in the county jail  
16 for a term not exceeding one (1) year, or by both such fine and  
17 imprisonment, and the offender shall be removed or dismissed from  
18 office.

19 H. Offenses described in Section 2376 of this title shall be  
20 reported to the appropriate district attorney of this state by the  
21 Tax Commission as soon as the offenses are discovered by the Tax  
22 Commission or its agents or employees. The Tax Commission shall  
23 make available to the appropriate district attorney or to the  
24 authorized agent of the district attorney its records and files

1 pertinent to prosecutions, and such records and files shall be fully  
2 admissible as evidence for the purpose of such prosecutions.

3 SECTION 4. This act shall become effective November 1, 2014.

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