

1 STATE OF OKLAHOMA

2 1st Session of the 54th Legislature (2013)

3 COMMITTEE SUBSTITUTE

4 FOR ENGROSSED

5 HOUSE BILL 1455

By: Murphey and Walker of the  
House

6 and

7 Treat of the Senate

8  
9  
10 COMMITTEE SUBSTITUTE

11 An Act relating to governmental entities; creating  
12 the Streamlining and Savings Act of 2013; repealing 2  
13 O.S. 2011, Section 3-2, which relates to the Fire Ant  
14 Research and Management Advisory Committee; amending  
15 2 O.S. 2011, Section 3-101, which relates to the  
16 Oklahoma Apiary Act; eliminating the Apiary Advisory  
17 Committee; amending 2 O.S. 2011, Section 5-3.2, which  
18 relates to the Oklahoma Agriculture Enhancement and  
19 Diversification Act; deleting reference to the  
20 Oklahoma Agriculture Enhancement and Diversification  
21 Advisory Board; repealing 2 O.S. 2011, Section 5-3.5,  
22 which relates to Oklahoma Agriculture Enhancement and  
23 Diversification Advisory Board; repealing 2 O.S.  
24 2011, Section 7-10, which relates to the Southern  
Dairy Compact; repealing 2 O.S. 2011, Section 10-9.2,  
which relates to the rule advisory committee for the  
State Board of Agriculture for the Oklahoma  
Registered Poultry Feeding Operations Act; amending 2  
O.S. 2011, Section 10-9.12, which relates to the  
Oklahoma Registered Poultry Feeding Operations Act;  
removing requirement to consider comments by the rule  
advisory committee; repealing 2 O.S. 2011, Sections  
15-60.1, 15-60.2, 15-60.3, as amended by Section 10,  
Chapter 304, O.S.L. 2012, and 15-60.4 (2 O.S. Supp.  
2012, Section 15-60.3), which relate to Oklahoma  
County Fair Enhancement Program; repealing 2 O.S.  
2011, Section 16-13, which relates to the forestry

1 cost-share advisory committee; repealing 2 O.S. 2011,  
2 Sections 18-43.1, 18-43.2, 18-43.3 and 18-43.4, which  
3 relate to the Oklahoma Dairy Promotion Act; repealing  
4 2 O.S. 2011, Section 18-120, which relates to the  
5 Oklahoma Pecan Marketing Board; repealing 2 O.S.  
6 2011, Section 20-5, which relates to rule advisory  
7 committee for the State Board of Agriculture for the  
8 Oklahoma Swine Feeding Operations Act; repealing 2  
9 O.S. 2011, Section 20-43, which relates to rule  
10 advisory committee for the State Board of Agriculture  
11 for the Oklahoma Concentrated Animal Feeding  
12 Operations Act; repealing 2 O.S. 2011, Section  
13 1950.11, which relates to the Oklahoma Biofuels  
14 Development Advisory Committee; repealing 18 O.S.  
15 2011, Section 381.5a, which relates to the Savings  
16 and Loan Advisory Council; amending 27A O.S. 2011,  
17 Section 1-1-202, which relates to the powers and  
18 duties of the state environmental agencies; deleting  
19 the State Water Quality Standards Advisory Committee;  
20 deleting duties of the Committee; amending 27A O.S.  
21 2011, Section 2-2-201, which relates to advisory  
22 councils; removing certain advisory council; adding  
23 jurisdictional areas for certain advisory council;  
24 deleting membership requirements of certain advisory  
council; repealing 36 O.S. 2011, Section 2211, which  
relates to the Health Care Indemnity Fund Task Force;  
repealing 53 O.S. 2011, Section 7.3, which relates to  
the Buffalo Soldiers Heritage Corridor Advisory  
Committee; amending 53 O.S. 2011, Sections 400 and  
402, which relate to the Oklahoma American Civil War  
Sesquicentennial Commission; providing sunset date  
for Commission and advisory council; repealing 57  
O.S. 2011, Section 508.2c, as amended by Section 244,  
Chapter 304, O.S.L. 2012 (57 O.S. Supp. 2012, Section  
508.2c), which relates to the creation of the  
Oklahoma Integrated Justice Information Systems  
(OIJIS) Steering Committee; repealing 59 O.S. 2011,  
Section 1103, as amended by Section 1, Chapter 55,  
O.S.L. 2012 (59 O.S. Supp. 2012, Section 1103), which  
relates to waterworks and wastewater works advisory  
council; amending 59 O.S. 2011, Sections 1202, 1210,  
1211, 1212, 1213, 1214, 1215, 1216, 1218, 1219 and  
1220, which relate to foresters; replacing State  
Board of Registration for registered foresters with  
the State Board of Agriculture; removing references  
to State Board of Registration for Foresters;  
transferring duties of the secretary to the Board;

1 repealing 59 O.S. 2011, Sections 1203, as amended by  
2 Section 1, Chapter 72, O.S.L. 2012, and by Section  
3 279, Chapter 304, O.S.L. 2012, 1204, 1206, 1207, 1208  
4 and 1209 (59 O.S. Supp. 2012, Section 1203), which  
5 relate to the State Board of Registration for  
6 Foresters; repealing 60 O.S. 2011, Sections 180.51,  
7 180.52, 180.53, 180.54 and 180.55, which relate to  
8 trusts for water pollution control projects; amending  
9 62 O.S. 2011, Section 35.8, as amended by Section  
10 417, Chapter 304, O.S.L. 2012 (62 O.S. Supp. 2012,  
11 Section 35.8), which relates to the Information  
12 Technology Consolidation and Coordination Act;  
13 deleting references to the Oklahoma Integrated  
14 Justice Information Systems Steering Committee;  
15 amending 62 O.S. 2011, Sections 90.2, 90.3, 90.5,  
16 90.6, 90.7 and 90.8, which relate to the Rural  
17 Economic Development Loan Act; transferring duties to  
18 the Oklahoma Department of Agriculture, Food and  
19 Forestry, amending 63 O.S. 2011, Section 683.6, which  
20 relates to the Emergency Management Advisory Council;  
21 abolishing the Emergency Management Advisory Council;  
22 amending 63 O.S. 2011, Sections 683.26 and 683.28,  
23 which relate to the Oklahoma Office of Volunteerism;  
24 abolishing the Oklahoma Office of Volunteerism;  
deleting references to the Oklahoma Office of  
Volunteerism; repealing 63 O.S. 2011, Sections  
683.27, as amended by Section 507, Chapter 304,  
O.S.L. 2012, 683.30 and 683.31 (63 O.S. Supp. 2012,  
Section 683.27), which relate to the transfer of the  
Oklahoma Office of Volunteerism and duties of the  
Oklahoma Commission on Volunteerism; repealing 66  
O.S. 2011, Section 323.1, which relates to the  
Eastern Flyer Passenger Rail Development Task Force;  
amending 68 O.S. 2011, Section 205, which relates to  
the Oklahoma Tax Commission; removing references to  
the Incentive Review Committee; repealing 68 O.S.  
2011, Section 205.4, which relates to the Incentive  
Review Committee; repealing 68 O.S. 2011, Section  
1354.12 and 1354.13, which relate to the Legislative  
Oversight Committee on the Streamlined Sales Tax  
System; amending 68 O.S. 2011, Section 3603, as  
amended by Section 1, Chapter 310, O.S.L. 2012 (68  
O.S. Supp. 2012, Section 3603), which relates to the  
Oklahoma Quality Jobs Program Act; modifying  
definition; amending 68 O.S. 2011, Section 3604,  
which relates to Oklahoma Quality Jobs Program Act;  
modifying reference to Oklahoma State Data Center;

1 amending 68 O.S. 2011, Section 3604.1, which relates  
2 to Oklahoma Quality Jobs Program Act; modifying  
3 reference to Oklahoma State Data Center; amending 68  
4 O.S. 2011, Section 3607, which relates to Oklahoma  
5 Quality Jobs Program Act; modifying reference to  
6 Oklahoma State Data Center; amending 68 O.S. 2011,  
7 Section 3903, which relates to Small Employer Quality  
8 Jobs Incentive Act; modifying reference to Oklahoma  
9 State Data Center; amending 68 O.S. 2011, Section  
10 3904, which relates to Small Employer Quality Jobs  
11 Incentive Act; modifying reference to Oklahoma State  
12 Data Center; amending 68 O.S. 2011, Section 3914,  
13 which relates to 21st Century Quality Jobs Incentive  
14 Act; modifying reference to Oklahoma State Data  
15 Center; amending 68 O.S. 2011, Section 50011, which  
16 relates to the Oklahoma Tourism Promotion Act;  
17 deleting definition; repealing 68 O.S. 2011, Section  
18 50015, which relates to the Oklahoma Tourism  
19 Promotion Advisory Committee; repealing 69 O.S. 2011,  
20 Sections 420 and 421, as amended by Section 573,  
21 Chapter 304, O.S.L. 2012 (69 O.S. Supp. 2012, Section  
22 421), which relate to Safe Routes to Schools program;  
23 repealing 73 O.S. 2011, Section 310, as amended by  
24 Section 690, Chapter 304, O.S.L. 2012 (73 O.S. Supp.  
2012, Section 310), which relates to the State  
Facility Capital Needs Committee; repealing Section  
6, Chapter 417, O.S.L. 1997, which relates to the  
State Facility Capital Needs Committee; amending 74  
O.S. 2011, Section 2236, which relates to the Office  
of the Oklahoma Film and Music Commission; changing  
name of the Office; deleting the Oklahoma Film and  
Music Commission; deleting the membership and duties  
of the Commission; repealing 74 O.S. 2011, Sections  
2286, 2287, 2288, as amended by Section 999, Chapter  
304, O.S.L. 2012, 2289, 2290, 2291, 2292 and 2293 (74  
O.S. Supp. 2012, Section 2288), which relate to the  
Oklahoma Recreation and Development Revolving Fund  
Advisory Act; providing for transfer of certain  
funds; amending 74 O.S. 2011, Section 4190, as  
amended by Section 1019, Chapter 304, O.S.L. 2012 (74  
O.S. Supp. 2012, Section 4190), which relates to  
child care centers for state employees; deleting  
advisory committee; amending 74 O.S. 2011, Section  
5003.10a, which relates to the Department of  
Commerce; removing references to the International  
Trade Legislative Advisory Committee; repealing 74  
O.S. 2011, Section 5003.10c, which relates to the

1 International Trade Legislative Advisory Committee;  
2 repealing 74 O.S. 2011, Sections 5018 and 5019, as  
3 amended by Section 1031, Chapter 304, O.S.L. 2012 (74  
4 O.S. Supp. 2012, Section 5019), which relate to the  
5 Oklahoma State Data Center; amending 74 O.S. 2011,  
6 Sections 5060.1a, 5060.2, as amended by Section 1035,  
7 Chapter 304, O.S.L. 2012, 5060.3, 5060.4, 5060.9,  
8 5060.22 and 5060.30, as amended by Section 1039,  
9 Chapter 304, O.S.L. 2012 (74 O.S. Supp. 2012,  
10 Sections 5060.2 and 5060.30), which relate to the  
11 Oklahoma Science and Technology Research and  
12 Development Act; deleting references to the Oklahoma  
13 Institute of Technology; deleting mission or purpose  
14 of the Institute; deleting definition; deleting  
15 certain powers and duties of the Oklahoma Science and  
16 Technology Research and Development Board; modifying  
17 the Oklahoma Institute of Technology Trust Fund;  
18 repealing 74 O.S. 2011, Section 5212, which relates  
19 to the Spaceport Territory Advisory Council;  
20 repealing 74 O.S. 2011, Section 8401, as amended by  
21 Section 1052, Chapter 304, O.S.L. 2012 (74 O.S. Supp.  
22 2012, Section 8401), which relates to the War on  
23 Terror Memorial Design Committee; amending 75 O.S.  
24 2011, Sections 250.10, 303, 502, 504 and 505, which  
relate to the Small Business Regulatory Review  
Committee; modifying references; repealing 75 O.S.  
2011, Section 503, which relates to the Small  
Business Regulatory Review Committee; repealing 82  
O.S. 2011, Section 110.30, which relates to the  
formation and duties of a high-hazard dams study  
group; repealing 85 O.S. 2011, Sections 358 and 359,  
which relate to the Individual Self-Insured Guaranty  
Fund Board and Group Self-Insurance Association  
Guaranty Fund Board; amending 85 O.S. 2011, Section  
365, as amended by Section 1076, Chapter 304, O.S.L.  
2012 (85 O.S. Supp. 2012, Section 365), which relates  
to the Individual Self-Insured Guaranty Fund Board  
and Group Self-Insurance Association Guaranty Fund  
Board; modifying references; amending 85 O.S. 2011,  
Section 367, which relates to the Oklahoma Workers'  
Compensation Electronic Data Interchange Advisory  
Committee; modifying references; repealing Section 2,  
Chapter 335, O.S.L. 2007, which relates to the Task  
Force on Dynamic Revenue Forecasting; repealing  
Section 1, Chapter 163, O.S.L. 2008, which relates to  
the marginal-quality water technical work group;

1 providing for noncodification; and providing an  
2 effective date.

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

4 SECTION 1. NEW LAW A new section of law not to be  
5 codified in the Oklahoma Statutes reads as follows:

6 This act shall be known and may be cited as the "Streamlining  
7 and Savings Act of 2013".

8 SECTION 2. REPEALER 2 O.S. 2011, Section 3-2, is hereby  
9 repealed.

10 SECTION 3. AMENDATORY 2 O.S. 2011, Section 3-101, is  
11 amended to read as follows:

12 Section 3-101. A. The State Board of Agriculture or its  
13 authorized agents shall have the authority to enter any premises or  
14 mode of transportation during reasonable hours for the purpose of  
15 implementing the Oklahoma Apiary Act or rules promulgated pursuant  
16 thereto.

17 B. The Board or its authorized agents shall have the authority  
18 to carry out all necessary and proper actions to determine  
19 compliance with the Oklahoma Apiary Act including, but not limited  
20 to, conducting investigations, opening any bundle, package, or  
21 container, examining and making photocopies of records or documents,  
22 examining devices, collecting and submitting samples for analysis,  
23 issuing any order to destroy infected or infested bees or apiary  
24

1 equipment, and removing or destroying bees, hives or other articles  
2 as deemed necessary by the Board.

3 C. The Board is authorized to promulgate rules necessary,  
4 expedient, or appropriate for the performance, enforcement, or  
5 carrying out of any of the purposes, objectives, or provisions of  
6 the Oklahoma Apiary Act, including the establishment of fees. All  
7 fees shall be fair and equitable to all parties concerned. Any  
8 rules shall be promulgated pursuant to the Administrative Procedures  
9 Act.

10 D. The Board shall have the authority to:

11 1. Issue, renew, deny, modify, suspend, cancel, and revoke any  
12 registration, permit, certificate, license, identification, or order  
13 issued pursuant to the provisions of the Oklahoma Apiary Act;

14 2. Issue certificates of inspection;

15 3. Issue entry permits to any person transporting bees or  
16 apiary equipment into this state;

17 4. Investigate complaints and violations of the Oklahoma Apiary  
18 Act and rules promulgated pursuant thereto;

19 5. Issue quarantines, initiate control measures, confiscate,  
20 and destroy apiaries, bees, colonies, or hives that present a danger  
21 to the public safety or welfare; and

22 6. Exercise all incidental powers as necessary and proper to  
23 implement and enforce the provisions of the Oklahoma Apiary Act and  
24 the rules of the Board promulgated pursuant thereto.

1 ~~E. Pursuant to the general powers contained in Section 2-6 of~~  
2 ~~this title, the Board may establish an Apiary Advisory Committee~~  
3 ~~composed of interested residents and beekeepers of the state who,~~  
4 ~~without compensation, may advise and make recommendations to the~~  
5 ~~Department on the administration of the Oklahoma Apiary Act and on~~  
6 ~~other apiary matters.~~

7 SECTION 4. AMENDATORY 2 O.S. 2011, Section 5-3.2, is  
8 amended to read as follows:

9 Section 5-3.2 A. The State Board of Agriculture is hereby  
10 authorized to establish and administer the Oklahoma Agriculture  
11 Enhancement and Diversification Program.

12 B. The purpose of the Oklahoma Agriculture Enhancement and  
13 Diversification Program is to promote and encourage the interests of  
14 agriculture through the allocation of funds, by grant or loan, to  
15 individuals, cooperatives and other agricultural entities to provide  
16 assistance to projects dealing with the development of new or  
17 expanded uses or both new and expanded uses of agricultural  
18 products, and to increase productivity, provide added value to  
19 agricultural products and benefit the agricultural producer.

20 C. The Program shall consist of the following categories:

21 1. Cooperative marketing grants and loans to be available to  
22 entities or individuals wishing to work together to develop or  
23 establish production, processing or marketing of agricultural  
24 products. The purpose of this category is to provide funding for

1 promoting productivity, providing added value to agricultural  
2 products, stimulating and fostering agricultural diversification and  
3 encouraging processing innovations;

4 2. Marketing and utilization grants and loans to be used to  
5 assist in the development or implementation of sound domestic or  
6 foreign marketing plans for Oklahoma agricultural products, by-  
7 products, or new and better uses for existing agricultural products  
8 by the financing of marketing feasibility studies, business plans,  
9 and test marketing;

10 3. Farm diversification grants or loans to be used for projects  
11 dealing with the diversification of family farms or ranches to  
12 nontraditional crops, livestock, or on-farm, value-added processing  
13 of agricultural commodities; and

14 4. Basic and applied research grants and loans for business  
15 creation or expansion, or research which will likely lead to a  
16 marketable product through the focusing of research efforts on uses  
17 and processing of Oklahoma agricultural products and by-products,  
18 including but not limited to:

- 19 a. focused research which enhances the value of an  
20 agricultural product or by-product,
- 21 b. feasibility studies,
- 22 c. product development costs, and
- 23 d. projects that are driven by an entrepreneur or the  
24 industry.

1 D. The State Board of Agriculture, ~~with the advice and~~  
2 ~~assistance of the Oklahoma Agriculture Enhancement and~~  
3 ~~Diversification Advisory Board created in Section 5 of this act,~~  
4 shall promulgate rules governing the Oklahoma Agriculture  
5 Enhancement and Diversification Program.

6 SECTION 5. REPEALER 2 O.S. 2011, Section 5-3.5, is  
7 hereby repealed.

8 SECTION 6. REPEALER 2 O.S. 2011, Section 7-10, is hereby  
9 repealed.

10 SECTION 7. REPEALER 2 O.S. 2011, Section 10-9.2, is  
11 hereby repealed.

12 SECTION 8. AMENDATORY 2 O.S. 2011, Section 10-9.12, is  
13 amended to read as follows:

14 Section 10-9.12 A. The State Board of Agriculture ~~after~~  
15 ~~consideration of comments by the rule advisory committee~~ shall  
16 promulgate rules for the administration, implementation and  
17 enforcement of the Oklahoma Registered Poultry Feeding Operations  
18 Act.

19 B. 1. The State Board of Agriculture shall promulgate a  
20 violation points system for persons violating the Oklahoma  
21 Registered Poultry Feeding Operations Act which provides that:

22 a. violations involving the greatest harm to the natural  
23 resources of the state, ground or surface water  
24 quantity or quality, public health or the environment

1 shall receive the most points and shall be considered  
2 significant violations,

3 b. violations that are committed willfully or  
4 intentionally shall be considered significant  
5 violations,

6 c. the number of points received shall be directly  
7 related to the degree of negligence or willfulness,

8 d. the commission of three significant violations, or the  
9 commission of lesser violations that result in a  
10 predetermined cumulative number of points, within a  
11 limited period of time of not less than two (2) years  
12 shall result in the mandatory designation of the  
13 registered poultry feeding operation as a concentrated  
14 animal feeding operation subject to the Oklahoma  
15 Concentrated Animal Feeding Operations Act, and

16 e. the commission of one significant violation that  
17 results in serious harm may result in the designation  
18 of the poultry operation as a concentrated animal  
19 feeding operation subject to the Oklahoma Concentrated  
20 Animal Feeding Operations Act.

21 2. In developing the violation points system pursuant to this  
22 subsection, the Board shall determine the:

23 a. number of points that lesser violations must  
24 cumulatively total to result in the designation of the

1 poultry operation as a concentrated animal feeding  
2 operation subject to the Oklahoma Concentrated Animal  
3 Feeding Operations Act,

4 b. limited period of time during which the commission of  
5 three significant violations, or the commission of a  
6 greater number of lesser violations, will result in  
7 the administrative action. The limited period of time  
8 shall not be less than two (2) years,

9 c. duration of the registration revocation, and

10 d. conditions under which the person whose registration  
11 is revoked may reapply for another registration  
12 pursuant to the Oklahoma Registered Poultry Feeding  
13 Operations Act.

14 C. For the performance of its duties and responsibilities, the  
15 Board is authorized to employ such personnel and agents as may be  
16 required within the funds available.

17 SECTION 9. REPEALER 2 O.S. 2011, Sections 15-60.1, 15-  
18 60.2, 15-60.3, as amended by Section 10, Chapter 304, O.S.L. 2012,  
19 and 15-60.4 (2 O.S. Supp. 2012, Section 15-60.3), are hereby  
20 repealed.

21 SECTION 10. REPEALER 2 O.S. 2011, Section 16-13, is  
22 hereby repealed.

23 SECTION 11. REPEALER 2 O.S. 2011, Sections 18-43.1, 18-  
24 43.2, 18-43.3 and 18-43.4, are hereby repealed.

1 SECTION 12. REPEALER 2 O.S. 2011, Section 18-120, is  
2 hereby repealed.

3 SECTION 13. REPEALER 2 O.S. 2011, Section 20-5, is  
4 hereby repealed.

5 SECTION 14. REPEALER 2 O.S. 2011, Section 20-43, is  
6 hereby repealed.

7 SECTION 15. REPEALER 2 O.S. 2011, Section 1950.11, is  
8 hereby repealed.

9 SECTION 16. REPEALER 18 O.S. 2011, Section 381.5a, is  
10 hereby repealed.

11 SECTION 17. AMENDATORY 27A O.S. 2011, Section 1-1-202,  
12 is amended to read as follows:

13 Section 1-1-202. A. Each state environmental agency shall:

14 1. Be responsible for fully implementing and enforcing the laws  
15 and rules within its jurisdictional areas of environmental  
16 responsibility;

17 2. Utilize and enforce the Oklahoma Water Quality Standards  
18 established by the Oklahoma Water Resources Board;

19 3. Seek to strengthen relationships between state, regional,  
20 local and federal environmental planning, development and management  
21 programs;

22 4. Specifically facilitate cooperation across jurisdictional  
23 lines of authority with other state environmental agencies regarding  
24 programs to resolve environmental concerns;

1           5. Cooperate with all state environmental agencies, other state  
2 agencies and local or federal governmental entities to protect,  
3 foster, and promote the general welfare, and the environment and  
4 natural resources of this state;

5           6. Have the authority to engage in environmental and natural  
6 resource information dissemination and education activities within  
7 their respective areas of environmental jurisdiction; and

8           7. Participate in every hearing conducted by the Oklahoma Water  
9 Resources Board for the consideration, adoption or amendment of the  
10 classification of waters of the state and standards of purity and  
11 quality thereof, and shall have the opportunity to present written  
12 comment to the members of the Oklahoma Water Resources Board at the  
13 same time staff recommendations are submitted to those members for  
14 Board review and consideration.

15           B. 1. In addition to the requirements of subsection A of this  
16 section, each state environmental agency shall have promulgated by  
17 July 1, 2001, a Water Quality Standards Implementation Plan for its  
18 jurisdictional areas of environmental responsibility in compliance  
19 with the Administrative Procedures Act and pursuant to the  
20 provisions of this section. Each agency shall review its plan at  
21 least every three (3) years thereafter to determine whether  
22 revisions to the plan are necessary.

23           2. Upon the request of any state environmental agency, the  
24 Oklahoma Water Resources Board shall provide consulting assistance

1 to such agency in developing a Water Quality Standards  
2 Implementation Plan as required by this subsection.

3 3. Each Water Quality Standards Implementation Plan shall:

4 a. describe, generally, the processes, procedures and  
5 methodologies the state environmental agency will  
6 utilize to ensure that programs within its  
7 jurisdictional areas of environmental responsibility  
8 will comply with anti-degradation standards and lead  
9 to:

10 (1) maintenance of water quality where beneficial  
11 uses are supported,

12 (2) removal of threats to water quality where  
13 beneficial uses are in danger of not being  
14 supported, and

15 (3) restoration of water quality where beneficial  
16 uses are not being supported,

17 b. include the procedures to be utilized in the  
18 application of use support assessment protocols to  
19 make impairment determinations,

20 c. list and describe programs affecting water quality,

21 d. include technical information and procedures to be  
22 utilized in implementing the Water Quality Standards  
23 Implementation Plan,

24

- 1 e. describe the method by which the Water Quality  
2 Standards Implementation Plan will be integrated into  
3 the water quality management activities within the  
4 jurisdictional areas of environmental responsibility  
5 of the state environmental agency,
- 6 f. detail the manner in which the agency will comply with  
7 mandated statewide requirements affecting water  
8 quality developed by other state environmental  
9 agencies including, but not limited to, total maximum  
10 daily load development, water discharge permit  
11 activities and nonpoint source pollution prevention  
12 programs,
- 13 g. include a brief summary of the written comments and  
14 testimony received pursuant to all public meetings  
15 held or sponsored by the state environmental agency  
16 for the purpose of providing the public and other  
17 state environmental agencies an opportunity to comment  
18 on the plan, and
- 19 h. describe objective methods and means to evaluate the  
20 effectiveness of activities conducted pursuant to the  
21 Water Quality Standards Implementation Plan to achieve  
22 Water Quality Standards.

23 C. ~~1. There is hereby created a State Water Quality Standards~~  
24 ~~Implementation Advisory Committee. The Committee shall consist of a~~

1 ~~designated representative of each of the state environmental~~  
2 ~~agencies and the Secretary of the Environment. The Water Resources~~  
3 ~~Board representative shall serve as chair of the Committee.~~

4 ~~2. Prior to the publication of the notice of rulemaking intent~~  
5 ~~for a Water Quality Standards Implementation Plan or amendment~~  
6 ~~thereof, the environmental agency developing the plan shall submit~~  
7 ~~the draft plan to the Water Quality Standards Implementation~~  
8 ~~Advisory Committee for review. The Committee shall evaluate the~~  
9 ~~extent to which the agency's Water Quality Standards Implementation~~  
10 ~~Plan meets the requirements set out in this section and, to the~~  
11 ~~extent necessary to achieve compliance with these requirements,~~  
12 ~~shall provide detailed, written recommendations of provisions which~~  
13 ~~should be incorporated into the agency's plan. A copy of such~~  
14 ~~written recommendations shall also be submitted to the Speaker of~~  
15 ~~the House of Representatives and the President Pro Tempore of the~~  
16 ~~Senate.~~

17 ~~D.~~ 1. Each state environmental agency with groundwater  
18 protection authority pursuant to Article III of the Oklahoma  
19 Environmental Quality Act shall be the groundwater protection agency  
20 for activities within its jurisdictional areas of environmental  
21 responsibility.

22 2. The Department of Environmental Quality shall cooperate with  
23 other state environmental agencies, as appropriate and necessary, in  
24 the protection of such unassigned activities.

1           3. Groundwater regulatory agencies shall develop groundwater  
2 protection practices to prevent groundwater contamination from  
3 activities within their respective jurisdictional areas of  
4 environmental responsibility.

5           4. Each groundwater protection agency shall promulgate such  
6 rules, and issue such permits, policies, directives or any other  
7 appropriate requirements, as necessary, to implement the  
8 requirements of this subsection.

9           5. Groundwater protection agencies shall take such action as  
10 may be necessary to assure that activities within their respective  
11 jurisdictional areas of environmental responsibility protect  
12 groundwater quality to support the uses of the state's water  
13 quality.

14           6. In addition, each groundwater protection agency with  
15 enforcement authority is hereby authorized to:

16           a. engage the voluntary cooperation of all persons in the  
17 maintenance and protection of groundwater, and to  
18 advise, consult and cooperate with all persons, all  
19 agencies of the state, universities and colleges, the  
20 federal government or other states, and with  
21 interstate agencies in the furtherance of the purposes  
22 of this subsection, and to this end and for the  
23 purposes of studies, scientific or other  
24 investigations, research, experiments and

1           demonstrations pertaining thereto, receive and spend  
2           funds as appropriated by the Legislature, and from  
3           such agencies and other officers and persons on behalf  
4           of the state,

5           b.    encourage the formulation and execution of plans to  
6           maintain and protect groundwater by cooperative groups  
7           or associations of municipal corporations, industries,  
8           industrial users and other users of groundwaters of  
9           the state, who, jointly or severally, are or may be  
10          impacting on the maintenance and protection of  
11          groundwater,

12          c.    encourage, participate in or conduct or cause to be  
13          conducted studies, scientific or other investigations,  
14          research, experiments and demonstrations relating to  
15          the maintenance and protection of groundwater, and to  
16          collect data with respect thereto, all as may be  
17          deemed advisable and necessary to carry out the  
18          purposes of this subsection, and to make reports and  
19          recommendations with respect thereto,

20          d.    conduct groundwater sampling, data collection,  
21          analyses and evaluations with sufficient frequency to  
22          ascertain the characteristics and quality of  
23          groundwater and the sufficiency of the groundwater  
24

1 protection programs established pursuant to this  
2 subsection, and

3 e. develop a public education and promotion program to  
4 aid and assist in publicizing the need of, and  
5 securing support for, the maintenance and protection  
6 of groundwater.

7 ~~E.~~ D. Each state environmental agency and each state agency  
8 with limited environmental responsibilities shall participate in the  
9 information management system developed by the Department of  
10 Environmental Quality, pursuant to Section ~~6~~ 1-4-107 of this ~~act~~  
11 title, with such information as the Department shall reasonably  
12 request.

13 ~~F.~~ E. In each even-numbered year, in cooperation with other  
14 state environmental agencies participating in the monitoring of  
15 water resources, the Oklahoma Water Resources Board shall provide a  
16 report on the status of water quality monitoring to the Legislature  
17 for review.

18 SECTION 18. AMENDATORY 27A O.S. 2011, Section 2-2-201,  
19 is amended to read as follows:

20 Section 2-2-201. A. There are hereby created:

- 21 1. The Water Quality Management Advisory Council;
- 22 2. The Hazardous Waste Management Advisory Council;
- 23 3. The Solid Waste Management Advisory Council; and
- 24 4. The Radiation Management Advisory Council; ~~and~~

1       ~~5. The Laboratory Services Advisory Council.~~

2       B. 1. Except as provided for in paragraph 2 of this  
3 subsection, each Council created pursuant to subsection A of this  
4 section shall consist of nine (9) members. Three members shall be  
5 appointed by the Governor, three members shall be appointed by the  
6 Speaker of the House of Representatives and three members shall be  
7 appointed by the President Pro Tempore of the Senate. Appointments  
8 shall be for three-year terms. Members of the Advisory Councils  
9 shall serve at the pleasure of and may be removed from office by the  
10 appointing authority. Members shall continue to serve until their  
11 successors are appointed. Any vacancy shall be filled in the same  
12 manner as the original appointments. Five members shall constitute  
13 a quorum.

14       2. a. The Solid Waste Management Advisory Council shall  
15 consist of ten (10) members. Four members shall be  
16 appointed by the Governor, three members shall be  
17 appointed by the Speaker of the House of  
18 Representatives and three members shall be appointed  
19 by the President Pro Tempore of the Senate.  
20 Appointments shall be for three-year terms. Members  
21 of the Solid Waste Management Advisory Council shall  
22 serve at the pleasure of and may be removed from  
23 office by the appointing authority. Members shall  
24 continue to serve until their successors are

1 appointed. Any vacancy shall be filled in the same  
2 manner as the original appointments. Six members  
3 shall constitute a quorum.

4 b. The Water Quality Management Advisory Council shall  
5 consist of twelve (12) members. Four members shall be  
6 appointed by the Governor, four members shall be  
7 appointed by the President Pro Tempore of the Senate,  
8 and four members shall be appointed by the Speaker of  
9 the House of Representatives. Appointments shall be  
10 for three-year terms. Members shall serve at the  
11 pleasure of and may be removed by the appointing  
12 authority. Members may be eligible for re-appointment  
13 and shall continue to serve until their successors are  
14 appointed. Vacancies shall be filled in the same  
15 manner as their original appointments. Seven members  
16 shall constitute a quorum.

17 3. Each Council shall elect a chair and a vice-chair from among  
18 its members. Each Council shall meet as required for rule  
19 development, review and recommendation and for such other purposes  
20 specified by law. Special meetings may be called by the chair or by  
21 the concurrence of any three ~~(3)~~ members.

22 C. 1. All members of the Water Quality Management Advisory  
23 Council shall be knowledgeable of water quality and of the  
24 environment. The Council shall be composed as follows:

1 a. the Governor shall appoint ~~three~~ four (4) members as  
2 follows:

3 (1) one member representing the field of engineering,

4 (2) one member representing a statewide nonprofit  
5 environmental organization, ~~and~~

6 (3) one member representing the general public, and

7 (4) one member representing a private laboratory  
8 certified by the Department,

9 b. the President Pro Tempore of the Senate shall appoint  
10 ~~three~~ four members as follows:

11 (1) one member representing an industry located in  
12 this state,

13 (2) one member representing an oil field-related  
14 industry, ~~and~~

15 (3) one member representing the field of geology, and

16 (4) one member who holds a certificate under the  
17 Waterworks and Wastewater Works Operator  
18 Certification Act and who is the operator of a  
19 municipal waterworks or wastewater works  
20 facility, and

21 c. the Speaker of the House of Representatives shall  
22 appoint ~~three~~ four members as follows:  
23  
24

- 1 (1) one member representing a political subdivision  
2 of the state who shall be a member of the local  
3 governmental body of a city or town,
- 4 (2) one member representing a rural water district  
5 organized pursuant to the laws of this state, ~~and~~
- 6 (3) one member representing the field of agriculture,  
7 and
- 8 (4) one member who holds a certificate under the  
9 Waterworks and Wastewater Works Operator  
10 Certification Act and who is the operator of a  
11 waterworks or wastewater works for a rural water  
12 or sewer district organized pursuant to law.

13 2. The jurisdictional areas of the Water Quality Management  
14 Advisory Council shall include Article VI of this chapter, Article  
15 IV of this chapter, waterworks and wastewater activities, water  
16 quality and protection and related activities and such other areas  
17 as designated by the Board.

18 D. 1. All members of the Hazardous Waste Management Advisory  
19 Council shall be knowledgeable of hazardous waste and of the  
20 environment. The Council shall be composed as follows:

21 a. the Governor shall appoint three members as follows:

- 22 (1) one member representing an industry located in  
23 this state,

1 (2) one member representing a statewide nonprofit  
2 environmental organization, and

3 (3) one member representing a political subdivision  
4 of the state who shall be a member of the local  
5 governing body of a city or town,

6 b. the President Pro Tempore of the Senate shall appoint  
7 three members as follows:

8 (1) one member representing a political subdivision  
9 of the state who shall be a member of the local  
10 governmental body of a city or town,

11 (2) one member representing the general public, and

12 (3) one member representing industry generating  
13 hazardous waste, and

14 c. the Speaker of the House of Representatives shall  
15 appoint three members as follows:

16 (1) one member representing the field of engineering,

17 (2) one member representing the hazardous waste  
18 industry, and

19 (3) one member representing the field of geology.

20 2. The jurisdictional areas of the Hazardous Waste Management  
21 Advisory Council shall include Article VII of this chapter, the  
22 Oklahoma Hazardous Waste Reduction Program, and such other areas as  
23 designated by the Board.  
24

1 E. 1. All members of the Solid Waste Management Advisory  
2 Council shall be knowledgeable of solid waste and of the  
3 environment. The Council shall be composed as follows:

4 a. the Governor shall appoint four members as follows:

5 (1) one member representing a statewide nonprofit  
6 environmental organization,

7 (2) one member shall be a county commissioner,

8 (3) one member representing the general public, and

9 (4) one member representing the solid waste  
10 incineration, waste-to-energy industry in this  
11 state,

12 b. the President Pro Tempore of the Senate shall appoint  
13 three members as follows:

14 (1) one member representing an industry located in  
15 this state generating solid waste,

16 (2) one member representing a political subdivision  
17 of this state who shall be a member of the local  
18 governmental body of a city or town, and

19 (3) one member representing the field of geology, and

20 c. the Speaker of the House of Representatives shall  
21 appoint three members as follows:

22 (1) one member representing the solid waste disposal  
23 industry in this state,

24

- 1 (2) one member representing the field of engineering,  
2 and  
3 (3) one member representing the transportation  
4 industry.

5 2. The jurisdictional areas of the Solid Waste Management  
6 Advisory Council shall include Article X of this chapter, the  
7 Oklahoma Used Tire Recycling Act and such other areas as designated  
8 by the Board.

9 F. 1. All members of the Radiation Management Advisory Council  
10 shall be knowledgeable of radiation hazards and radiation  
11 protection. The Council shall be composed as follows:

12 a. the Governor shall appoint three members as follows:

- 13 (1) one member representing an industry located in  
14 this state which uses sources of radiation in its  
15 manufacturing or processing business,  
16 (2) one member representing a statewide nonprofit  
17 environmental organization, and  
18 (3) one member representing the engineering  
19 profession who shall be a professional engineer  
20 employed and experienced in matters of radiation  
21 management and protection,

22 b. the President Pro Tempore of the Senate shall appoint  
23 three members as follows:  
24

1 (1) one member representing the faculty of an  
2 institution of higher learning of university  
3 status and shall be experienced in matters of  
4 scientific knowledge and competent in matters of  
5 radiation management and protection,

6 (2) one member representing the general public, and

7 (3) one member representing the field of industrial  
8 radiography, and

9 c. the Speaker of the House of Representatives shall  
10 appoint three members as follows:

11 (1) one member representing the transportation  
12 industry,

13 (2) one member representing the petroleum industry  
14 who is trained and experienced in radiation  
15 management and protection, and

16 (3) one member representing a medical institution  
17 within this state who shall be experienced in  
18 matters of radiation management and protection.

19 2. The jurisdictional areas of the Radiation Management  
20 Advisory Council shall include Article IX of this chapter and such  
21 other areas as designated by the Board.

22 G. ~~1. All members of the Laboratory Services Advisory Council~~  
23 ~~shall be knowledgeable of laboratory services and certification~~  
24 ~~standards. The Council shall be composed as follows:~~

1           ~~a. the Governor shall appoint three members as follows:~~

2           ~~(1) one member representing a private laboratory~~  
3           ~~within the state certified by the Department,~~

4           ~~(2) one member representing the field of hydro-~~  
5           ~~geology, and~~

6           ~~(3) one member representing permit holders required~~  
7           ~~to routinely submit laboratory analyses results~~  
8           ~~to the Department,~~

9           ~~b. the President Pro Tempore of the Senate shall appoint~~  
10           ~~three members as follows:~~

11           ~~(1) one member representing a private laboratory~~  
12           ~~within the state certified by the Department,~~

13           ~~(2) one member representing a public laboratory~~  
14           ~~within the state certified by the Department, and~~

15           ~~(3) one member representing the field of~~  
16           ~~microbiology, and~~

17           ~~c. the Speaker of the House of Representatives shall~~  
18           ~~appoint three members as follows:~~

19           ~~(1) one member representing a private laboratory~~  
20           ~~within the state certified by the Department,~~

21           ~~(2) one member representing permit holders required~~  
22           ~~to routinely submit laboratory analyses results~~  
23           ~~to the Department, and~~

24

1                   ~~(3) one member representing the field of~~  
2                                   ~~environmental chemistry.~~

3           ~~2. The jurisdictional areas of the Laboratory Services Advisory~~  
4 ~~Council shall include Article IV of this chapter and such other~~  
5 ~~areas designated by the Board.~~

6           ~~H.~~ 1. The Air Quality Council created pursuant to Section 6,  
7 Chapter 215, O.S.L. 1992 (63 O.S. Supp. 1992, Section 1-1807.1)  
8 shall remain in effect as the Air Quality Advisory Council and carry  
9 on the powers and duties assigned to it by law. Future appointments  
10 to the Council shall be made according to the provisions of this  
11 section.

12           2. The Council shall consist of nine (9) members who shall be  
13 residents of this state and appointed by the Governor with the  
14 advice and consent of the Senate.

15           3. Members of the Council shall have the qualifications as  
16 follows:

- 17           a. one member shall be selected from the engineering  
18                   profession, and, as such, shall be a professional  
19                   engineer and experienced in matters of air pollution  
20                   equipment and control, who shall not be an employee of  
21                   any unit of government,
- 22           b. one member shall be selected from industry in general,  
23                   and, as such, shall be employed as a manufacturing  
24

1 executive carrying on a manufacturing business within  
2 this state,

3 c. one member shall be selected from a faculty of an  
4 institution of higher learning of university status  
5 and shall be experienced in matters of scientific  
6 knowledge and competent in matters of air pollution  
7 control and evaluation,

8 d. one member shall be selected from the transportation  
9 industry,

10 e. one member shall be selected from the petroleum  
11 industry, and, as such, shall be employed by a  
12 petroleum company carrying on a petroleum refining  
13 business within the state, and, as such, shall be  
14 trained and experienced in matters of scientific  
15 knowledge of causes as well as effects of air  
16 pollution,

17 f. one member shall be selected from agriculture, and, as  
18 such, shall be engaged in or employed by a basic  
19 agricultural business or the processing of  
20 agricultural products,

21 g. one member shall be selected from the political  
22 subdivisions of the state, and, as such, shall be a  
23 member of the local government body of a city or town,  
24

- 1           h. one member, whose first term shall expire on June 15,  
2           1998, shall be selected from the general public, and  
3           i. one member, whose first term shall expire on June 15,  
4           1999, shall be selected from the electric utilities  
5           industry, and as such, shall be knowledgeable in  
6           matters of air pollution and control.

7           4. Each member shall be appointed to serve a term of office of  
8 seven (7) years.

9           The terms of all members shall be deemed to have expired on June  
10 15th of the year of expiration, and shall continue until successors  
11 have been duly appointed and qualified. If a vacancy occurs, the  
12 Governor shall appoint a person for the remaining portion of the  
13 unexpired term created by the vacancy. Five members of the Council  
14 shall constitute a quorum.

15           5. The Council shall hold at least two regular meetings each  
16 calendar year at a place and time to be fixed by the Council. The  
17 Council shall select one of its members to serve as chair and  
18 another of its members to serve as vice-chair at the first regular  
19 meeting in each calendar year to serve as the chair and vice-chair  
20 for the ensuing year. Special meetings may be called, and any  
21 meeting may be canceled, by the chair, or by three members of the  
22 Council by delivery of written notice to each member of the Council.  
23  
24

1           6. The jurisdictional areas of the Air Quality Council shall  
2 include Article V of this chapter and such other areas as designated  
3 by the Board.

4           ~~F.~~ H. In addition to other powers and duties assigned to each  
5 Council pursuant to this Code, each Council shall, within its  
6 jurisdictional area:

7           1. Have authority to recommend to the Board rules on behalf of  
8 the Department. The Department shall not have standing to recommend  
9 to the Board permanent rules or changes to such rules within the  
10 jurisdiction of a Council which have not previously been submitted  
11 to the appropriate Council for action;

12           2. Before recommending any permanent rules to the Board, give  
13 public notice, offer opportunity for public comment and conduct a  
14 public rulemaking hearing when required by the Administrative  
15 Procedures Act;

16           3. Have the authority to make written recommendations to the  
17 Board which have been concurred upon by at least a majority of the  
18 membership of the Council;

19           4. Have the authority to provide a public forum for the  
20 discussion of issues it considers relevant to its area of  
21 jurisdiction, and to:

22                 a. pass nonbinding resolutions expressing the sense of  
23                         the Council, and  
24

1           b.    make recommendations to the Board or Department  
2                   concerning the need and the desirability of conducting  
3                   meetings, workshops and seminars; and

4           5.    Cooperate with each other Council, the public, the Board and  
5 the Executive Director in order to coordinate the rules within their  
6 respective jurisdictional areas and to achieve maximum efficiency  
7 and effectiveness in furthering the objectives of the Department.

8           ~~J.~~ I.   The Councils shall not recommend rules for promulgation  
9 by the Environmental Quality Board unless all applicable  
10 requirements of the Administrative Procedures Act have been  
11 followed, including but not limited to notice, rule impact statement  
12 and rule-making hearings.

13           ~~K.~~ J.   Members of the Councils shall serve without compensation  
14 but may be reimbursed expenses incurred in the performance of their  
15 duties, as provided in the State Travel Reimbursement Act. The  
16 Councils are authorized to utilize the conference rooms of the  
17 Department of Environmental Quality and obtain administrative  
18 assistance from the Department, as required.

19           SECTION 19.        REPEALER        36 O.S. 2011, Section 2211, is  
20 hereby repealed.

21           SECTION 20.        REPEALER        53 O.S. 2011, Section 7.3, is  
22 hereby repealed.

23           SECTION 21.        AMENDATORY       53 O.S. 2011, Section 400, is  
24 amended to read as follows:

1 Section 400. The Oklahoma American Civil War Sesquicentennial  
2 Commission is hereby created, to continue to July 1, 2015, in  
3 accordance with the provisions of the Oklahoma Sunset Law, to assist  
4 the Oklahoma Historical Society and the Oklahoma History Center in  
5 preparing for and commemorating the sesquicentennial of Oklahoma's  
6 participation in the American Civil War.

7 SECTION 22. AMENDATORY 53 O.S. 2011, Section 402, is  
8 amended to read as follows:

9 Section 402. A. The Oklahoma American Civil War  
10 Sesquicentennial Commission shall consist of twelve (12) members as  
11 follows:

- 12 1. Four members appointed by the Governor;
- 13 2. Four members appointed by the President Pro Tempore of the  
14 Senate; and
- 15 3. Four members appointed by the Speaker of the House of  
16 Representatives.

17 B. There is hereby created an advisory council to the  
18 Commission, to continue to July 1, 2015, in accordance with the  
19 provisions of the Oklahoma Sunset Law, to be composed of:

- 20 a. the Director of the Oklahoma History Center or  
21 designee,
- 22 b. the Executive Director of the Oklahoma Tourism and  
23 Recreation Department or designee,

24

- c. the President of the Oklahoma Historical Society or designee,
- d. the Director of the Native American Cultural and Educational Authority of Oklahoma or designee,
- e. the President of the Oklahoma County Civil War Roundtable or designee,
- f. the President of the Tulsa County Civil War Roundtable or designee,
- g. the Superintendent of the Honey Springs Battlefield or designee,
- h. the Curator of the Confederate Memorial Hall or designee, and
- i. the Curator of the Union Memorial Hall, or designee.

C. The members of the Commission shall serve at the pleasure of the appointing authority.

D. The Commission shall elect a chair and vice-chair from among its membership.

E. A quorum of the Commission shall be required in order for any final action of the Commission.

F. Members of the Commission shall receive no compensation for their service, but shall receive travel reimbursement as follows:

- 1. Legislative members of the Commission shall be reimbursed for necessary travel expenses incurred in the performance of their

1 duties in accordance with the provisions of Section 456 of Title 74  
2 of the Oklahoma Statutes; and

3 2. Nonlegislative members of the Commission shall be reimbursed  
4 for necessary travel expenses incurred in the performance of their  
5 duties in accordance with the State Travel Reimbursement Act.

6 G. The Oklahoma Historical Society shall provide staff support  
7 to the Commission.

8 H. The Commission shall submit to the Legislature an annual  
9 report, including any legislative findings to the President Pro  
10 Tempore of the Senate, the Speaker of the House of Representatives,  
11 and the Governor by January 1 of each year.

12 SECTION 23. REPEALER 57 O.S. 2011, Section 508.2c, as  
13 amended by Section 244, Chapter 304, O.S.L. 2012 (57 O.S. Supp.  
14 2012, Section 508.2c), is hereby repealed.

15 SECTION 24. REPEALER 59 O.S. 2011, Section 1103, as  
16 amended by Section 1, Chapter 55, O.S.L. 2012 (59 O.S. Supp. 2012,  
17 Section 1103), is hereby repealed.

18 SECTION 25. AMENDATORY 59 O.S. 2011, Section 1202, is  
19 amended to read as follows:

20 Section 1202. As used in this act: (1) the term "forester"  
21 means a person who, by reason of ~~his~~ the person's knowledge of the  
22 natural sciences, mathematics, and the principles of forestry,  
23 acquired by forestry education, as set forth in Section 12, (1) of  
24 this act, and/or practical experience is qualified to engage in the

1 practice of professional forestry as hereinafter defined; (2) the  
2 term "registered forester" means a person who has been licensed  
3 pursuant to the act; (3) the term "practice of professional  
4 forestry" means professional forestry services, including but not  
5 limited to consultation, investigation, evaluation, planning, or  
6 responsible supervisions of any forestry activities when such  
7 professional services require the application of forestry principles  
8 and techniques; and (4) the term "~~Board~~" "Department" means the  
9 ~~State Board of Registration for registered foresters~~ Oklahoma  
10 Department of Agriculture, Food, and Forestry.

11 SECTION 26. AMENDATORY 59 O.S. 2011, Section 1210, is  
12 amended to read as follows:

13 Section 1210. The ~~State Board of Registration for Foresters~~  
14 Oklahoma Department of Agriculture, Food, and Forestry shall keep a  
15 ~~record of its proceedings and a register of all applications for~~  
16 ~~registration, which.~~ The register shall show the name, age, and  
17 residence of ~~such~~ each applicant; the date of the application;  
18 address for the receipt of mail and the place of business of ~~such~~  
19 each applicant; the education and other qualifications of the  
20 applicant; whether or not an examination was required; whether the  
21 application was rejected; whether a license was granted; the date of  
22 the action of the ~~Board~~ Department; and such other information as  
23 may be deemed necessary by the ~~Board~~ Department.

24

1 SECTION 27. AMENDATORY 59 O.S. 2011, Section 1211, is  
2 amended to read as follows:

3 Section 1211. A roster showing the names and places of business  
4 of all registered foresters qualified according to the provisions of  
5 this act shall be prepared by the ~~secretary of the Board~~ Department  
6 during the month of March of each year. Copies of ~~such~~ the roster  
7 shall be mailed to each person ~~so~~ registered, placed on file with  
8 the Secretary of State and made available to the public upon  
9 request.

10 SECTION 28. AMENDATORY 59 O.S. 2011, Section 1212, is  
11 amended to read as follows:

12 Section 1212. (A) ~~The following shall be considered as minimum~~  
13 ~~evidence satisfactory to the Board that the applicant is qualified~~  
14 ~~for registration as a registered forester: (1) Graduation from a~~  
15 ~~university or college with a curriculum in forestry acceptable to~~  
16 ~~the Board, including one three-credit course in each of the~~  
17 ~~following subjects: silviculture, forest protection, forest~~  
18 ~~management, forest economics, and forest utilization; and a record~~  
19 ~~of an additional two (2) years' or more experience in forestry work~~  
20 ~~of a character satisfactory to the Board, and indicating that the~~  
21 ~~applicant is competent to practice professional forestry; or (2)~~  
22 ~~successfully passing an examination designed to show knowledge~~  
23 ~~approximation as obtained through graduation from an acceptable~~  
24 ~~four-year curriculum in forestry, and a record of four (4) years or~~

1 ~~more of active practice in forestry work of a character satisfactory~~  
2 ~~to the Board, and indicating that the applicant is competent to~~  
3 ~~practice professional forestry; provided, that after five (5) years~~  
4 ~~from the effective date of this act no~~ No person shall qualify as a  
5 registered forester unless ~~such~~ the person shall have graduated from  
6 a university or college with a curriculum in forestry acceptable to  
7 the ~~Board~~ Department, including one three credit course in each of  
8 the following subjects: silviculture, forest protection, forest  
9 management, forest economics, and forest utilization, and who has a  
10 record of an additional two (2) years or more of experience in  
11 forestry work of a character satisfactory to the ~~Board~~ Department,  
12 and indication that the applicant is competent to practice  
13 professional forestry.

14 (B) No person shall be eligible for registration as a registered  
15 forester who is not of good character and reputation. ~~The~~  
16 ~~completion of the junior year of a curriculum in forestry in a~~  
17 ~~university or college acceptable to the Board shall be considered as~~  
18 ~~equivalent to two (2) years of the practice of professional~~  
19 ~~forestry; the completion of the senior year of a curriculum in~~  
20 ~~forestry, without graduation, in a university or college acceptable~~  
21 ~~to the Board shall be considered as equivalent to three (3) years of~~  
22 ~~the practice of professional forestry.~~

23 SECTION 29. AMENDATORY 59 O.S. 2011, Section 1213, is  
24 amended to read as follows:

1 Section 1213. Applications for registration shall be made on  
2 forms prescribed and furnished by the ~~Board~~ Department, shall  
3 contain statements made under oath as to citizenship, residence, and  
4 the applicant's education and detailed summary of ~~his~~ the  
5 applicant's technical work, and shall contain the names of not less  
6 than five (5) persons, of whom three (3) or more shall be forestry  
7 school graduates, having personal or professional knowledge of ~~his~~  
8 the applicant's forestry experience. The forms shall also contain a  
9 code of ethics prepared and approved by the ~~Board~~ Department  
10 essentially conforming to the code of ethics of the Society of  
11 American Foresters. The registration fee for a certificate as a  
12 "licensed forester" shall be fixed by the Board but not to exceed  
13 Twenty-five Dollars (\$25.00), one-half (1/2) of which fee shall  
14 accompany the application, the balance to be paid before issuance of  
15 the certificate. Should the applicant fail or refuse to remit the  
16 ~~said~~ remaining balance within thirty (30) days after being notified  
17 by ~~registered~~ mail that the applicant has successfully qualified,  
18 the applicant shall forfeit the right to have a certificate ~~se~~  
19 issued and ~~said~~ the applicant may be required to again submit an  
20 original application and pay an original fee therefor. Should the  
21 ~~Board~~ Department deny the issuance of a certificate of registration  
22 to any applicant, the fee deposited shall be retained by the ~~Board~~  
23 Department as an application fee.

24

1 SECTION 30. AMENDATORY 59 O.S. 2011, Section 1214, is  
2 amended to read as follows:

3 Section 1214. When examinations are required, they shall be  
4 held at such time and place as the ~~Board~~ Department shall determine.  
5 The methods of procedure shall be prescribed by the ~~Board~~  
6 Department. A candidate failing an examination may apply for  
7 reexamination at the expiration of six (6) months and shall be  
8 entitled to one reexamination without payment of an additional fee.  
9 Subsequent examinations may be granted upon payment of a fee to be  
10 determined by the ~~Board~~ Department, but not in excess of Twenty-five  
11 Dollars (\$25.00).

12 SECTION 31. AMENDATORY 59 O.S. 2011, Section 1215, is  
13 amended to read as follows:

14 Section 1215. The ~~Board~~ Department shall issue a license upon  
15 payment of the registration fee as provided for in this act to any  
16 applicant who, in the opinion of the ~~Board~~ Department, has  
17 satisfactorily met all the requirements of the act. Licenses shall  
18 show the full name of the registrant, shall have a serial number,  
19 and shall be signed by the ~~chairman and secretary of the Board under~~  
20 ~~seal of the Board~~ Department. The issuance of a license by the  
21 ~~Board~~ Department shall be evidence that the person named therein is  
22 entitled to all the rights and privileges of a licensed forester  
23 while the said license remains unrevoked or unexpired. Plans, maps,  
24 specifications, and reports issued by a registrant shall be endorsed

1 with ~~his~~ the registrant's name and license number. It shall be a  
2 misdemeanor for anyone to endorse any plan, specifications,  
3 estimate, or map unless ~~he shall have~~ the registrant actually  
4 prepared ~~such~~ the plan, specification, estimate, or map or ~~shall~~  
5 ~~have been~~ was in ~~the~~ actual charge of the preparation ~~and/or~~  
6 responsible therefor.

7 SECTION 32. AMENDATORY 59 O.S. 2011, Section 1216, is  
8 amended to read as follows:

9 Section 1216. Licenses shall expire one (1) year after the date  
10 of their issuance or renewal and shall become invalid on that date  
11 unless renewed. It shall be the duty of the ~~secretary of the Board~~  
12 Department to notify, at ~~his~~ the registrant's last-registered  
13 address, every person registered under this act of the date of the  
14 expiration of ~~his~~ the license and the amount of the fee that shall  
15 be required for its renewal for one (1) year; ~~such~~ notice shall be  
16 mailed at least one (1) month in advance of the date of the  
17 expiration of ~~said~~ the license. The fee for renewal of licenses  
18 shall not exceed Ten Dollars (\$10.00). The ~~Board~~ Department shall  
19 make an exception to the foregoing renewal provisions in the case of  
20 a person while on active duty in any of the armed forces of the  
21 United States.

22 SECTION 33. AMENDATORY 59 O.S. 2011, Section 1218, is  
23 amended to read as follows:

24

1 Section 1218. A person not a resident of and having no  
2 established place of business in Oklahoma, or who has recently  
3 become a resident thereof, may become a licensed forester in  
4 Oklahoma provided: (1) ~~such~~ the person is legally licensed as a  
5 registered forester in ~~his own~~ the state or country of origin and  
6 ~~has submitted~~ submits evidence to the ~~Board that he is so licensed~~  
7 Department of the license and that the requirements for registration  
8 therein are at least substantially equivalent to the requirements of  
9 the act; and (2) the state or country in which ~~he is so~~ licensed  
10 observes these same rules of reciprocity in regard to persons  
11 originally licensed under the provisions of this act; and (3) the  
12 ~~Board~~ Department shall issue a qualified applicant a one-year permit  
13 upon receipt of a fee equal to one-year annual renewal, charged  
14 licensed foresters in this state.

15 SECTION 34. AMENDATORY 59 O.S. 2011, Section 1219, is  
16 amended to read as follows:

17 Section 1219. The ~~Board~~ Department shall have the power to  
18 revoke the license of any registrant who is found guilty by the  
19 ~~Board~~ Department of fraud, deceit, gross negligence, incompetency,  
20 or misconduct in connection with any forestry practice against any  
21 registrant. Such charges shall be written, shall be sworn to by the  
22 person making them, and shall be filed with ~~the secretary of the~~  
23 ~~Board~~ Department. All charges shall be heard by the ~~Board~~  
24 Department pursuant to its rules and regulations. A quorum of the

1 ~~Board~~ Department, for reasons it may deem sufficient, may reissue a  
2 license to any person whose license has been revoked. A new license  
3 to replace any license revoked, lost, destroyed or mutilated may be  
4 issued, subject to the rules of the ~~Board~~ Department, and upon  
5 payment of a fee of Three Dollars (\$3.00).

6 SECTION 35. AMENDATORY 59 O.S. 2011, Section 1220, is  
7 amended to read as follows:

8 Section 1220. Any person who shall practice or offer to  
9 practice the profession of forestry as a registered forester in this  
10 state, without being registered in accordance with the provisions of  
11 this act, or any person who shall use ~~in connection with his name~~ or  
12 otherwise assume, use, or advertise any title or description tending  
13 to convey the impression that ~~he~~ the person is a registered  
14 forester, without being registered in accordance with the provisions  
15 of this act, or any person who shall present or attempt to use as  
16 his own the license of another, or any person who shall give any  
17 false or forged evidence of any kind to the ~~Board~~ Department, or any  
18 member thereof, in obtaining a license, or any person who shall  
19 attempt to use an expired or revoked license, or any person, firm,  
20 partnership, or corporation who shall violate any of the provisions  
21 of this act, shall be guilty of a misdemeanor and upon conviction  
22 thereof shall be fined not less than One Hundred Dollars (\$100.00)  
23 or more than Five Hundred Dollars (\$500.00), and such monies shall  
24 be ~~impounded~~ collected by the ~~Board~~ Department. The ~~Board~~

1 Department, or such person or persons as may be designated by the  
2 ~~Board~~ Department to act in its stead, is empowered to prefer charges  
3 for any violations of this act in any court of competent  
4 jurisdiction. It shall be the duty of all duly-constituted officers  
5 of the law of this state to enforce the provisions of this act and  
6 to prosecute any persons, firms, partnerships, or corporations  
7 violating the same. ~~The Attorney General of the state or his~~  
8 ~~designated assistant shall act as legal advisor of the Board and~~  
9 ~~render such assistance as may be necessary in carrying out the~~  
10 ~~provisions of this act.~~

11 SECTION 36. REPEALER 59 O.S. 2011, Sections 1203, as  
12 amended by Section 1, Chapter 72, O.S.L. 2012, and by Section 279,  
13 Chapter 304, O.S.L. 2012, 1204, 1206, 1207 and 1208 (59 O.S. Supp.  
14 2012, Section 1203), are hereby repealed.

15 SECTION 37. REPEALER 60 O.S. 2011, Sections 180.51,  
16 180.52, 180.53, 180.54 and 180.55, are hereby repealed.

17 SECTION 38. AMENDATORY 62 O.S. 2011, Section 35.8, as  
18 amended by Section 417, Chapter 304, O.S.L. 2012 (62 O.S. Supp.  
19 2012, Section 35.8), is amended to read as follows:

20 Section 35.8 A. Notwithstanding any other provision of law,  
21 the provisions of the Information Technology Consolidation and  
22 Coordination Act shall operate to maintain or increase security  
23 standards and shall not jeopardize confidentiality or compliance  
24 with state or federal laws or regulations. The State Governmental

1 Technology Applications Review Board, ~~with the advice of the~~  
2 ~~Oklahoma Integrated Justice Information Systems Steering Committee,~~  
3 shall consider and approve security protocols which shall be  
4 followed by the Information Services Division of the Office of  
5 Management and Enterprise Services. The Board, ~~in conjunction with~~  
6 ~~the Committee,~~ shall make recommendations to state officers and  
7 employees related to continuity of criminal justice information  
8 system security protocols.

9 B. Notwithstanding the provisions of Section 35.5 of this  
10 title, the transfer of information technology assets and positions  
11 of the Department of Public Safety shall occur prior to the transfer  
12 of assets and positions of other public safety agencies.

13 SECTION 39. AMENDATORY 62 O.S. 2011, Section 90.2, is  
14 amended to read as follows:

15 Section 90.2. As used in the Rural Economic Development Loan  
16 Act:

17 1. "Commissioner" "Department" means the ~~President of the State~~  
18 ~~Board~~ Oklahoma Department of Agriculture, Food, and Forestry;

19 2. "Financial institution" means any office or branch of a  
20 bank, savings bank, savings association, building and loan  
21 association, savings and loan association, credit union or nonprofit  
22 lender exempt from taxation pursuant to the provisions of Section  
23 501(c) (3) of the Internal Revenue Code of the United States located  
24 in the State of Oklahoma;

1 3. "Participating financial institution" means a financial  
2 institution which pledges at least Three Million Dollars  
3 (\$3,000,000.00) but not to exceed Ten Million Dollars  
4 (\$10,000,000.00) to the Rural Economic Development Loan Revolving  
5 Fund;

6 4. "Qualified economic development project" means:

7 a. the development, construction, restoration, or  
8 replacement of a physical facility located or to be  
9 located in a rural area of this state, which has been  
10 initiated by a participating financial institution  
11 which has been certified by the ~~Rural Economic~~  
12 ~~Development Loan Program Review Board pursuant to the~~  
13 ~~provisions of paragraph 3 of subsection B of Section~~  
14 ~~90.4 of this title Department,~~ and

15 b. the commencement or expansion of economic activities  
16 that result in or that will, within three (3) years of  
17 the commencement of such activities, result in the  
18 employment of five (5) or more full-time-equivalent  
19 employees at a location in a rural area of this state  
20 in positions that did not exist prior to the  
21 commencement of such activities and which has been  
22 certified by the ~~Rural Economic Development Loan~~  
23 ~~Program Review Board pursuant to the provisions of~~

1 ~~paragraph 3 of subsection B of Section 90.4 of this~~  
2 ~~title Department; and~~

3 5. "Rural area" means an area designated as such by the Office  
4 of Rural Development of the United States Department of Agriculture.

5 SECTION 40. AMENDATORY 62 O.S. 2011, Section 90.3, is  
6 amended to read as follows:

7 Section 90.3. There is hereby created the Rural Economic  
8 Development Loan Program. The ~~Commissioner of~~ Oklahoma Department  
9 of Agriculture, Food, and Forestry shall administer the Program,  
10 under which reduced rate loans may be made by participating  
11 financial institutions, ~~after approval by the Rural Economic~~  
12 ~~Development Loan Program Review Board,~~ to finance qualified economic  
13 development projects from the Rural Economic Development Loan  
14 Revolving Fund created in Section 90.8 of this title. The  
15 ~~Commissioner~~ Department shall promulgate rules and take such other  
16 actions as may be necessary to implement the Program and monitor  
17 compliance of participating financial institutions and loan  
18 applicants and recipients.

19 SECTION 41. AMENDATORY 62 O.S. 2011, Section 90.5, is  
20 amended to read as follows:

21 Section 90.5. A. A participating financial institution that  
22 desires to make a rural economic development loan shall accept and  
23 review applications for loans in connection with qualified economic  
24 development projects. A package of more than one rural economic

1 development loan may be developed by a development company certified  
2 by the U.S. Small Business Administration or a political subdivision  
3 of this state or an agency thereof, and such entity may submit an  
4 application for one or more loans. The financial institution shall  
5 apply all usual lending standards and shall exercise due diligence  
6 to determine the creditworthiness of each applicant and to determine  
7 if the loan should be granted. Loans made under the Rural Economic  
8 Development Loan Act shall conform to the following conditions:

9 1. The maximum amount of loans under the Rural Economic  
10 Development Loan Act in connection with a particular qualified  
11 economic development project shall be determined by need in the  
12 rural area in which the project is located and the number of jobs  
13 created. ~~The Oklahoma Rural Economic Development Loan Program~~  
14 ~~Review Board~~ Oklahoma Department of Agriculture, Food, and Forestry  
15 shall have final decision-making authority as to the maximum amount  
16 of each loan;

17 2. The applicant shall certify on the loan application that the  
18 loan will be used exclusively in connection with the qualified  
19 economic development project in accordance with the purpose of the  
20 Rural Economic Development Loan Act;

21 3. No loan shall be approved for any otherwise eligible  
22 recipient when fifty percent (50%) or more of the interest in or  
23 control of such otherwise eligible recipient is owned directly or  
24

1 indirectly by a person who owns directly or indirectly fifty percent  
2 (50%) or more of or controls another participating recipient;

3 4. No loan shall be made to any officer or director of the  
4 financial institution making the loan or to any entity in which any  
5 such officer or director maintains a controlling interest;

6 5. No loan shall be made to any employee of the Oklahoma  
7 Department of Agriculture, Food, and Forestry or ~~members of the~~  
8 ~~Oklahoma Rural Economic Development Loan Program Review Board~~ or to  
9 any entity in which any ~~such~~ employee ~~or member~~ maintains a  
10 controlling interest;

11 6. Whoever knowingly makes a false statement concerning a rural  
12 economic development loan application shall be prohibited from  
13 participating in the Rural Economic Development Loan Program; and

14 7. Rural economic development loans may be renewed if the  
15 amount of principal has been reduced by a minimum of five percent  
16 (5%) per year and all interest has been paid from the time of the  
17 original loan.

18 B. The participating financial institution shall forward to the  
19 State Treasurer a rural economic development loan application in the  
20 form and manner prescribed and approved by the ~~Commissioner of~~  
21 ~~Agriculture~~ Department. The application shall include information  
22 regarding the amount of the loan requested by each applicant, the  
23 number of jobs to be created, and such other information the  
24 ~~Commissioner and the Board require~~ Department requires.

1 C. Upon receipt of a completed rural economic development loan  
2 application, the ~~Commissioner~~ Department shall forward the loan  
3 application to the ~~Board,~~ the Oklahoma Tax Commission, and the  
4 Oklahoma Employment Security Commission. The ~~Board~~ Department shall  
5 review the loan package to determine if the loan requested meets the  
6 requirements set forth under the Rural Economic Development Loan  
7 Act. Within ten (10) days of receipt of the loan package, the  
8 Oklahoma Tax Commission and the Oklahoma Employment Security  
9 Commission shall determine and certify ~~with the Board~~ whether or not  
10 the applicant is in good standing. The ~~Board~~ Department shall make  
11 a recommendation concerning the application ~~at~~ to the ~~next regularly~~  
12 ~~scheduled State Board meeting or at a special Board meeting of~~  
13 Agriculture, after receipt of the responses from the Oklahoma Tax  
14 Commission and the Oklahoma Employment Security Commission. No  
15 applicant ~~will~~ shall be approved without certification of good  
16 standing with the Oklahoma Tax Commission and Oklahoma Employment  
17 Security Commission. ~~The Board shall return the application to the~~  
18 ~~Commissioner with a written recommendation of approval or rejection.~~  
19 ~~If the Board recommends rejection, the written recommendation shall~~  
20 ~~include reasons therefor. The Board shall forward a copy of its~~  
21 ~~rejection notice to the financial institution and the applicant.~~  
22 ~~The Commissioner shall keep a chronological list of applications~~  
23 ~~forwarded by the Board for approval or rejection. Rejected~~

24

1 applications may be resubmitted after reasons for rejection have  
2 been addressed.

3 SECTION 42. AMENDATORY 62 O.S. 2011, Section 90.6, is  
4 amended to read as follows:

5 Section 90.6. A. Loans made pursuant to applications approved  
6 by the ~~Oklahoma Rural Economic Development Loan Program Review Board~~  
7 Department shall be subject to the availability of funds pledged to  
8 the Rural Economic Development Loan Revolving Fund, and if a loan is  
9 not funded for such reason, it shall be funded in the order of the  
10 priority given each loan application by the ~~Board~~ Department.

11 B. Upon acceptance of the loan or any portion thereof, the  
12 ~~Commissioner of Agriculture~~ Department shall notify the ~~Board~~, the  
13 participating financial institution and the applicant. The  
14 participating financial institution shall fund the loan to the  
15 approved applicant to the extent of its unencumbered pledge to the  
16 Rural Economic Development Loan Revolving Fund, not to exceed the  
17 amount of the loan accepted. If the amount of the participating  
18 financial institution's unencumbered pledge is less than the amount  
19 of the loan as accepted, the ~~Commissioner~~ Department shall notify  
20 all other participating financial institutions with an unencumbered  
21 pledge to the fund and shall require each such institution to  
22 transfer an amount to the Rural Economic Development Loan Revolving  
23 Fund. Such amount shall be equal to the amount of the remainder of  
24 the loan multiplied by the percentage of the institution's

1 unencumbered pledge of all unencumbered pledges. The ~~Commissioner~~  
2 Department shall transfer such amounts to the participating  
3 financial institution making the loan.

4 C. The percentage rate of the loan shall be reduced compared to  
5 the rate imposed with respect to other loans made by the financial  
6 institution to similar recipients for similar purposes in an amount  
7 determined by the financial institution making the loan.

8 D. The ~~Commissioner~~ Department may retain in the Rural Economic  
9 Development Loan Fund an amount not to exceed two percent (2%) of  
10 the total amount of a loan. Amounts retained pursuant to the  
11 provisions of this subsection may be expended by the ~~Commissioner~~  
12 Department for costs associated with administration of this act and  
13 may be paid by the State Treasurer to a development company  
14 certified by the U.S. Small Business Administration or a political  
15 subdivision of this state or agency thereof for costs associated  
16 with developing a loan package if all loans in the package are  
17 approved pursuant to the provisions of this act.

18 E. A certification of compliance with this section in the form  
19 and manner as prescribed by the ~~Commissioner~~ Department shall be  
20 required of the participating financial institution.

21 F. The participating financial institution making the loan  
22 shall, within three (3) business days of receipt, forward all  
23 payments received for repayment of the loan to the ~~Commissioner~~  
24 Department for immediate deposit to the Rural Economic Development

1 Loan Revolving Fund, until the amount deposited is equal to the  
2 amount transferred by other participating financial institutions in  
3 connection with the loan together with interest at the rate applied  
4 to the loan. The ~~Commissioner~~ Department shall forward such  
5 payments to such other participating financial institutions in  
6 proportion to the amounts transferred in connection with the loan.  
7 Remaining payments received for repayment of the loan shall be  
8 retained by the participating financial institution making the loan.

9 G. Neither the State of Oklahoma nor the ~~Commissioner~~  
10 Department shall be liable to any participating financial  
11 institution in any manner for payment of the principal or interest  
12 on a rural economic development loan.

13 SECTION 43. AMENDATORY 62 O.S. 2011, Section 90.7, is  
14 amended to read as follows:

15 Section 90.7. The ~~Commissioner of Agriculture~~ Department, in  
16 ~~conjunction~~ consultation with the State Banking Commissioner, shall  
17 promulgate rules and prescribe forms to implement the provisions of  
18 the Rural Economic Development Loan Act, which shall include, but  
19 not be limited to, those necessary to effect contractual  
20 arrangements between participating financial institutions pursuant  
21 to the making and collection of loans pursuant to the provisions of  
22 subsection B of Section 90.6 of this title.

23  
24

1 SECTION 44. AMENDATORY 62 O.S. 2011, Section 90.8, as  
2 amended by Section 442, Chapter 304, O.S.L. 2012 (62 O.S. Supp.  
3 2012, Section 90.8), is amended to read as follows:

4 Section 90.8. There is hereby created in the State Treasury a  
5 revolving fund for the ~~Commissioner~~ Oklahoma Department of  
6 Agriculture, Food, and Forestry to be designated the "Rural Economic  
7 Development Loan Revolving Fund". The fund shall be a continuing  
8 fund, not subject to fiscal year limitations, and shall consist of  
9 all monies received by the ~~Commissioner~~ Department as provided in  
10 the Rural Economic Development Loan Act. All monies accruing to the  
11 credit of the fund are hereby appropriated and may be budgeted and  
12 expended by the ~~Commissioner~~ Department for the purpose of  
13 implementing the Rural Economic Development Loan Act. Expenditures  
14 from the fund shall be made upon warrants issued by the State  
15 Treasurer against claims filed as prescribed by law with the  
16 Director of the Office of Management and Enterprise Services for  
17 approval and payment.

18 SECTION 45. AMENDATORY 63 O.S. 2011, Section 683.6, is  
19 amended to read as follows:

20 Section 683.6 A. ~~There is hereby created an Emergency~~  
21 ~~Management Advisory Council. The members of the Council shall be~~  
22 ~~composed of the Governor, who shall serve as chair of the Council,~~  
23 ~~and the following department heads:~~

24

1 ~~1. The Director of the Oklahoma Department of Emergency~~  
2 ~~Management;~~

3 ~~2. The Commissioner of Public Safety;~~

4 ~~3. The Adjutant General;~~

5 ~~4. The State Commissioner of Health;~~

6 ~~5. The Commissioner of the Oklahoma Department of Agriculture,~~  
7 ~~Food, and Forestry;~~

8 ~~6. The Director of the Department of Human Services;~~

9 ~~7. The Director of the Department of Transportation;~~

10 ~~8. The Director of the Oklahoma Water Resources Board;~~

11 ~~9. The State Fire Marshal;~~

12 ~~10. The Department of Environmental Quality;~~

13 ~~11. The Oklahoma Sheriffs' Association; and~~

14 ~~12. The Director of the Oklahoma State Bureau of Narcotics and~~  
15 ~~Dangerous Drugs Control,~~  
16 ~~who shall serve without additional compensation.~~

17 ~~B. The Council shall advise the Governor and the Director on~~  
18 ~~all matters pertaining to emergency management.~~

19 ~~C. 1.~~ There is hereby created the State Hazard Mitigation  
20 Team, composed of the administrative heads of the following agencies  
21 or their designees:

22 ~~a.~~

23 ~~1.~~ Oklahoma Department of Emergency Management, who shall serve  
24 as the Team Coordinator~~;~~

- 1            ~~b.~~
- 2            2. Oklahoma Water Resources Board τi
- 3            ~~c.~~
- 4            3. Oklahoma Climatological Survey τi
- 5            ~~d.~~
- 6            4. Oklahoma Conservation Commission τi
- 7            ~~e.~~
- 8            5. Corporation Commission τi
- 9            ~~f.~~
- 10           6. Oklahoma Department of Commerce τi
- 11           ~~g.~~
- 12           7. Department of Environmental Quality τi
- 13           ~~h.~~
- 14           8. Department of Human Services τi
- 15           ~~i.~~
- 16           9. State Department of Health τi
- 17           ~~j.~~
- 18           10. Department of Transportation τi
- 19           ~~k.~~
- 20           11. Oklahoma Department of Agriculture, Food, and Forestry or
- 21 the Secretary of ~~the Oklahoma Department of Agriculture, Food, and~~
- 22 ~~Forestry~~ τi
- 23           ~~l.~~
- 24           12. Department of Wildlife Conservation τi

- 1 ~~m.~~
- 2 13. Oklahoma Historical Societyti
- 3 ~~n.~~
- 4 14. Oklahoma Insurance Departmentti
- 5 ~~o.~~
- 6 15. Association of County Commissioners of Oklahomati
- 7 ~~p.~~
- 8 16. Oklahoma Municipal Leagueti
- 9 ~~q.~~
- 10 17. State Fire Marshalti
- 11 ~~r.~~
- 12 18. Department of Laborti
- 13 ~~s.~~ a
- 14 19. A local Emergency Management Director as determined by the
- 15 President of the Oklahoma Emergency Management Associationti
- 16 ~~t.~~
- 17 20. State Chancellor or his or her representative for The
- 18 Oklahoma State System of Higher Educationti and
- 19 ~~u.~~
- 20 21. State Director or his or her representative for the
- 21 Oklahoma Department of Career and Technology Education.
- 22 ~~2.~~ B. Depending on the circumstances, the Team Coordinator may
- 23 request participation of the heads of any other state agencies as
- 24 deemed appropriate.

1        ~~3.~~ C. The Team Coordinator shall also request that a  
2 representative of the United States Army Corps of Engineers be  
3 appointed by the administrative head of the Tulsa District to  
4 participate on the Team.

5        ~~4.~~ D. The Team Coordinator shall also request a representative  
6 of the U.S. Department of Housing and Urban Development be appointed  
7 by the administrative head of the Oklahoma City office to  
8 participate on the team.

9        ~~5.~~ E. The State Hazard Mitigation Team will meet as determined  
10 by the Team Coordinator to review and recommend updates to the State  
11 Comprehensive All-hazard Mitigation Plan, and shall have those  
12 additional responsibilities as provided by the Team Coordinator,  
13 including, but not limited to, the review and recommendation for  
14 loan and grant application under the Oklahoma Flood Hazard  
15 Mitigation Program.

16        SECTION 46.        AMENDATORY        63 O.S. 2011, Section 683.26, is  
17 amended to read as follows:

18        Section 683.26 ~~Within the~~ The Oklahoma Department of Emergency  
19 Management, ~~there is hereby created the Oklahoma Office of~~  
20 ~~Volunteerism for the purpose of developing, promoting and supporting~~  
21 ~~emergency management volunteerism in the State of Oklahoma. The~~  
22 ~~Oklahoma Office of Volunteerism shall support:~~

23  
24

1        1. Support voluntary involvement in public and private  
2 emergency management programs to meet the needs of the citizens of  
3 the State of Oklahoma, ~~to stimulate;~~

4        2. Stimulate new voluntary emergency management initiatives and  
5 partnerships, ~~and to serve;~~ and

6        3. Serve as a resource and advocate within the State of  
7 Oklahoma for volunteer agencies, volunteers and programs which  
8 utilize volunteers to support emergency response and disaster  
9 recovery operations.

10        SECTION 47.        AMENDATORY        63 O.S. 2011, Section 683.28, is  
11 amended to read as follows:

12        Section 683.28 A. ~~The Oklahoma Office of Volunteerism shall be~~  
13 ~~subject to the authority and direction of the Director of the~~  
14 Oklahoma Department of Emergency Management.

15        B. ~~The Oklahoma Office of Volunteerism,~~ in cooperation with  
16 governmental entities, individual volunteers and volunteer  
17 organizations throughout the State of Oklahoma, shall:

18        1. Assist all state agencies in the development of emergency  
19 management volunteer programs;

20        2. Operate as a statewide information center for volunteer  
21 programs and needed services that could be delivered by volunteer  
22 programs;

23  
24

1           3. Provide or aid in the provision of technical assistance and  
2 training for directors and coordinators of volunteers, for staff,  
3 and for individual volunteers for state, local or private entities;

4           4. Assess and recognize the needs of communities throughout the  
5 State of Oklahoma and assist volunteer programs to meet emergency  
6 preparedness and disaster recovery programs;

7           5. Promote and coordinate efforts to expand and improve the  
8 statewide voluntary network;

9           6. Develop, implement and maintain a volunteer clearinghouse to  
10 disseminate information to support emergency management volunteer  
11 programs and to broaden voluntary involvement throughout the State  
12 of Oklahoma;

13           7. Promote communication and collaboration between public and  
14 private volunteer programs in the State of Oklahoma and between the  
15 public and private sector's initiatives in meeting emergency human  
16 needs;

17           8. Establish methods for supporting and promoting private  
18 sector leadership and responsibility for meeting emergency public  
19 needs;

20           9. Cooperate with federal, state, and local volunteer groups in  
21 collecting information on federal, state and private resources which  
22 may encourage and improve emergency management volunteer projects  
23 within the State of Oklahoma;

24

1 10. Develop a program to inform the public of the opportunities  
2 to volunteer and of the services emergency management volunteers  
3 provide within the State of Oklahoma; and

4 11. Cooperate with federal, state and local governments and  
5 voluntary groups in developing a plan and operational procedures for  
6 the receiving and disbursement of donated goods during times of  
7 disaster or emergency.

8 SECTION 48. REPEALER 63 O.S. 2011, Sections 683.27, as  
9 amended by Section 507, Chapter 304, O.S.L. 2012, 683.30 and 683.31  
10 (63 O.S. Supp. 2012, Section 683.27), are hereby repealed.

11 SECTION 49. REPEALER 66 O.S. 2011, Section 323.1, is  
12 hereby repealed.

13 SECTION 50. AMENDATORY 68 O.S. 2011, Section 205, is  
14 amended to read as follows:

15 Section 205. A. The records and files of the Oklahoma Tax  
16 Commission concerning the administration of the Uniform Tax  
17 Procedure Code or of any state tax law shall be considered  
18 confidential and privileged, except as otherwise provided for by  
19 law, and neither the Tax Commission nor any employee engaged in the  
20 administration of the Tax Commission or charged with the custody of  
21 any such records or files nor any person who may have secured  
22 information from the Tax Commission shall disclose any information  
23 obtained from the records or files or from any examination or  
24 inspection of the premises or property of any person.

1 B. Except as provided in paragraph 26 of subsection C of this  
2 section, neither the Tax Commission nor any employee engaged in the  
3 administration of the Tax Commission or charged with the custody of  
4 any such records or files shall be required by any court of this  
5 state to produce any of the records or files for the inspection of  
6 any person or for use in any action or proceeding, except when the  
7 records or files or the facts shown thereby are directly involved in  
8 an action or proceeding pursuant to the provisions of the Uniform  
9 Tax Procedure Code or of the state tax law, or when the  
10 determination of the action or proceeding will affect the validity  
11 or the amount of the claim of the state pursuant to any state tax  
12 law, or when the information contained in the records or files  
13 constitutes evidence of violation of the provisions of the Uniform  
14 Tax Procedure Code or of any state tax law.

15 C. The provisions of this section shall not prevent the Tax  
16 Commission from disclosing the following information and no  
17 liability whatsoever, civil or criminal, shall attach to any member  
18 of the Tax Commission or any employee thereof for any error or  
19 omission in the disclosure of such information:

20 1. The delivery to a taxpayer or a duly authorized  
21 representative of the taxpayer of a copy of any report or any other  
22 paper filed by the taxpayer pursuant to the provisions of the  
23 Uniform Tax Procedure Code or of any state tax law;

24

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

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

7        4. The examination of records and files by the State Auditor  
8 and Inspector or the duly authorized agents of the State Auditor and  
9 Inspector;

10       5. The disclosing of information or evidence to the Oklahoma  
11 State Bureau of Investigation, Attorney General, Oklahoma State  
12 Bureau of Narcotics and Dangerous Drugs Control, any district  
13 attorney, or agent of any federal law enforcement agency when the  
14 information or evidence is to be used by such officials to  
15 investigate or prosecute violations of the criminal provisions of  
16 the Uniform Tax Procedure Code or of any state tax law or of any  
17 federal crime committed against this state. Any information  
18 disclosed to the Oklahoma State Bureau of Investigation, Attorney  
19 General, Oklahoma State Bureau of Narcotics and Dangerous Drugs  
20 Control, any district attorney, or agent of any federal law  
21 enforcement agency shall be kept confidential by such person and not  
22 be disclosed except when presented to a court in a prosecution for  
23 violation of the tax laws of this state or except as specifically  
24 authorized by law, and a violation by the Oklahoma State Bureau of

1 Investigation, Attorney General, Oklahoma State Bureau of Narcotics  
2 and Dangerous Drugs Control, district attorney, or agent of any  
3 federal law enforcement agency by otherwise releasing the  
4 information shall be a felony;

5 6. The use by any division of the Tax Commission of any  
6 information or evidence in the possession of or contained in any  
7 report or return filed with any other division of the Tax  
8 Commission;

9 7. The furnishing, at the discretion of the Tax Commission, of  
10 any information disclosed by its records or files to any official  
11 person or body of this state, any other state, the United States, or  
12 foreign country who is concerned with the administration or  
13 assessment of any similar tax in this state, any other state or the  
14 United States. The provisions of this paragraph shall include the  
15 furnishing of information by the Tax Commission to a county assessor  
16 to determine the amount of gross household income pursuant to the  
17 provisions of Section 8C of Article X of the Oklahoma Constitution  
18 or Section 2890 of this title. The Tax Commission shall promulgate  
19 rules to give guidance to the county assessors regarding the type of  
20 information which may be used by the county assessors in determining  
21 the amount of gross household income pursuant to Section 8C of  
22 Article X of the Oklahoma Constitution or Section 2890 of this  
23 title. The provisions of this paragraph shall also include the

24

1 furnishing of information to the State Treasurer for the purpose of  
2 administration of the Uniform Unclaimed Property Act;

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

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

15 10. The furnishing of information requested by any member of  
16 the general public and stated in the findings of the Tax Commission  
17 as to the adjustment and equalization of the valuation of real and  
18 personal property of the counties of the state, which are submitted  
19 to and certified by the State Board of Equalization pursuant to the  
20 provisions of Section 2865 of this title and Section 21 of Article X  
21 of the Oklahoma Constitution;

22 11. The furnishing of information to an Oklahoma wholesaler of  
23 low-point beer, licensed under the provisions of Section 163.1 et  
24 seq. of Title 37 of the Oklahoma Statutes, or an association or

1 organization whose membership is comprised of such wholesalers, of  
2 the licensed retailers authorized by law to purchase low-point beer  
3 in this state or the furnishing of information to a licensed  
4 Oklahoma wholesaler of low-point beer of shipments by licensed  
5 manufacturers into this state;

6 12. The furnishing of information as to the issuance or  
7 revocation of any tax permit, license or exemption by the Tax  
8 Commission as provided for by law. Such information shall be  
9 limited to the name of the person issued the permit, license or  
10 exemption, the name of the business entity authorized to engage in  
11 business pursuant to the permit, license or exemption, the address  
12 of the business entity, and the grounds for revocation;

13 13. The posting of notice of revocation of any tax permit or  
14 license upon the premises of the place of business of any business  
15 entity which has had any tax permit or license revoked by the Tax  
16 Commission as provided for by law. Such notice shall be limited to  
17 the name of the person issued the permit or license, the name of the  
18 business entity authorized to engage in business pursuant to the  
19 permit or license, the address of the business entity, and the  
20 grounds for revocation;

21 14. The furnishing of information upon written request by any  
22 member of the general public as to the outstanding and unpaid amount  
23 due and owing by any taxpayer of this state for any delinquent tax,  
24

1 together with penalty and interest, for which a tax warrant or a  
2 certificate of indebtedness has been filed pursuant to law;

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

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

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

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

17 19. The disclosure to an employer, as defined in Sections  
18 2385.1 and 2385.3 of this title, of information required in order to  
19 collect the tax imposed by Section 2385.2 of this title;

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

24

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

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

18        23. The furnishing of information regarding incentive payments  
19 made pursuant to the provisions of Sections 3601 through 3609 of  
20 this title or incentive payments made pursuant to the provisions of  
21 Sections 3501 through 3508 of this title;

22        24. The furnishing to a prospective purchaser of any business,  
23 or his or her authorized representative, of information relating to  
24 any liabilities, delinquencies, assessments or warrants of the

1 prospective seller of the business which have not been filed of  
2 record, established, or become final and which relate solely to the  
3 seller's business. Any disclosure under this paragraph shall only  
4 be allowed upon the presentment by the prospective buyer, or the  
5 buyer's authorized representative, of the purchase contract and a  
6 written authorization between the parties;

7 25. The furnishing of information as to the amount of state  
8 revenue affected by the issuance or granting of any tax permit,  
9 license, exemption, deduction, credit or other tax preference by the  
10 Tax Commission as provided for by law. Such information shall be  
11 limited to the type of permit, license, exemption, deduction, credit  
12 or other tax preference issued or granted, the date and duration of  
13 such permit, license, exemption, deduction, credit or other tax  
14 preference and the amount of such revenue. The provisions of this  
15 paragraph shall not authorize the disclosure of the name of the  
16 person issued such permit, license, exemption, deduction, credit or  
17 other tax preference, or the name of the business entity authorized  
18 to engage in business pursuant to the permit, license, exemption,  
19 deduction, credit or other tax preference;

20 26. The examination of records and files of a person or entity  
21 by the Oklahoma State Bureau of Narcotics and Dangerous Drugs  
22 Control pursuant to a court order by a magistrate in whose  
23 territorial jurisdiction the person or entity resides, or where the  
24 Tax Commission records and files are physically located. Such an

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

21 27. The disclosure of information, as prescribed by this  
22 paragraph, which is related to the proposed or actual usage of tax  
23 credits pursuant to Section 2357.7 of this title, the Small Business  
24 Capital Formation Incentive Act or the Rural Venture Capital

1 Formation Incentive Act. Unless the context clearly requires  
2 otherwise, the terms used in this paragraph shall have the same  
3 meaning as defined by Section 2357.7, 2357.61 or 2357.72 of this  
4 title. The disclosure of information authorized by this paragraph  
5 shall include:

6 a. the legal name of any qualified venture capital  
7 company, qualified small business capital company, or  
8 qualified rural small business capital company,

9 b. the identity or legal name of any person or entity  
10 that is a shareholder or partner of a qualified  
11 venture capital company, qualified small business  
12 capital company, or qualified rural small business  
13 capital company,

14 c. the identity or legal name of any Oklahoma business  
15 venture, Oklahoma small business venture, or Oklahoma  
16 rural small business venture in which a qualified  
17 investment has been made by a capital company, or

18 d. the amount of funds invested in a qualified venture  
19 capital company, the amount of qualified investments  
20 in a qualified small business capital company or  
21 qualified rural small business capital company and the  
22 amount of investments made by a qualified venture  
23 capital company, qualified small business capital  
24



1 and the Speaker of the House of Representatives. The Tax Commission  
2 may prepare and submit supplements to the report at other times of  
3 the year if additional or updated information relevant to the report  
4 becomes available. The report shall include, for the previous  
5 fiscal year, the Tax Commission's best estimate of the amount of  
6 state revenue that would have been collected but for the existence  
7 of each such exclusion, deduction, credit, exemption, deferral or  
8 other preferential tax treatment allowed by law. The Tax Commission  
9 may request the assistance of other state agencies as may be needed  
10 to prepare the report. The Tax Commission is authorized to require  
11 any recipient of a tax incentive or tax expenditure to report to the  
12 Tax Commission such information as requested so that the Tax  
13 Commission may ~~provide the information to the Incentive Review~~  
14 ~~Committee or~~ fulfill its obligations as required by this subsection.  
15 The Tax Commission may require this information to be submitted in  
16 an electronic format. The Tax Commission may disallow any claim of  
17 a person for a tax incentive due to its failure to file a report as  
18 required under the authority of this subsection. ~~The Tax Commission~~  
19 ~~may consult with the Incentive Review Committee to develop a~~  
20 ~~reporting system to obtain the information requested in a manner~~  
21 ~~that is the least burdensome on the taxpayer.~~

22 F. It is further provided that the provisions of this section  
23 shall be strictly interpreted and shall not be construed as  
24 permitting the disclosure of any other information contained in the

1 records and files of the Tax Commission relating to income tax or to  
2 any other taxes.

3 G. Unless otherwise provided for in this section, any violation  
4 of the provisions of this section shall constitute a misdemeanor and  
5 shall be punishable by the imposition of a fine not exceeding One  
6 Thousand Dollars (\$1,000.00) or by imprisonment in the county jail  
7 for a term not exceeding one (1) year, or by both such fine and  
8 imprisonment, and the offender shall be removed or dismissed from  
9 office.

10 H. Offenses described in Section 2376 of this title shall be  
11 reported to the appropriate district attorney of this state by the  
12 Tax Commission as soon as the offenses are discovered by the Tax  
13 Commission or its agents or employees. The Tax Commission shall  
14 make available to the appropriate district attorney or to the  
15 authorized agent of the district attorney its records and files  
16 pertinent to prosecutions, and such records and files shall be fully  
17 admissible as evidence for the purpose of such prosecutions.

18 SECTION 51. REPEALER 68 O.S. 2011, Section 205.4, is  
19 hereby repealed.

20 SECTION 52. REPEALER 68 O.S. 2011, Section 1354.12 and  
21 1354.13, are hereby repealed.

22 SECTION 53. AMENDATORY 68 O.S. 2011, Section 3603, as  
23 amended by Section 1, Chapter 310, O.S.L. 2012 (68 O.S. Supp. 2012,  
24 Section 3603), is amended to read as follows:

1 Section 3603. A. As used in Section 3601 et seq. of this  
2 title:

3 1. a. "Basic industry" means:

4 (1) those manufacturing activities defined or  
5 classified in the NAICS Manual under Industry  
6 Sector Nos. 31, 32 and 33, Industry Group No.  
7 5111 or Industry No. 11331,

8 (2) those electric power generation, transmission and  
9 distribution activities defined or classified in  
10 the NAICS Manual under U.S. Industry Nos. 221111  
11 through 221122, if:

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

15 (b) the exempt wholesale generator facility  
16 consumes from sources located within the  
17 state at least ninety percent (90%) of the  
18 total energy used to produce the electrical  
19 output which qualifies for the specialized  
20 treatment provided by the Energy Policy Act  
21 of 1992, P.L. 102-486, 106 Stat. 2776, as  
22 amended, and federal regulations adopted  
23 pursuant thereto,

24

1 (c) the exempt wholesale generator facility  
2 sells to purchasers located outside the  
3 state for consumption in activities located  
4 outside the state at least ninety percent  
5 (90%) of the total electrical energy output  
6 which qualifies for the specialized  
7 treatment provided by the Energy Policy Act  
8 of 1992, P.L. 102-486, 106 Stat. 2776, as  
9 amended, and federal regulations adopted  
10 pursuant thereto, and

11 (d) the facility is constructed on or after July  
12 1, 1996,

13 (3) those administrative and facilities support  
14 service activities defined or classified in the  
15 NAICS Manual under Industry Group Nos. 5611 and  
16 5612, Industry Nos. 51821, 519130, 52232, 56142  
17 and 54191 or U.S. Industry Nos. 524291 and  
18 551114, those other support activities for air  
19 transportation defined or classified in the NAICS  
20 Manual under Industry Group No. 488190, and those  
21 support, repair, and maintenance service  
22 activities for the wind industry defined or  
23 classified in the NAICS Manual under Industry  
24 Group No. 811310,

- 1 (4) those professional, scientific and technical  
2 service activities defined or classified in the  
3 NAICS Manual under U.S. Industry Nos. 541710 and  
4 541380,
- 5 (5) distribution centers for retail or wholesale  
6 businesses defined or classified in the NAICS  
7 Manual under Sector No. 42, if forty percent  
8 (40%) or more of the inventory processed through  
9 such warehouse is shipped out-of-state,
- 10 (6) those adjustment and collection service  
11 activities defined or classified in the NAICS  
12 Manual under U.S. Industry No. 561440, if  
13 seventy-five percent (75%) of the loans to be  
14 serviced were made by out-of-state debtors,
- 15 (7) (a) those air transportation activities defined  
16 or classified in the NAICS Manual under  
17 Industry Group No. 4811, if the following  
18 facilities are located in this state:
- 19 (i) the corporate headquarters of an  
20 establishment classified therein, and  
21 (ii) a facility or facilities at which  
22 reservations for transportation  
23 provided by such an establishment are  
24 processed, whether such services are

1 performed by employees of the  
2 establishment, by employees of a  
3 subsidiary of or other entity  
4 affiliated with the establishment or by  
5 employees of an entity with whom the  
6 establishment has contracted for the  
7 performance of such services; provided,  
8 this provision shall not disqualify an  
9 establishment which uses an out-of-  
10 state entity or employees for some  
11 reservations services, or

12 (b) those air transportation activities defined  
13 or classified in the NAICS Manual under  
14 Industry Group No. 4811, if an establishment  
15 classified therein has or will have within  
16 one (1) year sales of at least seventy-five  
17 percent (75%) of its total sales, as  
18 determined by the Incentive Approval  
19 Committee pursuant to the provisions of  
20 subsection B of this section, to out-of-  
21 state customers or buyers, to in-state  
22 customers or buyers if the product or  
23 service is resold by the purchaser to an  
24

1 out-of-state customer or buyer for ultimate  
2 use, or to the federal government,

3 (8) flight training services activities defined or  
4 classified in the NAICS Manual under U.S.

5 Industry Group No. 611512, which for purposes of  
6 Section 3601 et seq. of this title shall include  
7 new direct jobs for which gross payroll existed  
8 on or after January 1, 2003, as identified in the  
9 NAICS Manual,

10 (9) the following, if an establishment classified  
11 therein has or will have within one (1) year  
12 sales of at least seventy-five percent (75%) of  
13 its total sales, as determined by the Incentive  
14 Approval Committee pursuant to the provisions of  
15 subsection B of this section, to out-of-state  
16 customers or buyers, to in-state customers or  
17 buyers if the product or service is resold by the  
18 purchaser to an out-of-state customer or buyer  
19 for ultimate use, or to the federal government:

20 (a) those transportation and warehousing  
21 activities defined or classified in the  
22 NAICS Manual under Industry Subsector No.  
23 493, if not otherwise listed in this  
24

1 paragraph, Industry Subsector No. 484 and  
2 Industry Group Nos. 4884 through 4889,

3 (b) those passenger transportation activities  
4 defined or classified in the NAICS Manual  
5 under Industry Nos. 561510, 561520 and  
6 561599,

7 (c) those freight or cargo transportation  
8 activities defined or classified in the  
9 NAICS Manual under Industry No. 541614,

10 (d) those insurance activities defined or  
11 classified in the NAICS Manual under  
12 Industry Group No. 5241,

13 (e) those mailing, reproduction, commercial art  
14 and photography and stenographic service  
15 activities defined or classified in the  
16 NAICS Manual under U.S. Industry Nos.  
17 541430, 541860, 541922, 561439 and 561492,

18 (f) those services to dwellings and other  
19 buildings, as defined or classified in the  
20 NAICS Manual under Industry Group No. 5617,  
21 excluding U.S. Industry No. 561730,

22 (g) those equipment rental and leasing  
23 activities defined or classified in the  
24

1 NAICS Manual under Industry Group Nos. 5323  
2 and 5324,

3 (h) those employment services defined or  
4 classified in the NAICS Manual under  
5 Industry Group No. 5613,

6 (i) those information technology and other  
7 computer-related service activities defined  
8 or classified in the NAICS Manual under  
9 Industry Group Nos. 5112, 5182, 5191 and  
10 5415,

11 (j) those business support service activities  
12 defined or classified in the NAICS Manual  
13 under U.S. Industry Nos. 561410 through  
14 561439, Industry Group No. 5616 and Industry  
15 No. 51911,

16 (k) those medical and diagnostic laboratory  
17 activities defined or classified in the  
18 NAICS Manual under Industry Group No. 6215,

19 (l) those professional, scientific and technical  
20 service activities defined or classified in  
21 the NAICS Manual under Industry Group Nos.  
22 5412, 5414, 5415, 5416 and 5417, Industry  
23 Nos. 54131, 54133, 54136, 54137 and 54182,  
24

1 and U.S. Industry No. 541990, if not  
2 otherwise listed in this paragraph,

3 (m) those communication service activities  
4 defined or classified in the NAICS Manual  
5 under Industry Nos. 51741 and 51791,

6 (n) those refuse systems activities defined or  
7 classified in the NAICS Manual under  
8 Industry Group No. 5622, provided that the  
9 establishment is primarily engaged in the  
10 capture and distribution of methane gas  
11 produced within a landfill,

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

15 (p) those activities relating to processing of  
16 insurance claims, defined or classified in  
17 the NAICS Manual under U.S. Industry Nos.  
18 524210 and 524292; provided, activities  
19 described in U.S. Industry Nos. 524210 and  
20 524292 in the NAICS Manual other than  
21 processing of insurance claims shall not be  
22 included for purposes of this subdivision,  
23  
24

1 (q) those agricultural activities classified in  
2 the NAICS Manual under U.S. Industry Nos.  
3 112120 and 112310,

4 (r) those professional organization activities  
5 classified in the NAICS Manual under U.S.  
6 Industry No. 813920,

7 (s) alternative energy structure construction  
8 classified in the NAICS Manual under U.S.  
9 Industry No. 237130,

10 (t) solar reflective coating application  
11 classified in the NAICS Manual under U.S.  
12 Industry No. 238160, and

13 (u) solar heating equipment installation  
14 classified in the NAICS Manual under U.S.  
15 Industry No. 238220;

16 (10) those activities related to extraction of crude  
17 petroleum and natural gas defined or classified  
18 in the NAICS Manual under Industry Group No. 2111  
19 or 213111, subject to the limitations provided in  
20 paragraph 3 of this subsection and paragraph 3 of  
21 subsection B of this section,

22 (11) those activities performed by the federal  
23 civilian workforce at a facility of the Federal  
24 Aviation Administration located in this state if

1 the Director of the Department of Commerce  
2 determines or is notified that the federal  
3 government is soliciting proposals or otherwise  
4 inviting states to compete for additional federal  
5 civilian employment or expansion of federal  
6 civilian employment at such facilities,

7 (12) those activities defined or classified in the  
8 NAICS Manual under U.S. Industry No. 711211 (2007  
9 version),

10 (13) those real estate or brokerage activities  
11 classified in the NAICS Manual under U.S.  
12 Industry No. 53120 for which at least seventy-  
13 five percent (75%) of the establishment's  
14 revenues are attributed to out-of-state sales and  
15 at least seventy-five percent (75%) of the real  
16 estate transactions generating those revenues are  
17 attributed to real property located outside the  
18 State of Oklahoma, or

19 (14) those support activities for rail transportation  
20 and those support activities for water  
21 transportation defined or classified in the NAICS  
22 Manual under U.S. Industry Nos. 4882 and 4883.

23 b. An establishment described in subparagraph a of this  
24 paragraph shall not be considered to be engaged in a

1 basic industry unless it offers, or will offer within  
2 one hundred eighty (180) days of employment, a basic  
3 health benefits plan to the individuals it employs in  
4 new direct jobs in this state which is determined by  
5 the Oklahoma Department of Commerce to consist of the  
6 following elements or elements substantially  
7 equivalent thereto:

- 8 (1) not more than fifty percent (50%) of the premium  
9 shall be paid by the employee,
- 10 (2) coverage for basic hospital care,
- 11 (3) coverage for physician care,
- 12 (4) coverage for mental health care,
- 13 (5) coverage for substance abuse treatment,
- 14 (6) coverage for prescription drugs, and
- 15 (7) coverage for prenatal care;

16 2. "Change in control event" means the transfer to one or more  
17 unrelated establishments or unrelated persons, of either:

- 18 a. beneficial ownership of more than fifty percent (50%)  
19 in value and more than fifty percent (50%) in voting  
20 power of the outstanding equity securities of the  
21 transferred establishment, or
- 22 b. more than fifty percent (50%) in value of the assets  
23 of an establishment.

1 A transferor shall be treated as related to a transferee if more  
2 than fifty percent (50%) of the voting interests of the transferor  
3 and transferee are owned, directly or indirectly, by the other or  
4 are owned, directly or indirectly, by the same person or persons,  
5 unless such transferred establishment has an outstanding class of  
6 equity securities registered under Sections 12(b) or 15(d) of the  
7 Securities Exchange Act of 1934, as amended, in which event the  
8 transferor and transferee will be treated as unrelated; provided, an  
9 establishment applying for the Oklahoma Quality Jobs Program Act as  
10 a result of a change of control event is required to apply within  
11 one hundred eighty (180) days of the change in control event to  
12 qualify for consideration. An establishment entering the Oklahoma  
13 Quality Jobs Program Act as the result of a change of control event  
14 shall be required to maintain a level of new direct jobs as agreed  
15 to in its contract with the Department of Commerce and to pay new  
16 direct jobs an average annualized wage which equals or exceeds one  
17 hundred twenty-five percent (125%) of the average county wage as  
18 that percentage is determined by the ~~Oklahoma State Data Center~~  
19 Department of Commerce based upon the most recent U.S. Department of  
20 Commerce data for the county in which the new jobs are located. For  
21 purposes of this paragraph, healthcare premiums paid by the  
22 applicant for individuals in new direct jobs shall not be included  
23 in the annualized wage. Such establishment entering the Quality  
24 Jobs Program Act as the result of a change of control event shall be

1 required to retain the contracted average annualized wage and  
2 maintain the contracted maintenance level of new direct jobs numbers  
3 as certified by the Tax Commission. If the required average  
4 annualized wage or the required new direct jobs numbers do not equal  
5 or exceed such contracted level during any quarter, the quarterly  
6 incentive payments shall not be made and shall not be resumed until  
7 such time as such requirements are met. An establishment described  
8 in this paragraph shall be required to repay all incentive payments  
9 received under the Quality Jobs Program Act if the establishment is  
10 determined by the Oklahoma Tax Commission to no longer have business  
11 operations in the state within three (3) years from the beginning of  
12 the calendar quarter for which the first incentive payment claim is  
13 filed.

14 3. "New direct job":

15 a. means full-time-equivalent employment in this state in  
16 an establishment which has qualified to receive an  
17 incentive payment pursuant to the provisions of  
18 Section 3601 et seq. of this title which employment  
19 did not exist in this state prior to the date of  
20 approval by the Department of the application of the  
21 establishment pursuant to the provisions of Section  
22 3604 of this title and with respect to an  
23 establishment qualifying for incentive payments  
24 pursuant to division (12) of subparagraph a of

1 paragraph 1 of this subsection shall not include  
2 compensation paid to an employee or independent  
3 contractor for an athletic contest conducted in the  
4 state if the compensation is paid by an entity that  
5 does not have its principal place of business in the  
6 state or that does not own real or personal property  
7 having a market value of at least One Million Dollars  
8 (\$1,000,000.00) located in the state, and the  
9 employees or independent contractors of such entity  
10 are compensated to compete against the employees or  
11 independent contractors of an establishment that  
12 qualifies for incentive payments pursuant to division  
13 (12) of subparagraph a of paragraph 1 of this  
14 subsection and which is organized under Oklahoma law  
15 or that is lawfully registered to do business in the  
16 state and which does have its principal place of  
17 business located in the state and owns real or  
18 personal property having a market value of at least  
19 One Million Dollars (\$1,000,000.00) located in the  
20 state; provided, that if an application of an  
21 establishment is approved by the Department of  
22 Commerce after a change in control event and the  
23 Director of the Department of Commerce determines that  
24 the jobs located at such establishment are likely to

1 leave the state, "new direct job" shall include  
2 employment that existed in this state prior to the  
3 date of application which is retained in this state by  
4 the new establishment following a change in control  
5 event, if such job otherwise qualifies as a new direct  
6 job, and

7 b. shall include full-time-equivalent employment in this  
8 state of employees who are employed by an employment  
9 agency or similar entity other than the establishment  
10 which has qualified to receive an incentive payment  
11 and who are leased or otherwise provided under  
12 contract to the qualified establishment, if such job  
13 did not exist in this state prior to the date of  
14 approval by the Department of the application of the  
15 establishment or the job otherwise qualifies as a new  
16 direct job following a change in control event. A job  
17 shall be deemed to exist in this state prior to  
18 approval of an application if the activities and  
19 functions for which the particular job exists have  
20 been ongoing at any time within six (6) months prior  
21 to such approval. With respect to establishments  
22 defined in division (10) of subparagraph a of  
23 paragraph 1 of this subsection, new direct jobs shall  
24 be limited to those jobs directly comprising the

1 corporate headquarters of or directly relating to  
2 manufacturing, maintenance, administrative, financial,  
3 engineering, surveying, geological or geophysical  
4 services performed by the establishment. Under no  
5 circumstances shall employment relating to field  
6 services be considered new direct jobs;

7 4. "Estimated direct state benefits" means the tax revenues  
8 projected by the Department to accrue to the state as a result of  
9 new direct jobs;

10 5. "Estimated direct state costs" means the costs projected by  
11 the Department to accrue to the state as a result of new direct  
12 jobs. Such costs shall include, but not be limited to:

- 13 a. the costs of education of new state resident children,
- 14 b. the costs of public health, public safety and  
15 transportation services to be provided to new state  
16 residents,
- 17 c. the costs of other state services to be provided to  
18 new state residents, and
- 19 d. the costs of other state services;

20 6. "Estimated net direct state benefits" means the estimated  
21 direct state benefits less the estimated direct state costs;

22 7. "Net benefit rate" means the estimated net direct state  
23 benefits computed as a percentage of gross payroll; provided:  
24

- 1           a.    except as otherwise provided in this paragraph, the  
2                    net benefit rate may be variable and shall not exceed  
3                    five percent (5%),
- 4           b.    the net benefit rate shall not exceed six percent (6%)  
5                    in connection with an establishment which is owned and  
6                    operated by an entity which has been awarded a United  
7                    States Department of Defense contract for which:
- 8                    (1)   bids were solicited and accepted by the United  
9                            States Department of Defense from facilities  
10                           located outside this state,
- 11                   (2)   the term is or is renewable for not less than  
12                           twenty (20) years, and
- 13                   (3)   the average annual salary, excluding benefits  
14                           which are not subject to Oklahoma income taxes,  
15                           for new direct jobs created as a direct result of  
16                           the awarding of the contract is projected by the  
17                           Department of Commerce to equal or exceed Forty  
18                           Thousand Dollars (\$40,000.00) within three (3)  
19                           years of the date of the first incentive payment,
- 20           c.    except as otherwise provided in subparagraph d of this  
21                    paragraph, in no event shall incentive payments,  
22                    cumulatively, exceed the estimated net direct state  
23                    benefits,
- 24

1 d. the net benefit rate shall be five percent (5%) for an  
2 establishment locating:

3 (1) in an opportunity zone located in a high-  
4 employment county, as such terms are defined in  
5 subsection G of Section 3604 of this title, or

6 (2) in a county in which:

7 (a) the per capita personal income, as  
8 determined by the Department, is eighty-five  
9 percent (85%) or less of the statewide  
10 average per capita personal income,

11 (b) the population has decreased over the  
12 previous ten (10) years, as determined by  
13 the ~~State Data Center~~ Department of Commerce  
14 based on the most recent U.S. Department of  
15 Commerce data, or

16 (c) the unemployment rate exceeds the lesser of  
17 five percent (5%) or two percentage points  
18 above the state average unemployment rate as  
19 certified by the Oklahoma Employment  
20 Security Commission,

21 e. the net benefit rate shall not exceed six percent (6%)  
22 in connection with an establishment which:

23 (1) is, as of the date of application, receiving  
24 incentive payments pursuant to the Oklahoma

1           Quality Jobs Program Act and has been receiving  
2           such payments for at least one (1) year prior to  
3           the date of application, and

4           (2) expands its operations in this state by creating  
5           additional new direct jobs which pay average  
6           annualized wages which equal or exceed one  
7           hundred fifty percent (150%) of the average  
8           annualized wages of new direct jobs on which  
9           incentive payments were received during the  
10          preceding calendar year, and

11          f. with respect to an establishment defined or classified  
12          in the NAICS Manual under U.S. Industry No. 711211  
13          (2007 version) or any establishment defined or  
14          classified in the NAICS Manual as a U.S. Industry  
15          Number which is not included within the definition of  
16          "basic industry" as such term is defined in this  
17          section on April 17, 2008, the net benefit rate shall  
18          not exceed the highest rate of income tax imposed upon  
19          the Oklahoma taxable income of individuals pursuant to  
20          subparagraph (g) or subparagraph (h), as applicable,  
21          of paragraph 1 and paragraph 2 of subsection B of  
22          Section 2355 of this title. Any change in such  
23          highest rate of individual income tax imposed pursuant  
24          to the provisions of Section 2355 of this title shall

1 be applicable to the computation of incentive payments  
2 to an establishment as described by this subparagraph  
3 and shall be effective for purposes of incentive  
4 payments based on payroll paid by such establishment  
5 on or after January 1 of any applicable year for which  
6 the net benefit rate is modified as required by this  
7 subparagraph.

8 Incentive payments made pursuant to the provisions of this  
9 subparagraph shall be based upon payroll associated with such new  
10 direct jobs. For purposes of this subparagraph, the amount of  
11 health insurance premiums or other benefits paid by the  
12 establishment shall not be included for purposes of computation of  
13 the average annualized wage;

14 8. "Gross payroll" means wages, as defined in Section 2385.1 of  
15 this title for new direct jobs;

16 9. a. "Establishment" means any business or governmental  
17 entity, no matter what legal form, including, but not  
18 limited to, a sole proprietorship; partnership;  
19 limited liability company; corporation or combination  
20 of corporations which have a central parent  
21 corporation which makes corporate management decisions  
22 such as those involving consolidation, acquisition,  
23 merger or expansion; federal agency; political  
24 subdivision of the State of Oklahoma; or trust

1 authority; provided, distinct, identifiable subunits  
2 of such entities may be determined to be an  
3 establishment, for all purposes of Section 3601 et  
4 seq. of this title, by the Department subject to the  
5 following conditions:

6 (1) within three (3) years of the first complete  
7 calendar quarter following the start date, the  
8 entity must have a minimum payroll of Two Million  
9 Five Hundred Thousand Dollars (\$2,500,000.00) and  
10 the subunit must also have or will have a minimum  
11 payroll of Two Million Five Hundred Thousand  
12 Dollars (\$2,500,000.00),

13 (2) the subunit is engaged in an activity or service  
14 or produces a product which is demonstratively  
15 independent and separate from the entity's other  
16 activities, services or products and could be  
17 conducted or produced in the absence of any other  
18 activity, service or production of the entity,

19 (3) has an accounting system capable of tracking or  
20 facilitating an audit of the subunit's payroll,  
21 expenses, revenue and production. Limited  
22 interunit overlap of administrative and  
23 purchasing functions shall not disqualify a  
24

1 subunit from consideration as an establishment by  
2 the Department,

3 (4) the entity has not previously had a subunit  
4 determined to be an establishment pursuant to  
5 this section; provided, the restriction set forth  
6 in this division shall not apply to subunits  
7 which qualify pursuant to the provisions of  
8 subparagraph b of paragraph 7 of this subsection,  
9 and

10 (5) it is determined by the Department that the  
11 entity will have a probable net gain in total  
12 employment within the incentive period.

13 b. The Department may promulgate rules to further limit  
14 the circumstances under which a subunit may be  
15 considered an establishment. The Department shall  
16 promulgate rules to determine whether a subunit of an  
17 entity achieves a net gain in total employment. The  
18 Department shall establish criteria for determining  
19 the period of time within which such gain must be  
20 demonstrated and a method for determining net gain in  
21 total employment;

22 10. "NAICS Manual" means any manual, book or other publication  
23 containing the North American Industry Classification System, United  
24

1 States, 1997, promulgated by the Office of Management and Budget of  
2 the United States of America, or the latest revised edition;

3 11. "Qualified federal contract" means a contract between an  
4 agency or instrumentality of the United States government, including  
5 but not limited to the Department of Defense or any branch of the  
6 United States Armed Forces, but exclusive of any contract performed  
7 for the Federal Emergency Management Agency as a direct result of a  
8 natural disaster declared by the Governor or the President of the  
9 United States with respect to damage to property located in Oklahoma  
10 or loss of life or personal injury to persons in Oklahoma, and a  
11 lawfully recognized business entity, whether or not the business  
12 entity is organized under the laws of the State of Oklahoma or  
13 whether or not the principal place of business of the business  
14 entity is located within the State of Oklahoma, for the performance  
15 of services, including but not limited to testing, research,  
16 development, consulting or other services in a basic industry, if  
17 the contract involves the performance of such services performed on  
18 or after July 1, 2009, by the employees of the business entity  
19 within the State of Oklahoma or if the contract involves the  
20 performance of such services performed on or after July 1, 2009, by  
21 employees of a lawfully recognized business entity that is a  
22 subcontractor of the business entity with which the prime contract  
23 has been formed. A qualified federal contract described in this  
24 paragraph shall not qualify unless both the qualified federal

1 contractor and any subcontractors originally involved in the work or  
2 added subsequently during the period of performance verify to the  
3 qualified federal contractor verifier that it offers, or will offer  
4 within one hundred eighty (180) days of employment of its respective  
5 employees, a basic health benefits plan as described in subparagraph  
6 b of paragraph 1 of this subsection to individuals who perform  
7 qualified labor hours in this state;

8 12. "Qualified federal contractor verifier" means a nonprofit  
9 entity organized under the laws of the State of Oklahoma, having an  
10 affiliation with a comprehensive university which is part of The  
11 Oklahoma State System of Higher Education, and having the following  
12 characteristics:

- 13 a. established multiyear classified and unclassified  
14 indefinite-delivery/indefinite-quantity federal  
15 contract vehicles in excess of Fifty Million Dollars  
16 (\$50,000,000.00),
- 17 b. current capability to sponsor and maintain personnel  
18 security clearances and authorized by the federal  
19 government to handle and perform classified work up to  
20 the Top Secret Sensitive Compartmented Information  
21 levels,
- 22 c. at least one on-site federally certified Sensitive  
23 Compartmented Information Facility,

24

- 1           d.    on-site secure mass data storage complex with the  
2                    capability of isolating, segregating and protecting  
3                    corporate proprietary and classified information,  
4           e.    trusted agent status by maintaining no ownership of,  
5                    vested interest in, nor royalty production from any  
6                    intellectual property,  
7           f.    at least one hundred thousand (100,000) square feet of  
8                    configurable laboratory and support space,  
9           g.    the direct access to restricted air space through a  
10                   formalized memorandum of agreement with the Department  
11                   of Defense,  
12           h.    at least five thousand (5,000) acres available for  
13                   outdoor testing and training facilities, and  
14           i.    the ability to house state-of-the-art surety  
15                   facilities, including chemical, biological,  
16                   radiological, explosives, electronics, and unmanned  
17                   systems laboratories and ranges;

18           13. "SIC Manual" means the 1987 revision to the Standard  
19           Industrial Classification Manual, promulgated by the Office of  
20           Management and Budget of the United States of America;

21           14. "Start date" means the date on which an establishment may  
22           begin accruing benefits for the creation of new direct jobs, which  
23           date shall be determined by the Department;

1 15. "Effective date" means the date of approval of a contract  
2 under which incentive payments will be made pursuant to the Oklahoma  
3 Quality Jobs Program Act, which shall be the date the signed and  
4 accepted incentive contract is received by the Department; provided,  
5 an approved project may have a start date which is different from  
6 the effective date;

7 16. "Total qualified labor hours" means the reimbursed payment  
8 amount for hours of work performed by the State of Oklahoma  
9 workforce of a qualified federal contractor or the State of Oklahoma  
10 workforce of a subcontractor of a qualified federal contractor and  
11 which are required for the full performance of a qualified federal  
12 contract;

13 17. "Qualified labor rate" means the fully reimbursed labor  
14 rate paid through a qualified federal contract for qualified labor  
15 hours to the qualified federal contractor or subcontractor; and

16 18. "Qualified federal contractor" means a business entity:

17 a. maintaining a prime contract with the federal  
18 government as defined in paragraph 11 of this  
19 subsection,

20 b. providing notice of intent to apply to the Department  
21 within one hundred eighty (180) days of the effective  
22 date of this act or one hundred eighty (180) days of  
23 the date of the award of a qualified federal contract  
24

1 or award of a new qualified subcontract under an  
2 existing qualified federal contract, and

3 c. adding substantively to the contract by performing at  
4 least eight percent (8%) of the total labor whether  
5 qualified and nonqualified labor as determined by the  
6 federal contractor verifier on a direct contract or  
7 individual task order or delivery order on an  
8 indefinite-delivery/indefinite-quantity or other  
9 blanket contract vehicle.

10 Should a prime contractor provide notice to the Department of  
11 its intent not to apply for incentive for a qualified federal  
12 contract or fails to qualify under the criteria above,  
13 subcontractors in order of tier ranking as determined by the federal  
14 contract verifier may assume the role of the prime and apply to  
15 become a qualified federal contractor provided the entity meets the  
16 same criteria above with the exception that notice of intent to  
17 apply with the Department must be provided within sixty (60) days of  
18 the prime's disqualification or one hundred eighty (180) days of the  
19 award of its subcontract, whichever is later.

20 B. The Incentive Approval Committee is hereby created and shall  
21 consist of the Director of the Office of State Finance, the Director  
22 of the Department and one member of the Oklahoma Tax Commission  
23 appointed by the Tax Commission, or a designee from each agency  
24

1 approved by such member. It shall be the duty of the Committee to  
2 determine:

3 1. Upon initial application on a form approved by the  
4 Committee, if an establishment is engaged in a basic industry as  
5 defined in subdivision (b) of division (7) or in subdivisions (a)  
6 through (p) of division (9) of subparagraph a of paragraph 1 of  
7 subsection A of this section or as otherwise provided by subsection  
8 C of this section;

9 2. If an establishment would have been defined as a "basic  
10 industry" prior to the amendments to this section to convert from  
11 SIC Codes to NAICS Codes. If the Committee so determines, the  
12 establishment shall be considered as a "basic industry" for purposes  
13 of the Oklahoma Quality Jobs Program Act; and

14 3. If employees of an establishment as defined in division (10)  
15 of subparagraph a of paragraph 1 of subsection A of this section  
16 meet the requirements to be considered employed in new direct jobs  
17 as specified in paragraph 3 of subsection A of this section.

18 C. For an establishment defined as a "basic industry" pursuant  
19 to division (4) of subparagraph a of paragraph 1 of subsection A of  
20 this section, the Incentive Approval Committee shall consist of the  
21 members provided by subsection B of this section and the Executive  
22 Director of the Oklahoma Center for the Advancement of Science and  
23 Technology, or a designee from the Center appointed by the Executive  
24 Director.

1 SECTION 54. AMENDATORY 68 O.S. 2011, Section 3604, is  
2 amended to read as follows:

3 Section 3604. A. Except as otherwise provided in subsection I  
4 of this section, an establishment which meets the qualifications  
5 specified in the Oklahoma Quality Jobs Program Act may receive  
6 quarterly incentive payments for a ten-year period from the Oklahoma  
7 Tax Commission pursuant to the provisions of the Oklahoma Quality  
8 Jobs Program Act; provided, such an establishment defined or  
9 classified in the NAICS Manual under U.S. Industry No. 711211 (2007  
10 version) may receive quarterly incentive payments for a fifteen-year  
11 period. The amount of such payments shall be equal to the net  
12 benefit rate multiplied by the actual gross payroll of new direct  
13 jobs for a calendar quarter as verified by the Oklahoma Employment  
14 Security Commission.

15 B. In order to receive incentive payments, an establishment  
16 shall apply to the Oklahoma Department of Commerce. The application  
17 shall be on a form prescribed by the Department and shall contain  
18 such information as may be required by the Department to determine  
19 if the applicant is qualified. An establishment may apply for an  
20 effective date for a project, which shall not be more than twenty-  
21 four (24) months from the date the application is submitted to the  
22 Department.

23  
24

1 C. Except as otherwise provided by subsection D or E of this  
2 section, in order to qualify to receive such payments, the  
3 establishment applying shall be required to:

4 1. Be engaged in a basic industry;

5 2. Have an annual gross payroll for new direct jobs projected  
6 by the Department to equal or exceed Two Million Five Hundred  
7 Thousand Dollars (\$2,500,000.00) within three (3) years of the first  
8 complete calendar quarter following the start date; and

9 3. Have a number of full-time-equivalent employees subject to  
10 the tax imposed by Section 2355 of this title and working an annual  
11 average of thirty (30) or more hours per week in new direct jobs  
12 located in this state equal to or in excess of eighty percent (80%)  
13 of the total number of new direct jobs.

14 D. In order to qualify to receive incentive payments as  
15 authorized by the Oklahoma Quality Jobs Program Act, an  
16 establishment engaged in an activity described under:

17 1. Industry Group Nos. 3111 through 3119 of the NAICS Manual  
18 shall be required to:

19 a. have an annual gross payroll for new direct jobs  
20 projected by the Department to equal or exceed One  
21 Million Five Hundred Thousand Dollars (\$1,500,000.00)  
22 within three (3) years of the first complete calendar  
23 quarter following the start date and make, or which  
24 will make within one (1) year, at least seventy-five

1 percent (75%) of its total sales, as determined by the  
2 Incentive Approval Committee pursuant to the  
3 provisions of subsection B of Section 3603 of this  
4 title, to out-of-state customers or buyers, to in-  
5 state customers or buyers if the product or service is  
6 resold by the purchaser to an out-of-state customer or  
7 buyer for ultimate use, or to the federal government,  
8 unless the annual gross payroll equals or exceeds Two  
9 Million Five Hundred Thousand Dollars (\$2,500,000.00)  
10 in which case the requirements for purchase of output  
11 provided by this subparagraph shall not apply, and

- 12 b. have a number of full-time-equivalent employees  
13 working an average of thirty (30) or more hours per  
14 week in new direct jobs equal to or in excess of  
15 eighty percent (80%) of the total number of new direct  
16 jobs; and

17 2. Division (4) of subparagraph a of paragraph 1 of subsection  
18 A of Section 3603 of this title, shall be required to:

- 19 a. have an annual gross payroll for new direct jobs  
20 projected by the Department to equal or exceed One  
21 Million Five Hundred Thousand Dollars (\$1,500,000.00)  
22 within three (3) years of the first complete calendar  
23 quarter following the start date, and

1           b.    have a number of full-time-equivalent employees  
2                    working an average of thirty (30) or more hours per  
3                    week in new direct jobs equal to or in excess of  
4                    eighty percent (80%) of the total number of new direct  
5                    jobs.

6           E.  1.  An establishment which locates its principal business  
7 activity within a site consisting of at least ten (10) acres which:

8           a.    is a federal Superfund removal site,

9           b.    is listed on the National Priorities List established  
10                   under Section 9605 of Title 42 of the United States  
11                   Code,

12           c.    has been formally deferred to the state in lieu of  
13                   listing on the National Priorities List, or

14           d.    has been determined by the Department of Environmental  
15                   Quality to be contaminated by any substance regulated  
16                   by a federal or state statute governing environmental  
17                   conditions for real property pursuant to an order of  
18                   the Department of Environmental Quality,

19 shall qualify for incentive payments irrespective of its actual  
20 gross payroll or the number of full-time-equivalent employees  
21 engaged in new direct jobs.

22           2.  In order to qualify for the incentive payments pursuant to  
23 this subsection, the establishment shall conduct the activity  
24 resulting in at least fifty percent (50%) of its Oklahoma taxable

1 income or adjusted gross income, as determined under Section 2358 of  
2 this title, whether from the sale of products or services or both  
3 products and services, at the physical location which has been  
4 determined not to comply with the federal or state statutes  
5 described in this subsection with respect to environmental  
6 conditions for real property. The establishment shall be subject to  
7 all other requirements of the Oklahoma Quality Jobs Program Act  
8 other than the exemptions provided by this subsection.

9 3. In order to qualify for the incentive payments pursuant to  
10 this subsection, the entity shall obtain from the Department of  
11 Environmental Quality a letter of concurrence that:

- 12 a. the site designated by the entity does meet one or  
13 more of the requirements listed in paragraph 1 of this  
14 subsection, and
- 15 b. the site is being or has been remediated to a level  
16 which is consistent with the intended use of the  
17 property.

18 In making its determination, the Department of Environmental  
19 Quality may rely on existing data and information available to it,  
20 but may also require the applying entity to provide additional data  
21 and information as necessary.

22 4. If authorized by the Department of Environmental Quality  
23 pursuant to paragraph 3 of this subsection, the entity may utilize a  
24 remediated portion of the property for its intended purpose prior to

1 remediation of the remainder of the site, and shall qualify for  
2 incentive payments based on employment associated with the portion  
3 of the site.

4 F. Except as otherwise provided by subsection G of this  
5 section, for applications submitted on and after June 4, 2003, in  
6 order to qualify to receive incentive payments as authorized by the  
7 Oklahoma Quality Jobs Program Act, in addition to other  
8 qualifications specified herein, an establishment shall be required  
9 to pay new direct jobs an average annualized wage which equals or  
10 exceeds:

11 1. One hundred ten percent (110%) of the average county wage as  
12 determined by the ~~Oklahoma State Data Center~~ Department of Commerce  
13 based on the most recent U.S. Department of Commerce data for the  
14 county in which the new direct jobs are located. For purposes of  
15 this paragraph, health care premiums paid by the applicant for  
16 individuals in new direct jobs shall be included in the annualized  
17 wage; or

18 2. One hundred percent (100%) of the average county wage as  
19 that percentage is determined by the ~~Oklahoma State Data Center~~  
20 Department of Commerce based upon the most recent U.S. Department of  
21 Commerce data for the county in which the new jobs are located. For  
22 purposes of this paragraph, health care premiums paid by the  
23 applicant for individuals in new direct jobs shall not be included  
24 in the annualized wage.

1        Provided, no average wage requirement shall exceed Twenty-five  
2        Thousand Dollars (\$25,000.00), in any county. This maximum wage  
3        threshold shall be indexed and modified from time to time based on  
4        the latest Consumer Price Index year-to-date percent change release  
5        as of the date of the annual average county wage data release from  
6        the Bureau of Economic Analysis of the U.S. Department of Commerce.

7        G. 1. As used in this subsection, "opportunity zone" means one  
8        or more census tracts in which, according to the most recent federal  
9        decennial census, at least thirty percent (30%) of the residents  
10       have annual gross household incomes from all sources below the  
11       poverty guidelines established by the U.S. Department of Health and  
12       Human Services. An establishment which is otherwise qualified to  
13       receive incentive payments and which locates its principal business  
14       activity in an opportunity zone shall not be subject to the  
15       requirements of subsection F of this section.

16       2. As used in this subsection:

17       a. "negative economic event" means:

18                (1) a man-made disaster or natural disaster as  
19                defined in Section 683.3 of Title 63 of the  
20                Oklahoma Statutes, resulting in the loss of a  
21                significant number of jobs within a particular  
22                county of this state, or

23                (2) an economic circumstance in which a significant  
24                number of jobs within a particular county of this

1 state have been lost due to an establishment  
2 changing its structure, consolidating with  
3 another establishment, closing or moving all or  
4 part of its operations out of this state, and

5 b. "significant number of jobs" means Local Area  
6 Unemployment Statistics (LAUS) data, as determined by  
7 the Bureau of Labor Statistics, for a county which are  
8 equal to or in excess of five percent (5%) of the  
9 total amount of Local Area Unemployment Statistics  
10 (LAUS) data for that county for the calendar year, or  
11 most recent twelve-month period in which employment is  
12 measured, preceding the event.

13 An establishment which is otherwise qualified to receive  
14 incentive payments and which locates in a county in which a negative  
15 economic event has occurred within the eighteen-month period  
16 preceding the start date shall not be subject to the requirements of  
17 subsection F of this section; provided, an establishment shall not  
18 be eligible to receive incentive payments based upon a negative  
19 economic event with respect to jobs that are transferred from one  
20 county of this state to another.

21 H. The Department shall determine if the applicant is qualified  
22 to receive incentive payments.

23 I. If the applicant is determined to be qualified by the  
24 Department and is not subject to the provisions of subparagraph d of

1 paragraph 7 of subsection A of Section 3603 of this title, the  
2 Department shall conduct a cost/benefit analysis to determine the  
3 estimated net direct state benefits and the net benefit rate  
4 applicable for a ten-year period beginning with the first complete  
5 calendar quarter following the start date and to estimate the amount  
6 of gross payroll for a ten-year period beginning with the first  
7 complete calendar quarter following the start date or for a fifteen-  
8 year period for an establishment defined or classified in the NAICS  
9 Manual under U.S. Industry No. 711211 (2007 version). In conducting  
10 such cost/benefit analysis, the Department shall consider  
11 quantitative factors, such as the anticipated level of new tax  
12 revenues to the state along with the added cost to the state of  
13 providing services, and such other criteria as deemed appropriate by  
14 the Department. In no event shall incentive payments, cumulatively,  
15 exceed the estimated net direct state benefits, except for  
16 applicants subject to the provisions of subparagraph d of paragraph  
17 7 of subsection A of Section 3603 of this title.

18 J. Upon approval of such an application, the Department shall  
19 notify the Tax Commission and shall provide it with a copy of the  
20 contract and the results of the cost/benefit analysis. The Tax  
21 Commission may require the qualified establishment to submit such  
22 additional information as may be necessary to administer the  
23 provisions of the Oklahoma Quality Jobs Program Act. The approved  
24 establishment shall file quarterly claims with the Tax Commission

1 and shall continue to file such quarterly claims during the ten-year  
2 incentive period to show its continued eligibility for incentive  
3 payments, as provided in Section 3606 of this title, or until it is  
4 no longer qualified to receive incentive payments. The  
5 establishment may be audited by the Tax Commission to verify such  
6 eligibility. Once the establishment is approved, an agreement shall  
7 be deemed to exist between the establishment and the State of  
8 Oklahoma, requiring the continued incentive payment to be made as  
9 long as the establishment retains its eligibility as defined in and  
10 established pursuant to this section and Sections 3603 and 3606 of  
11 this title and within the limitations contained in the Oklahoma  
12 Quality Jobs Program Act, which existed at the time of such  
13 approval.

14 K. A municipality with a population of less than one hundred  
15 thousand (100,000) persons in which an establishment eligible to  
16 receive quarterly incentive payments pursuant to the provisions of  
17 this section is located may file a claim with the Tax Commission for  
18 up to twenty-five percent (25%) of the amount of such payment. The  
19 amount of such claim shall not exceed amounts paid by the  
20 municipality for direct costs of municipal infrastructure  
21 improvements to provide water and sewer service to the  
22 establishment. Such claim shall not be approved by the Tax  
23 Commission unless the municipality and the establishment have  
24 entered into a written agreement for such claims to be filed by the

1 municipality prior to submission of the application of the  
2 establishment pursuant to the provisions of this section. If such  
3 claim is approved, the amount of the payment to the establishment  
4 made pursuant to the provisions of Section 3606 of this title shall  
5 be reduced by the amount of the approved claim by the municipality  
6 and the Tax Commission shall issue a warrant to the municipality in  
7 the amount of the approved claim in the same manner as warrants are  
8 issued to qualifying establishments.

9 SECTION 55. AMENDATORY 68 O.S. 2011, Section 3604.1, is  
10 amended to read as follows:

11 Section 3604.1 A. A qualified federal contractor may receive  
12 quarterly incentive payments for renewable ten-year periods from the  
13 Oklahoma Tax Commission pursuant to the provisions of the Oklahoma  
14 Quality Jobs Program Act and the provisions of this section.

15 B. The amount of such payments shall be equal to a net benefit  
16 rate of not less than twenty-five hundredths of one percent (0.25%),  
17 but not greater than two percent (2%), multiplied by the total  
18 qualified labor hours worked by employees of the federal contractor  
19 or employees of a qualified federal subcontractor, or both, pursuant  
20 to a qualified federal contract for a calendar quarter as verified  
21 by the Oklahoma Employment Security Commission and certified by a  
22 qualified federal contractor verifier. The net benefit rate for a  
23 qualified federal contractor shall be scaled to annual  
24 subcontracting goals that account for both total qualified

1 subcontract labor hours and the ratio of qualified subcontract labor  
2 hours to total qualified labor hours. Unless limited by the  
3 cost/benefit analysis, the net benefit rate shall:

4 1. Not exceed twenty-five hundredths of one percent (0.25%)  
5 when annual qualified subcontract labor hours are less than Two  
6 Hundred Thousand Dollars (\$200,000.00) or when annual qualified  
7 subcontract labor is less than one percent (1%) of the annual total  
8 qualified labor hours claimed;

9 2. Not be less than five-tenths of one percent (0.5%) when  
10 subcontract goals are met with a minimum of Two Hundred Thousand  
11 Dollars (\$200,000.00) of annual total qualified subcontractor labor  
12 hours and these hours are a minimum of one percent (1%) of the  
13 annual total qualified hours claimed;

14 3. Not be less than one percent (1%) when subcontract goals are  
15 met with a minimum of One Million Dollars (\$1,000,000.00) of annual  
16 total qualified subcontractor labor hours and when these hours  
17 represent a minimum of five percent (5%) of the annual total  
18 qualified hours claimed;

19 4. Not be less than one and five-tenths percent (1.5%) when  
20 subcontract goals are met with a minimum of Two Million Dollars  
21 (\$2,000,000.00) of annual total qualified subcontractor labor hours  
22 and these hours are a minimum of ten percent (10%) of the annual  
23 total qualified hours claimed; and

24

1 5. Not be less than two percent (2.0%) when subcontract goals  
2 are met with a minimum of Four Million Dollars (\$4,000,000.00) of  
3 annual total qualified subcontractor labor hours and these hours are  
4 a minimum of twenty percent (20%) of the annual total qualified  
5 hours claimed.

6 C. In order to receive incentive payments, a qualified federal  
7 contractor shall apply to the Oklahoma Department of Commerce within  
8 one hundred eighty (180) days following the date of the award of a  
9 qualified federal contract or award of a new qualified subcontract  
10 under an existing qualified federal contract. The application shall  
11 be on a form prescribed by the Department and shall contain such  
12 information as may be required by the Department to determine if the  
13 applicant is qualified. Once qualified by the Department, the  
14 applicant shall submit qualified federal contracts to the federal  
15 contract verifier. The federal contract verifier shall establish  
16 with the applicant an information system(s) or contract(s) as may be  
17 required to certify the total qualified labor hours, qualified labor  
18 rates, and reimbursement through the qualified federal contract. A  
19 qualified federal contractor may apply for an effective date for a  
20 project, which shall not be more than twenty-four (24) months from  
21 the date the application is submitted to the Department. No state  
22 agency shall be required to make any payment to a qualified federal  
23 contract verifier for any information needed by the agency to  
24 perform any duty imposed upon it pursuant to the provisions of

1 Section 3601 et seq. of this title. All costs for the federal  
2 contract verifier shall be reimbursed through value-added services  
3 on the qualified federal contract or other mechanisms agreed to by  
4 the federal contractor verifier and the federal contract performers.

5 D. In order to qualify to receive incentive payments as  
6 authorized by the Oklahoma Quality Jobs Program Act, in addition to  
7 other qualifications specified herein, a qualified federal  
8 contractor shall be required to pay direct jobs an average  
9 annualized wage which equals or exceeds:

10 1. One hundred ten percent (110%) of the average county wage as  
11 determined by the ~~Oklahoma State Data Center~~ Department of Commerce  
12 based on the most recent U.S. Department of Commerce data for the  
13 county in which the new direct jobs are located. For purposes of  
14 this paragraph, health care premiums paid by the applicant for  
15 individuals in new direct jobs shall be included in the annualized  
16 wage; or

17 2. One hundred percent (100%) of the average county wage as  
18 that percentage is determined by the ~~Oklahoma State Data Center~~  
19 Department of Commerce based upon the most recent U.S. Department of  
20 Commerce data for the county in which the new jobs are located. For  
21 purposes of this paragraph, health care premiums paid by the  
22 applicant for individuals in new direct jobs shall not be included  
23 in the annualized wage.

24

1        Provided, no average wage requirement shall exceed Twenty-nine  
2 Thousand Four Hundred Nine Dollars (\$29,409.00), in any county.  
3 This maximum wage threshold shall be indexed and modified from time  
4 to time based on the latest Consumer Price Index year-to-date  
5 percent change release as of the date of the annual average county  
6 wage data release from the Bureau of Economic Analysis of the U.S.  
7 Department of Commerce.

8        3. For qualified subcontractor work, the qualified federal  
9 contractor shall have a minimum average qualified labor rate  
10 requirement paid to the subcontractor of Thirty-one Dollars (\$31.00)  
11 per hour, in any county. This maximum wage threshold shall be  
12 indexed and modified from time to time based on the latest Consumer  
13 Price Index year-to-date percent change release as of the date of  
14 the annual average county wage data release from the Bureau of  
15 Economic Analysis of the U.S. Department of Commerce.

16        E. The Department shall determine if the applicant is qualified  
17 to receive incentive payments using information supplied to the  
18 Department by the qualified federal contractor verifier. The NAICS  
19 code or codes under which the federal government awarded the  
20 qualified federal contract shall be used to determine the basic  
21 industry for a qualified federal contractor. For federal contracts  
22 awarded under NAICS codes not within the definition of basic  
23 industry pursuant to paragraph 1 of subsection A of Section 3603 of  
24 this title, the Department of Commerce, with the federal contract

1 verifier, may evaluate and utilize individual statement of work  
2 items that would qualify within a basic industry definition.

3 F. If the applicant is determined to be qualified by the  
4 Department, the Department shall conduct a cost/benefit analysis to  
5 determine the estimated net direct state benefits and the net  
6 benefit rate, as provided by subsection B of this section,  
7 applicable for a ten-year period beginning with the first complete  
8 calendar quarter following the start date and to estimate the amount  
9 of gross payroll and total qualified labor hours for a ten-year  
10 period beginning with the first complete calendar quarter following  
11 the start date. In conducting such cost/benefit analysis, the  
12 Department shall consider quantitative factors, such as the  
13 anticipated level of new tax revenues to the state along with the  
14 added cost to the state of providing services, and such other  
15 criteria as deemed appropriate by the Department. In no event shall  
16 incentive payments, cumulatively, exceed the estimated net direct  
17 state benefits. Using this net cost/benefit analysis model, the  
18 Department may establish the renewable ten-year contract with a  
19 qualified federal contractor at the entity level to encompass any  
20 current or future qualified federal contracts that meet the  
21 cost/benefit analysis metrics as determined by the federal  
22 contractor verifier and confirmed by the Department.

23 G. Upon approval of such an application, the Department shall  
24 notify the Tax Commission and shall provide it with a copy of the

1 contract that has been cosigned by the federal contractor verifier  
2 and the results of the cost/benefit analysis. The Tax Commission  
3 may require the qualified federal contractor, federal contract  
4 verifier, and qualified subcontractors to submit such additional  
5 information as may be necessary to administer the provisions of the  
6 Oklahoma Quality Jobs Program Act. The approved qualified federal  
7 contractor shall file quarterly claims with the Tax Commission and  
8 shall continue to file such quarterly claims during the ten-year  
9 incentive period to show its continued eligibility for incentive  
10 payments, as provided in Section 3606 of this title, or until it is  
11 no longer qualified to receive incentive payments. The qualified  
12 federal contractor may be audited by the Tax Commission to verify  
13 such eligibility. Once the qualified federal contractor is  
14 approved, an agreement shall be deemed to exist between the  
15 qualified federal contractor and the State of Oklahoma, requiring  
16 the continued incentive payment to be made as long as the qualified  
17 federal contractor retains its eligibility as defined in and  
18 established pursuant to this section and Sections 3603 and 3606 of  
19 this title and within the limitations contained in the Oklahoma  
20 Quality Jobs Program Act, which existed at the time of such  
21 approval.

22 H. For qualified federal contracts with periods of performance  
23 exceeding two (2) years, if the actual annual verified gross  
24 qualified labor hours for four (4) consecutive calendar quarters

1 does not equal or exceed Two Million Five Hundred Thousand Dollars  
2 (\$2,500,000.00) within three (3) years of the start date, or does  
3 not equal or exceed actual annual gross qualified labor hours of Two  
4 Million Five Hundred Thousand Dollars (\$2,500,000.00) at any other  
5 time during the ten-year period after the start date, the incentive  
6 payments shall not be made and shall not be resumed until such time  
7 as the actual annual qualified labor hours exceed Two Million Five  
8 Hundred Thousand Dollars (\$2,500,000.00).

9 I. If the average annualized wage or minimum average qualified  
10 labor rate required by subsection H of this section is not met  
11 during any calendar quarter, the incentive payments shall not be  
12 made and shall not be resumed until such time as such requirements  
13 are met.

14 J. Before approving a quarterly incentive payment for a  
15 qualified federal contract, the federal contract verifier must first  
16 determine through the Department that neither the qualified federal  
17 contractor nor the subcontractor are receiving incentive payments  
18 under the Oklahoma Quality Jobs Program Act, the Saving Quality Jobs  
19 Act, the 21st Century Quality Jobs Incentive Act or the Former  
20 Military Facility Development Act for the performance of the same  
21 such services under the qualified federal contract and is not  
22 qualified for approval of an application for incentive payments  
23 under the Oklahoma Quality Jobs Program Act, the Saving Quality Jobs  
24 Act, the 21st Century Quality Jobs Incentive Act or the Former

1 Military Facility Development Act for the performance of the same  
2 such services under the qualified federal contract. If the  
3 qualified federal contractor or the subcontractor are receiving or  
4 have an approved application for incentive payments under the  
5 Oklahoma Quality Jobs Program Act, the Saving Quality Jobs Act, the  
6 21st Century Quality Jobs Incentive Act or the Former Military  
7 Facility Development Act for the performance of the same such  
8 services under the qualified federal contract, each may choose to  
9 defer in part or in entirety the other incentives for the qualified  
10 federal contractor to receive the incentives pursuant to subsection  
11 B of this section. The federal contract verifier shall confirm any  
12 deferrals and ensure the total for all quality jobs incentive  
13 payments on any individual does not exceed the total net benefit to  
14 the state. Should neither the federal contractor nor the  
15 subcontractor defer in part or in entirety their incentive payments  
16 such that the total for all Quality Jobs incentive payments exceeds  
17 the total net benefit to the state, the priority for incentive  
18 payments shall go to the entity with the earliest recognized start  
19 date indentified within the current Department of Commerce Quality  
20 Jobs contract.

21 SECTION 56. AMENDATORY 68 O.S. 2011, Section 3607, is  
22 amended to read as follows:

23 Section 3607. A. Notwithstanding any other provision of law,  
24 if a qualified establishment receives an incentive payment pursuant

1 to the provisions of Section 3601 et seq. of this title, neither the  
2 qualified establishment nor its contractors or subcontractors shall  
3 be eligible to receive the credits or exemptions provided for in the  
4 following provisions of law in connection with the activity for  
5 which the incentive payment was received:

- 6 1. Paragraphs 16 and 17 of Section 1357 of this title;
- 7 2. Paragraph 7 of Section 1359 of this title;
- 8 3. Section 2357.4 of this title; except as provided in  
9 subsection B of this section;
- 10 4. Section 2357.7 of this title;
- 11 5. Section 2-11-303 of Title 27A of the Oklahoma Statutes;
- 12 6. Section 2357.22 of this title;
- 13 7. Section 2357.31 of this title;
- 14 8. Section 54003 of this title;
- 15 9. Section 54006 of this title;
- 16 10. Section 625.1 of Title 36 of the Oklahoma Statutes;
- 17 11. Subsections C and D of Section 2357.59 of this title;
- 18 12. Section 2357.13 of this title; or
- 19 13. Section 4201 of this title.

20 B. Any establishment which has qualified to receive quarterly  
21 incentive payments pursuant to subsection B of Section 3604 of this  
22 title for a ten-year period with a project start date after January  
23 1, 2010, shall be eligible to receive the credit provided for in  
24 Section 2357.4 of this title if such establishment:

1 1. Qualifies for the credit allowed pursuant to paragraph 1 of  
2 subsection B of Section 2357.4 of this title based on an investment  
3 made after January 1, 2010;

4 2. Pays an average annualized wage which equals or exceeds the  
5 average state wage as determined by the ~~Oklahoma State Data Center~~  
6 Department of Commerce based on the most recent U.S. Department of  
7 Commerce data; and

8 3. Obtains a determination letter from the Oklahoma Department  
9 of Commerce that the business activity of the entity will result in  
10 a positive net benefit rate.

11 C. For purposes of the exception provided for in this section:

12 1. "Estimated direct state benefits" has the meaning set out in  
13 paragraph 4 of subsection A of Section 3603 of this title;

14 2. "Estimated indirect state benefits" means the indirect new  
15 tax revenues projected by the Oklahoma Department of Commerce to  
16 accrue to the state, including, but not limited to, revenue  
17 generated from ancillary support jobs directly related to the  
18 primary business;

19 3. "Estimated direct state costs" has the meaning set out in  
20 paragraph 5 of subsection A of Section 3603 of this title; and

21 4. "Estimated indirect state costs" means the costs projected  
22 by the Oklahoma Department of Commerce to accrue to the state as a  
23 result of new indirect jobs. Such costs shall include, but not be  
24 limited to, costs enumerated in paragraph 3 of this subsection.

1 D. Any establishment which has qualified to receive quarterly  
2 incentive payments pursuant to subsection B of Section 3604 of this  
3 title for a ten-year period with a project start date after January  
4 1, 2010, shall be eligible to receive the credit provided for in  
5 Section 2357.4 of this title pursuant to the provisions of this  
6 section if such establishment obtains a determination letter from  
7 the Oklahoma Department of Commerce that the business activity of  
8 the entity will result in a positive net benefit rate, to be  
9 computed by the Oklahoma Department of Commerce using a methodology  
10 which provides for the analysis of estimated direct state benefits,  
11 estimated indirect state benefits, estimated direct state costs and  
12 estimated indirect state costs. The Oklahoma Department of Commerce  
13 shall use such information as it determines to be relevant for the  
14 analysis required by this subsection including, but not limited to,  
15 the type of business activity in which the entity is engaged or will  
16 be engaged, amount of capital investment, type of assets acquired or  
17 utilized by the business entity, economic impact of the business  
18 activity within the relevant geographic region and such other  
19 factors as the Department determines to be relevant. The Oklahoma  
20 Department of Commerce may use information regarding the business  
21 entity alone or in conjunction with relevant information regarding  
22 other business activity in a geographically relevant area  
23 surrounding the principal business location of the primary business  
24 entity in order to perform the computation of the net benefit rate.

1 If the result of the analysis is a positive net benefit rate, the  
2 establishment shall be allowed to qualify to receive quarterly  
3 incentive payments pursuant to subsection B of Section 3604 of this  
4 title for a ten-year period and shall be eligible to receive the  
5 credit provided for in Section 2357.4 of this title. The Oklahoma  
6 Department of Commerce shall transmit a determination letter to the  
7 authorized representative of the establishment and shall also  
8 transmit a copy of the determination letter to the Oklahoma Tax  
9 Commission, regardless of whether the result is a positive or  
10 negative net benefit rate.

11 SECTION 57. AMENDATORY 68 O.S. 2011, Section 3903, is  
12 amended to read as follows:

13 Section 3903. As used in the Small Employer Quality Jobs  
14 Incentive Act:

15 1. "Basic industry" means a basic industry as defined under the  
16 Oklahoma Quality Jobs Program Act in divisions (1) through (9) of  
17 subparagraph a of paragraph 1 of subsection A of Section 3603 of  
18 this title, excluding those activities described in division (10) of  
19 subparagraph a of paragraph 1 of subsection A of Section 3603 of  
20 this title. Provided, for the purposes of the Small Employer  
21 Quality Jobs Incentive Act, the determination required by  
22 subdivision (b) of division (7) or division (8) of subparagraph a of  
23 paragraph 1 of subsection A of Section 3603 of this title shall be  
24

1 made by the Oklahoma Department of Commerce and not the Incentive  
2 Approval Committee;

3 2. "Establishment" means any business, no matter what legal  
4 form, including, but not limited to, a sole proprietorship,  
5 partnership, corporation, or limited liability corporation located  
6 in a county with a population of not more than two hundred thousand  
7 (200,000) persons, as determined by the ~~Oklahoma State Data Center~~  
8 Department of Commerce based on the most recent U.S. Department of  
9 Commerce data or located in an "opportunity zone"; provided, a  
10 business classified as research and development in the physical,  
11 engineering and life sciences as described under U.S. Industry  
12 Number 541710 or classified as a testing laboratory as described  
13 under U.S. Industry Number 541380 in the North American Industry  
14 Classification System (NAICS) Manual shall be considered to be an  
15 establishment for purposes of the Small Employer Quality Jobs  
16 Incentive Act regardless of the population of the county in which  
17 the establishment is located. As used in this paragraph,  
18 "opportunity zone" means one or more census tracts in which,  
19 according to the most recent Federal Decennial Census, at least  
20 thirty percent (30%) of the residents have annual gross household  
21 incomes from all sources below the poverty guidelines established by  
22 the U.S. Department of Health and Human Services;

23

24

1       3. "Estimated direct state benefits" means the tax revenues  
2 projected by the Oklahoma Department of Commerce to accrue to the  
3 state as a result of new direct jobs;

4       4. "Estimated direct state costs" means the costs projected by  
5 the Department to accrue to the state as a result of new direct  
6 jobs. Such costs shall include, but not be limited to:

7           a. the costs of education of new state resident children,

8           b. the costs of public health, public safety and  
9           transportation services to be provided to new state  
10          residents,

11          c. the costs of other state services to be provided to  
12          new state residents, and

13          d. the costs of other state services;

14       5. "Estimated net direct state benefits" means the estimated  
15 direct state benefits less the estimated direct state costs;

16       6. "Full-time employment" means employment of persons residing  
17 in this state and working for thirty (30) hours per week or more in  
18 this state, which has a minimum six-month duration during any  
19 twelve-month period;

20       7. "Gross taxable payroll" means wages, as defined in Section  
21 2385.1 of this title, for new direct jobs;

22       8. "Net benefit rate" means the estimated net direct state  
23 benefits computed as a percentage of gross payroll; provided:

1 a. the net benefit rate may be variable and shall not  
2 exceed five percent (5%), and

3 b. in no event shall incentive payments, cumulatively,  
4 exceed the estimated net direct state benefits; and

5 9. "New direct job" means full-time employment which did not  
6 exist in this state prior to the date of approval, by the Oklahoma  
7 Department of Commerce, of an application made pursuant to the Small  
8 Employer Quality Jobs Incentive Act. A job shall be deemed to exist  
9 in this state prior to approval of an application if the activities  
10 and functions for which the particular job exists have been ongoing  
11 at ~~anytime~~ any time within six (6) months prior to such approval.

12 SECTION 58. AMENDATORY 68 O.S. 2011, Section 3904, is  
13 amended to read as follows:

14 Section 3904. A. An establishment which meets the  
15 qualifications specified in the Small Employer Quality Jobs  
16 Incentive Act may receive quarterly incentive payments for a seven-  
17 year period from the Oklahoma Tax Commission pursuant to the  
18 provisions of the Small Employer Quality Jobs Incentive Act in an  
19 amount equal to the net benefit rate multiplied by the actual gross  
20 taxable payroll of new direct jobs as verified by the Tax  
21 Commission.

22 B. In order to receive incentive payments, an establishment  
23 shall apply to the Oklahoma Department of Commerce. The application  
24 shall be on a form prescribed by the Department and shall contain

1 such information as may be required by the Department to determine  
2 if the applicant is qualified. The establishment may apply for an  
3 effective date for a project, which shall not be more than twelve  
4 (12) months from the date the application is submitted to the  
5 Department.

6 C. Before approving an application for incentive payments, the  
7 Department must first determine that the applicant meets the  
8 following requirements:

9 1. Be engaged in a basic industry;

10 2. Has no more than ninety full-time employees in this state on  
11 the date of application nor an average of more than ninety full-time  
12 employees in this state during the four calendar quarters  
13 immediately preceding the date of application;

14 3. Has a projected minimum employment, as determined by the  
15 Department, of new direct jobs within twelve (12) months of the date  
16 of application, or after July 1, 2011, within twenty-four (24)  
17 months of the date of application, as follows:

18 a. if the establishment is located in a municipality with  
19 a population less than three thousand five hundred  
20 (3,500) persons, as determined by the ~~Oklahoma State~~  
21 ~~Data Center~~ Department of Commerce based on the most  
22 recent U.S. Department of Commerce data, or if the  
23 establishment is located in an unincorporated area and  
24 the largest municipality within twenty (20) miles of

1 the establishment is such a municipality, five new  
2 direct jobs,

3 b. if the establishment is located in a municipality with  
4 a population of three thousand five hundred (3,500)  
5 persons or more but less than seven thousand (7,000)  
6 persons, as determined by the ~~Oklahoma State Data~~  
7 ~~Center~~ Department of Commerce based on the most recent  
8 U.S. Department of Commerce data, or if the  
9 establishment is located in an unincorporated area and  
10 the largest municipality within twenty (20) miles of  
11 the establishment is such a municipality, ten new  
12 direct jobs, and

13 c. if the establishment is located in a municipality with  
14 a population of seven thousand (7,000) persons or  
15 more, as determined by the ~~Oklahoma State Data Center~~  
16 Department of Commerce based on the most recent U.S.  
17 Department of Commerce data, or if the establishment  
18 is located in an unincorporated area and the largest  
19 municipality within twenty (20) miles of the  
20 establishment is such a municipality, fifteen new  
21 direct jobs.

22 Provided, for an establishment engaged in software publishing as  
23 defined or classified in the NAICS Manual under Industry Group No.  
24 5112, data processing, hosting and related services as defined or

1 classified in the NAICS Manual under Industry Group No. 5182,  
2 computer systems design and related services as defined or  
3 classified in the NAICS Manual under Industry Group No. 5415,  
4 scientific research and development services as defined or  
5 classified in the NAICS Manual under Industry Group No. 5417,  
6 medical and diagnostic laboratories as defined or classified in the  
7 NAICS Manual under Industry Group No. 6215 or testing laboratories  
8 as defined or classified in the NAICS Manual under U.S. Industry No.  
9 541380, the projected minimum employment requirements of this  
10 paragraph must be achieved within thirty-six (36) months of the date  
11 of application;

12 4. Has or will have within twelve (12) months of the date of  
13 application, or after July 1, 2011, within twenty-four (24) months  
14 of the date of application, as determined by the Department, sales  
15 of at least seventy-five percent (75%) of its total sales to out-of-  
16 state customers or buyers, to in-state customers or buyers if the  
17 product or service is resold by the purchaser to an out-of-state  
18 customer or buyer for ultimate use, or to the federal government,  
19 except that:

20 a. those establishments in the NAICS Manual under the  
21 U.S. Industry No. 541710 or 541380 are excused from  
22 the seventy-five percent (75%) out-of-state sales  
23 requirement,  
24

- 1           b.    warehouses that serve as distribution centers for  
2                    retail or wholesale businesses shall be required to  
3                    distribute forty percent (40%) of inventory to out-of-  
4                    state locations, and
- 5           c.    adjustment and collection services activities defined  
6                    or classified in the NAICS Manual under U.S. Industry  
7                    No. 561440 shall be required to have seventy-five  
8                    percent (75%) of loans to be serviced made by out-of-  
9                    state debtors;

10           5.    Will pay the individuals it employs in new direct jobs an  
11           average annualized wage which equals or exceeds:

- 12           a.    one hundred twenty-five percent (125%) of the average  
13                    county wage of small employers located in that county  
14                    as that percentage is determined by the ~~Oklahoma State~~  
15                    ~~Data Center~~ Department of Commerce based on the most  
16                    recent wage and employment data from the Oklahoma  
17                    Employment Security Commission for the county in which  
18                    the new direct jobs are located. For purposes of this  
19                    subparagraph, health care premiums paid by the  
20                    applicant for individuals in new direct jobs shall be  
21                    included in the annualized wage, or
- 22           b.    one hundred ten percent (110%) of the average county  
23                    wage of small employers located in that county as that  
24                    percentage is determined by the ~~Oklahoma State Data~~

1 ~~Center~~ Department of Commerce based upon the most  
2 recent wage and employment data from the Oklahoma  
3 Employment Security Commission for the county in which  
4 the new direct jobs are located. For purposes of this  
5 subparagraph, health care premiums paid by the  
6 applicant for individuals in new direct jobs shall not  
7 be included in the annualized wage~~+~~+ or

8 c. one hundred percent (100%) of the average county wage,  
9 excluding health care premiums paid by the applicant  
10 for individuals in new direct jobs if the county in  
11 which the new jobs are located has:

12 (1) according to the most recent annual determination  
13 by the Oklahoma Employment Security Commission, a  
14 county unemployment rate more than ten percent  
15 (10%) higher than the state unemployment rate,  
16 and

17 (2) according to the most recent United States Census  
18 Bureau Data, a county personal poverty rate above  
19 fifteen percent (15%);

20 6. Has a basic health benefit plan which, as determined by the  
21 Department, meets the elements established under divisions (1)  
22 through (7) of subparagraph b of paragraph 1 of subsection A of  
23 Section 3603 of this title and which will be offered to individuals  
24 within twelve (12) months of employment in a new direct job;

1           7. Has not received incentive payments under the Oklahoma  
2 Quality Jobs Program Act, the Saving Quality Jobs Act, or the Former  
3 Military Facility Development Act; and

4           8. Is not qualified for approval of an application for  
5 incentive payments under the Oklahoma Quality Jobs Program Act, the  
6 Saving Quality Jobs Act, or the Former Military Facility Development  
7 Act.

8           D. The Oklahoma Department of Commerce shall determine if an  
9 applicant is qualified to receive the incentive payment. Upon  
10 qualifying the applicant, the Department shall notify the Tax  
11 Commission and shall provide it with a copy of the application, and  
12 approval which shall provide the number of persons employed by the  
13 applicant upon the date of approval and the maximum total incentives  
14 which may be paid to the applicant during the seven-year period.  
15 The Tax Commission may require the qualified establishment to submit  
16 additional information as may be necessary to administer the  
17 provisions of the Small Employer Quality Jobs Incentive Act. The  
18 approved establishment shall report to the Tax Commission quarterly  
19 to show its continued eligibility for incentive payments, as  
20 provided in Section 3905 of this title. Establishments may be  
21 audited by the Tax Commission to verify such eligibility. Once the  
22 establishment is approved, an agreement shall be deemed to exist  
23 between the establishment and the State of Oklahoma, requiring  
24 incentive payments to be made for a seven-year period as long as the

1 establishment retains its eligibility and within the limitations of  
2 the Small Employer Quality Jobs Incentive Act which existed at the  
3 time of such approval. Any establishment which has been approved  
4 for incentive payments prior to July 1, 2002, shall continue to  
5 receive such payments pursuant to the laws as they existed prior to  
6 July 1, 2002, for any period of time of the original five-year  
7 period for such payments remaining after July 1, 2002.

8 SECTION 59. AMENDATORY 68 O.S. 2011, Section 3914, is  
9 amended to read as follows:

10 Section 3914. A. An establishment which meets the  
11 qualifications specified in the 21st Century Quality Jobs Incentive  
12 Act may receive quarterly incentive payments for a ten-year period  
13 from the Oklahoma Tax Commission pursuant to the provisions of this  
14 act, as verified by the Tax Commission, in an amount equal to:

15 1. The gross payroll multiplied by the initial net benefit rate  
16 until such time as the establishment creates ten new direct jobs 7i  
17 or

18 2. The gross payroll multiplied by the fulfillment net benefit  
19 rate after such time as the establishment created and maintains ten  
20 new direct jobs.

21 B. In order to receive incentive payments, an establishment  
22 shall apply to the Oklahoma Department of Commerce. The application  
23 shall be on a form prescribed by the Department and shall contain  
24 such information as may be required by the Department to determine

1 if the applicant is qualified. The establishment may apply for an  
2 effective date for a project, which shall not be more than twelve  
3 (12) months from the date the application is submitted to the  
4 Department.

5 C. Before approving an application for incentive payments, the  
6 Department must first determine that the applicant meets the  
7 following requirements:

8 1. Be engaged in a basic industry as defined in the 21st  
9 Century Quality Jobs Incentive Act;

10 2. Will hire at least ten full-time employees in this state  
11 within twelve (12) quarters of the date of application;

12 3. Will pay the individuals it employs in new direct jobs an  
13 average annualized wage which equals or exceeds the lower of three  
14 hundred percent (300%) of the average of Oklahoma county wages or  
15 three hundred percent (300%) of the average county wage for the  
16 county in which the applicant is located as that percentage is  
17 determined by the ~~Oklahoma State Data Center~~ Department of Commerce  
18 based on the most recent U.S. Department of Commerce data;

19 4. Has a basic health benefit plan which, as determined by the  
20 Department, meets the elements established under divisions (1)  
21 through (7) of subparagraph b of paragraph 1 of subsection A of  
22 Section 3603 of ~~Title 68 of the Oklahoma Statutes~~ this title and  
23 which will be offered to individuals within twelve (12) months of  
24 employment in a new direct job;

1           5. Has not received incentive payments under the Small Employer  
2 Quality Jobs Program Act, the Saving Quality Jobs Act or the Former  
3 Military Facility Development Act; and

4           6. Is not qualified for approval of an application for  
5 incentive payments under the Small Employer Quality Jobs Program  
6 Act, the Saving Quality Jobs Act or the Former Military Facility  
7 Development Act.

8           D. The Oklahoma Department of Commerce shall determine if an  
9 applicant is qualified to receive the incentive payment. Upon  
10 qualifying the applicant, the Department shall notify the Tax  
11 Commission and shall provide it with a copy of the contract and  
12 approval which shall provide the number of persons employed by the  
13 applicant upon the date of approval and the maximum total incentives  
14 which may be paid to the applicant during the ten-year period. The  
15 Tax Commission may require the qualified establishment to submit  
16 additional information as may be necessary to administer the  
17 provisions of this act. The approved establishment shall report to  
18 the Tax Commission quarterly to show its continued eligibility for  
19 incentive payments, as provided in Section 3905 of ~~Title 68 of the~~  
20 ~~Oklahoma Statutes~~ this title. Establishments may be audited by the  
21 Tax Commission to verify such eligibility. Once the establishment  
22 is approved, an agreement shall be deemed to exist between the  
23 establishment and the State of Oklahoma, requiring incentive  
24 payments to be made for a ten-year period as long as the

1 establishment retains its eligibility and within the limitations of  
2 this act as it existed at the time of such approval.

3 SECTION 60. AMENDATORY 68 O.S. 2011, Section 50011, is  
4 amended to read as follows:

5 Section 50011. As used in the Oklahoma Tourism Promotion Act:

6 1. ~~"Committee" means the Oklahoma Tourism Promotion Advisory~~  
7 ~~Committee;~~

8 ~~2.~~ "Department" means the Oklahoma Tourism and Recreation  
9 Department; and

10 ~~3.~~ 2. "Tourism promotion" or "promote Oklahoma tourism" means  
11 and is limited to:

12 a. the cost of producing advertisements, placement of  
13 those advertisements with the media (newspapers,  
14 magazines, radio, television, billboard, direct mail,  
15 and the Internet) and the production and printing of  
16 collateral materials designed specifically to support  
17 and fulfill information requests generated by the  
18 media advertising campaigns, and the production,  
19 printing and distribution of brochures and promotions  
20 for regional, national and international tourism  
21 conferences. Tourism promotion shall also include  
22 festivals, sites and events concerning ethnic history  
23 and ethnic events which have occurred or are occurring  
24 in this state. For purposes of this paragraph,

1 "ethnic" means of or relating to races or large groups  
2 of people classed according to common traits or  
3 customs, and

4 b. the cost of providing a computerized consumer-oriented  
5 traveler response information program. Such program  
6 shall include a comprehensive state data base  
7 containing up-to-date information on state travel  
8 attractions and facilities, including but not limited  
9 to, lodging facilities, restaurants, chambers of  
10 commerce, convention and visitors bureaus, golf  
11 courses, campgrounds, events, regional tourism  
12 organizations and all other attractions. Oklahoma  
13 travel attractions and facilities shall be included on  
14 such data base free of charge.

15 "Tourism promotion" and "promote Oklahoma tourism" shall not  
16 include expenses for travel or lodging.

17 SECTION 61. REPEALER 68 O.S. 2011, Section 50015, is  
18 hereby repealed.

19 SECTION 62. REPEALER 69 O.S. 2011, Sections 420 and 421,  
20 as amended by Section 573, Chapter 304, O.S.L. 2012 (69 O.S. Supp.  
21 2012, Section 421), are hereby repealed.

22 SECTION 63. REPEALER 73 O.S. 2011, Section 310, as  
23 amended by Section 690, Chapter 304, O.S.L. 2012 (73 O.S. Supp.  
24 2012, Section 310), is hereby repealed.

1 SECTION 64. REPEALER Section 6, Chapter 417, O.S.L.  
2 1997, is hereby repealed.

3 SECTION 65. AMENDATORY 74 O.S. 2011, Section 2236, is  
4 amended to read as follows:

5 Section 2236. A. There is hereby created within the  
6 Department, the ~~Office of the~~ Oklahoma Film and Music ~~Commission~~  
7 Office. The Office shall have the primary responsibility in state  
8 government for promoting the state as a location for producing  
9 motion pictures, television programs, videos and recording or  
10 performing music. The Office shall assist the motion picture,  
11 television and video film and music industries by providing  
12 production contacts in the state, suggesting possible filming,  
13 performing, publishing, and recording locations, and other  
14 activities that may be required to promote the state as a filming  
15 and music center. The Office shall develop resource guides, a  
16 database, and a web site. The Office shall develop listings of  
17 music festivals and music events being held in Oklahoma.

18 B. ~~1. There is hereby established within the Department, the~~  
19 ~~Oklahoma Film and Music Commission which shall consist of the~~  
20 ~~Lieutenant Governor, who shall serve as an ex officio member and as~~  
21 ~~chair of the Commission, and eleven (11) members appointed by the~~  
22 ~~Director of the Department. Appointed members shall serve two-year~~  
23 ~~terms. Five appointed members shall have experience in the~~  
24 ~~development and implementation of economic development programs.~~

1 ~~Three appointed members shall possess a broad working knowledge of~~  
2 ~~the film industry. Three appointed members shall possess a broad~~  
3 ~~working knowledge of the music industry.~~

4 ~~2. The Oklahoma Film and Music Commission shall have the~~  
5 ~~following responsibilities:~~

- 6 ~~a. focus the film and music industry related activities~~  
7 ~~and functions of the Office of the Oklahoma Film and~~  
8 ~~Music Commission to provide the maximum economic~~  
9 ~~development impact to the State of Oklahoma,~~
- 10 ~~b. promote the film and music industries to local~~  
11 ~~communities,~~
- 12 ~~c. solicit input annually from a cross section of the~~  
13 ~~public including industry, business, and community~~  
14 ~~leaders,~~
- 15 ~~d. along with the Oklahoma Music Hall of Fame, serve as a~~  
16 ~~clearinghouse for the Oklahoma music industry using~~  
17 ~~databases which it develops and maintains,~~
- 18 ~~e. along with the Oklahoma Music Hall of Fame, promote~~  
19 ~~Oklahoma music and musicians to a national and~~  
20 ~~international audience,~~
- 21 ~~f. assist the Office of the Oklahoma Film and Music~~  
22 ~~Commission in developing a marketing plan and a~~  
23 ~~production manual, and~~

1           g. ~~assist the Office of the Oklahoma Film and Music~~  
2           ~~Commission in the preparation of the annual report.~~

3           C. ~~The Office of the Oklahoma Film and Music Commission~~ Office  
4 shall cooperate with other state and local offices as required to  
5 promote the film and music industries in this state.

6           D. C. ~~The Office of the Oklahoma Film and Music Commission~~  
7 Office shall establish a film production registration program.  
8 Under the program, film production companies shall be required to  
9 register with the Office prior to starting production on a film  
10 located in the state. The Office shall not require production  
11 companies to pay a fee for registration. The purpose of the program  
12 shall be to allow the Office to accurately track the number of  
13 filming productions occurring in the state and the economic impact  
14 of those productions.

15           E. D. ~~The Office of the Oklahoma Film and Music Commission~~  
16 Office shall submit an annual report to the Governor, the Speaker of  
17 the House of Representatives, and the President Pro Tempore of the  
18 Senate prior to July 1 of each year regarding the activities of the  
19 Office. The report shall state the number of filming productions  
20 that the Office has helped bring to the state and the economic  
21 impact of those productions, and provide similar information  
22 concerning the efforts of the Office to promote the music industry  
23 in this state.

1 SECTION 66. REPEALER 74 O.S. 2011, Sections 2286, 2287,  
2 2288, as amended by Section 999, Chapter 304, O.S.L. 2012, 2289,  
3 2290, 2291, 2292 and 2293 (74 O.S. Supp. 2012, Section 2288), are  
4 hereby repealed.

5 SECTION 67. NEW LAW A new section of law not to be  
6 codified in the Oklahoma Statutes reads as follows:

7 Any monies remaining in the Oklahoma Recreation and Development  
8 Revolving Fund as created in Section 2288 of Title 74 of the  
9 Oklahoma Statutes after the effective date of this act, shall be  
10 transferred to the Department of Commerce.

11 SECTION 68. AMENDATORY 74 O.S. 2011, Section 4190, as  
12 amended by Section 1019, Chapter 304, O.S.L. 2012 (74 O.S. Supp.  
13 2012, Section 4190), is amended to read as follows:

14 Section 4190. A. The Director of the Office of Management and  
15 Enterprise Services is authorized to approve and administer child  
16 care centers for minor dependents of state employees, and may  
17 provide consultation to state agencies regarding child care centers.

18 B. ~~1. The Director shall appoint an advisory committee to~~  
19 ~~review the child care needs of state employees, recommend suitable~~  
20 ~~sites for centers, monitor and evaluate the operation of centers.~~

21 ~~2. The advisory body shall report annually on the progress of~~  
22 ~~the centers to the Governor, the President Pro Tempore of the~~  
23 ~~Senate, and the Speaker of the House of Representatives.~~

24

1       ~~C.~~ The Office of Management and Enterprise Services, the  
2 Department of Human Services, and the Oklahoma State Department of  
3 Health are directed to assist the Director of the Office of  
4 Management and Enterprise Services in the implementation of Sections  
5 4190 through 4192 of this title.

6       ~~D.~~ C. The Director is authorized to promulgate any rules  
7 necessary for the establishment and implementation of Sections 4190  
8 through 4192 of this title.

9       ~~E.~~ D. Licensed spaces in the child care centers shall be open  
10 to all eligible children, including those individuals not employed  
11 by the State of Oklahoma and those financially eligible for  
12 Department of Human Services child care assistance. However, minor  
13 dependents of state employees shall be given highest priority and  
14 children financially eligible for Department of Human Services child  
15 care assistance second priority for all vacant spaces.

16       ~~F.~~ E. The Director shall approve rates for child care  
17 consistent with the rates of the industry within the geographic  
18 area.

19       SECTION 69.        AMENDATORY        74 O.S. 2011, Section 5003.10a,  
20 is amended to read as follows:

21       Section 5003.10a An office established by the Oklahoma  
22 Department of Commerce outside the State of Oklahoma pursuant to  
23 paragraph 16 of Section 5003.10 of this title shall not be  
24 terminated until the Director of the Oklahoma Department of Commerce

1 provides a written report to the Governor, the Speaker of the House  
2 of Representatives, and the President Pro Tempore of the Senate of  
3 the intent of the Director to terminate the office. ~~The~~  
4 ~~International Trade Legislative Advisory Committee, created pursuant~~  
5 ~~to Section 2 of this act, shall review the report and make~~  
6 ~~recommendations to the Oklahoma Senate and House of Representatives~~  
7 ~~regarding the proposed termination.~~ Termination of the office  
8 pursuant to this section shall not occur earlier than sixty (60)  
9 days following the date the report is filed as provided in this  
10 section. For purposes of this section, "termination" means a  
11 reduction in funding for an office or a change in representation.

12 SECTION 70. REPEALER 74 O.S. 2011, Section 5003.10c, is  
13 hereby repealed.

14 SECTION 71. REPEALER 74 O.S. 2011, Sections 5018 and  
15 5019, as amended by Section 1031, Chapter 304, O.S.L. 2012 (74 O.S.  
16 Supp. 2012, Section 5019), are hereby repealed.

17 SECTION 72. AMENDATORY 74 O.S. 2011, Section 5060.1a, is  
18 amended to read as follows:

19 Section 5060.1a A. Recognizing the vast, underutilized human  
20 and capital resources, both urban and rural, in the State of  
21 Oklahoma and the opportunity for economic development through  
22 technological advancement, the Legislature and the Governor hereby  
23 adopt the following goals:

24

1 1. Establishing Oklahoma as a premier information technology  
2 and biotechnology center for the twenty-first century;

3 2. Enhancing the lives of, and expanding opportunities for, all  
4 Oklahomans through growth of information technology, biotechnology,  
5 nanotechnology and sensors industries and infrastructure throughout  
6 the urban and rural areas of the state;

7 3. Expanding and diversifying Oklahoma's economy and providing  
8 new and higher quality jobs for Oklahomans; and

9 4. Creating public-private partnerships to provide  
10 opportunities for development, expansion, and retention of, funding  
11 and financing for, and investment in, technology-oriented  
12 enterprises in Oklahoma.

13 B. To further the goals set forth in the Oklahoma Science and  
14 Technology Research and Development Act, there is hereby created the  
15 Oklahoma Science and Technology Research and Development Board. The  
16 Board shall be responsible for the administration and governance of  
17 the Oklahoma Center for the Advancement of Science and Technology  
18 ~~and the Oklahoma Institute of Technology.~~

19 SECTION 73. AMENDATORY 74 O.S. 2011, Section 5060.2, as  
20 amended by Section 1035, Chapter 304, O.S.L. 2012 (74 O.S. Supp.  
21 2012, Section 5060.2), is amended to read as follows:

22 Section 5060.2 A. In order to attain the goals as set forth in  
23 the Oklahoma Science and Technology Research and Development Act,  
24 Oklahoma enterprises need institutions that combine the resources of

1 the public and private sectors to encourage the development of new  
2 products, new processes and whole new industries in Oklahoma. The  
3 institutions are needed to:

4 1. Support the development of new or expanded technologies;

5 2. Provide basic and applied research capital to move  
6 innovation to commercial application;

7 3. Encourage the transfer of technology to firms and farms  
8 throughout the geographic regions of the state;

9 4. Stimulate seed-capital investment in firms that will use  
10 innovation, new technologies, or technological advances in  
11 profitable commercial applications;

12 5. Foster competitiveness, productivity and modernization in  
13 Oklahoma firms and farms; and

14 6. Establish public-private partnerships to provide  
15 opportunities for development, expansion, and retention of, funding  
16 and financing for, and investment in, technology-oriented  
17 enterprises in Oklahoma.

18 B. There is hereby created the Oklahoma Center for the  
19 Advancement of Science and Technology. The Oklahoma Center for the  
20 Advancement of Science and Technology is hereby constituted an  
21 instrumentality of the state and the exercise of the authority and  
22 powers conferred by law shall be deemed and held to be the  
23 performance of an essential governmental function.

24

1       ~~C. There is hereby created the Oklahoma Institute of Technology~~  
2 ~~as an institute within the Oklahoma Center for the Advancement of~~  
3 ~~Science and Technology. The Oklahoma Science and Technology~~  
4 ~~Research and Development Board and the Oklahoma Center for the~~  
5 ~~Advancement of Science and Technology are hereby directed to support~~  
6 ~~the Oklahoma Institute of Technology and to include the Institute in~~  
7 ~~the Center's budget work program submitted each fiscal year to the~~  
8 ~~Office of Management and Enterprise Services.~~

9       SECTION 74.       AMENDATORY       74 O.S. 2011, Section 5060.3, is  
10 amended to read as follows:

11       Section 5060.3 ~~A.~~ The mission of the Oklahoma Center for the  
12 Advancement of Science and Technology shall be to foster innovation  
13 in existing and developing businesses by supporting basic and  
14 applied research, by facilitating technology transfer between  
15 research laboratories and firms and farms, and by providing  
16 seed-capital for innovative and technology-oriented firms and their  
17 products. The Oklahoma Center for the Advancement of Science and  
18 Technology also shall have the authority to foster enhanced  
19 competitiveness in the national and international markets by small  
20 and medium-sized manufacturing firms located in Oklahoma by  
21 stimulating productivity and modernization of such firms.

22       ~~B. The mission and purposes of the Oklahoma Institute of~~  
23 ~~Technology shall include:~~

24

1 ~~1. Attracting, retaining, and stimulating the development of~~  
2 ~~information technology, biotechnology, genetics, and emerging~~  
3 ~~technologies;~~

4 ~~2. Providing leadership development programs to prepare rural~~  
5 ~~residents for leadership in a technologically enhanced economy;~~

6 ~~3. Upgrading and enhancing rural technology to grow or attract~~  
7 ~~high technology companies;~~

8 ~~4. Facilitating joint public-private technology research and~~  
9 ~~development projects using resources and facilities of public higher~~  
10 ~~education institutions or private entities;~~

11 ~~5. Providing engineering or management assistance to new or~~  
12 ~~existing businesses in bringing improved or innovative products or~~  
13 ~~services to market; and~~

14 ~~6. Establishing public-private partnerships to provide~~  
15 ~~opportunities for development, expansion, and retention of, funding~~  
16 ~~and financing for, and investment in, technology-oriented~~  
17 ~~enterprises in Oklahoma.~~

18 SECTION 75. AMENDATORY 74 O.S. 2011, Section 5060.4, is  
19 amended to read as follows:

20 Section 5060.4 As used in the Oklahoma Science and Technology  
21 Research and Development Act:

22 1. "COEAT" means Center of Excellence for Aerospace Technology,  
23 an initiative within the Oklahoma Aerospace Institute that  
24

1 undertakes applied research, development and technology transfer  
2 that has long-term potential for commercial development;

3 2. "CASQ" means Center of Aerospace Supplier Quality, an  
4 initiative within the Oklahoma Aerospace Institute that serves as a  
5 conduit between Oklahoma's military installations and the aerospace  
6 industry;

7 3. "Applied research" means those research activities occurring  
8 at institutions of higher education, nonprofit research foundations,  
9 and in private enterprises which have potential commercial  
10 application;

11 4. "Basic research" means any original investigation for the  
12 advancement of scientific knowledge not having a specific commercial  
13 objective, but having potential long-range value to commercial  
14 interests;

15 5. "Board" means the Oklahoma Science and Technology Research  
16 and Development Board;

17 6. "Center" or "OCAST" means the Oklahoma Center for the  
18 Advancement of Science and Technology;

19 7. "Commercialization Center" means a private, nonprofit  
20 corporation contracting with and funded in part by OCAST to:

21 a. attract to, and retain in, Oklahoma technology and  
22 technology-based enterprises,  
23  
24

- 1           b.    promote and assist with the development and expansion  
2                   of scientific and technology-based industry in the  
3                   state,  
4           c.    facilitate the development of incubators for  
5                   technology-oriented enterprises,  
6           d.    assist technology-based enterprises in developing and  
7                   expanding their businesses, obtaining financing and  
8                   funding, attracting capital, including seed capital  
9                   and venture capital, and attracting and retaining key  
10                  management personnel, scientists, and skilled labor,  
11                  and  
12           e.    develop, operate, and manage programs to facilitate  
13                  entrepreneurial activity with respect to technology,  
14                  scientific-based, biomedical, biomedical-technical,  
15                  and technology-oriented enterprises in this state;

16           8.    "Enterprise" means a firm with its principal place of  
17           business in Oklahoma;

18           9.    "Health research project" means a specific examination,  
19           experimentation or investigation, or initiative to provide research  
20           resources oriented principally toward basic, applied, and  
21           developmental scientific inquiry related to the causes, diagnosis,  
22           prevention, and treatment of human diseases and disabilities and  
23           mental health and emotional disorders, and the rehabilitation of  
24           persons afflicted with such diseases, disabilities, and disorders;

1 new knowledge, better understanding, and innovative methods to  
2 improve the processes by which health care services are made  
3 available and how they may be provided more efficiently, more  
4 effectively and at a lower cost, for all the citizens of this state;  
5 and the development of new products and services which shall form  
6 the basis of new high-technology health research and care industry  
7 for this state;

8 10. "Industrial Extension System" means a coordinated network  
9 of public and private manufacturing modernization resources, the  
10 purpose of which is to stimulate the competitiveness of Oklahoma  
11 small and medium-sized manufacturing firms;

12 11. ~~"Institute" means the Oklahoma Institute of Technology;~~

13 ~~12.~~ "Institutional Review Board" means a committee composed of  
14 investigators, lay representatives, and legal counsel, which is  
15 established at each institution of higher learning and each  
16 nonprofit research institution receiving funds from a health  
17 research project, for the express purpose of determining the  
18 appropriateness of any research involving human subjects;

19 ~~13.~~ 12. "Institutions of higher education" means public and  
20 private colleges and universities in the state;

21 ~~14.~~ 13. "Investigator" means a person who proposes research  
22 projects and is primarily responsible for the execution of the  
23 proposed projects and is employed by or affiliated with an  
24

1 institution of higher education, a nonprofit research institution in  
2 this state, or a private enterprise;

3 ~~15.~~ 14. "Nanotechnology" means technology development at the  
4 molecular range (1nm to 100nm) to create and use structures,  
5 devices, and systems that have novel properties because of their  
6 small size;

7 ~~16.~~ 15. "New technology" means methods, products, processes and  
8 procedures developed through science or research;

9 ~~17.~~ 16. "Nonprofit research institution" means any not-for-  
10 profit public or private facility in this state which has the  
11 capabilities for research projects and which is not a subsidiary of  
12 any corporation, partnership, or association organized for profit,  
13 nor is its stock or assets owned or controlled by a corporation,  
14 partnership, or association organized for profit;

15 ~~18.~~ 17. "OAI" means Oklahoma Aerospace Institute, a strategic  
16 partnership that will focus available resources to promote  
17 cooperation and collaboration among Oklahoma businesses,  
18 manufacturers, military installations, commercial aviation, higher  
19 education institutions, nonprofit research institutions, and state  
20 government;

21 ~~19.~~ 18. "OAME" means the Oklahoma Alliance for Manufacturing  
22 Excellence, Inc., a corporation to be formed pursuant to the  
23 provisions of Title 18 of the Oklahoma Statutes and Section 5060.26  
24 of this title;

1       ~~20.~~ 19. "ONAP" means the Oklahoma Nanotechnology Applications  
2 Project;

3       ~~21.~~ 20. "OSTRaD" means the Oklahoma Science and Technology  
4 Research and Development Act;

5       ~~22.~~ 21. "Person" means any individual, partnership, corporation  
6 or joint venture carrying on business or proposing to carry on  
7 business within the state;

8       ~~23.~~ 22. "Plant science research" means those research  
9 activities occurring at institutions of higher education, nonprofit  
10 research institutions, and in private enterprises, which have  
11 potential commercial application and concern plant productivity,  
12 renewable biomass, plant-based environmental applications and  
13 chemical platforms, plant-based solutions to improve nutrition,  
14 human and/or animal health or performance, process applications, and  
15 seed management and the development of new products and services  
16 that shall form the basis of new, high-technology plant  
17 science/agriculture industry for this state;

18       ~~24.~~ 23. "Product" means any outcome, device, technique or  
19 process, which is or may be developed or marketed commercially and  
20 which has advanced beyond the theoretical stage and is in a  
21 prototype or practice stage;

22       ~~25.~~ 24. "Professional service contract" means a written  
23 agreement providing funds for the performance of a research project;  
24 for salaries and fringe benefits of personnel associated with

1 research programs; for research equipment; for operating expenses  
2 associated with a research program; or for services provided in  
3 connection with the evaluation of applications submitted to the  
4 Center;

5 ~~26.~~ 25. "Qualified security" means any public or private  
6 financial arrangement, involving any note, security, debenture,  
7 evidence of indebtedness, certificate of interest or participation  
8 in any profit-sharing agreement, preorganization certificate or  
9 subscription, transferable security, investment contract,  
10 certificate of deposit for a security, certificate of interest or  
11 participation in a patent or application therefor, or in royalty or  
12 other payments under such a patent or application, or, in general,  
13 any interest or instrument commonly known as a "security" or any  
14 certificate for, receipt for, guarantee of, or option, warrant or  
15 right to subscribe to or purchase any of the foregoing to the extent  
16 allowed by law;

17 ~~27.~~ 26. "Seed-capital" means funding, capital, and financing  
18 that is provided and made available for the creation, development,  
19 validation, refinement, protection, manufacturing, marketing, and  
20 commercialization of a product, process, concept, invention, or  
21 innovation, whether for the startup of a new enterprise or for the  
22 expansion, growth, or restructuring of an existing enterprise; and

23 ~~28.~~ 27. "Technology transfer" means a two-way process by which  
24 ideas or inventions for processes or products (developed in research

1 programs usually on a laboratory or pilot-plant scale) are converted  
2 to commercial use.

3 SECTION 76. AMENDATORY 74 O.S. 2011, Section 5060.9, is  
4 amended to read as follows:

5 Section 5060.9 A. The Oklahoma Science and Technology Research  
6 and Development Board shall have the power to:

7 1. Make, amend and repeal bylaws for the management of the  
8 Center ~~and the Institute;~~

9 2. Sue and be sued;

10 3. Make contracts and execute all instruments necessary or  
11 convenient for carrying out the business of the Center ~~and the~~  
12 ~~Institute;~~

13 4. Acquire, own, hold, dispose of and encumber real or personal  
14 property of any nature, including tangible, intangible, commercial  
15 or intellectual, or any interest therein;

16 5. Enter into agreements or other transactions with any  
17 federal, state, county or municipal agency, authority or other  
18 governmental entity and with any individual, corporation,  
19 enterprise, association or any other entity involving research and  
20 technology;

21 6. Acquire real property or an interest therein, by purchase or  
22 foreclosure, where such acquisition is necessary or appropriate to  
23 protect or secure any investment or loan in which the Center has an  
24 interest;

1           7. Sell, transfer and convey any such property to a buyer, and  
2 in the event such sale, transfer or conveyance cannot be effected  
3 with reasonable promptness or at a reasonable price, to lease such  
4 property to a tenant;

5           8. Invest any funds provided by the state and held in reserve  
6 in funds not required for immediate disbursement and invest funds  
7 received from gifts, grants, donations and other operations of the  
8 Center in such investments as would be lawful for a private  
9 corporation having purposes similar to the Center;

10          9. Borrow money and give guaranties, provided that the  
11 indebtedness and other obligations of the Center ~~or Institute~~ shall  
12 be payable solely out of the resources of the Center ~~or the~~  
13 ~~Institute, respectively,~~ and shall not constitute a pledge of the  
14 full faith and credit of the state or any of its revenues;

15          10. Appoint officers, consultants, agents and advisors, and  
16 prescribe their duties and compensation;

17          11. Appear on its own behalf or on behalf of the Center ~~or~~  
18 ~~Institute~~ before boards, commissions, departments or other agencies  
19 of municipal, county or state government or federal government;

20          12. Procure insurance against any losses in connection with its  
21 properties in such amounts from such insurers as may be necessary or  
22 desirable;

23          13. Consent, subject to the provisions of any contract with  
24 note-holders, whenever it considers it necessary or desirable in the

1 fulfillment of the goals and purposes of the Center ~~or Institute~~, to  
2 the modifications, with respect to the rate of interest, time  
3 payment or of any installment, of principal and interest or any  
4 terms of any contract or agreement of any kind to which the Center  
5 ~~or the Institute~~ is a party;

6 14. Accept any and all donations, grants, bequests and devises,  
7 conditional and otherwise, of money, property, services or other  
8 things of value which may be received from the United States or any  
9 agency thereof, any governmental agency, or any institution, person,  
10 firm or corporation, public or private, to be held, used or applied  
11 for any or all of the goals and purposes of the Center ~~or the~~  
12 ~~Institute~~, in accordance with the terms and conditions of any such  
13 grant;

14 15. Trade, buy or sell qualified securities;

15 16. Own, possess and take license in, patents, copyrights and  
16 proprietary processes and negotiate and enter into contracts and  
17 establish charges for the use of such patents, copyrights and  
18 proprietary processes when such patents and licenses for innovation  
19 or inventions result from research sponsored by the Center ~~or~~  
20 ~~Institute~~ in a private enterprise or when the Center ~~or Institute~~  
21 finances a product developed by a private enterprise;

22 17. Establish policies governing royalty payments to the Center  
23 ~~and Institute~~ on patents and licenses for innovations or inventions  
24 arising in the course of research sponsored by the Center ~~or~~

1 ~~Institute~~ at institutions of higher education and nonprofit research  
2 foundations; such royalty policies should reflect an appropriate  
3 sharing of legal risk as well as financial return between the Center  
4 ~~or Institute~~ and such institution or foundation; such patents and  
5 licenses shall be in keeping with the patent policies of such  
6 institutions or foundations;

7 18. Conduct studies which are related to economic development,  
8 involving product or process innovations;

9 19. Solicit, study and assist in the preparation of business  
10 plans and proposals of new or established enterprises of special  
11 importance to the Oklahoma economy;

12 20. Prepare, publish and distribute such technological studies,  
13 reports, bulletins and other materials as it considers appropriate,  
14 subject only to the maintenance and responsibility for  
15 confidentiality of the client proprietary information, and encourage  
16 institutions of higher education to develop and disseminate similar  
17 materials;

18 21. Sponsor, or co-sponsor with both private industry and  
19 higher education institutions, special institutes, conferences and  
20 demonstrations relating to the stimulation of innovation, science  
21 and technologically oriented enterprises;

22 22. Participate with any state agency or institution of higher  
23 education in developing specific goals, programs and performance  
24 monitoring systems to assist in the development of basic research,

1 applied research and technology transfer of special importance to  
2 the Oklahoma economy;

3 23. Provide scientific and technological data and information  
4 required by the Governor, the Legislature, or its committees, and to  
5 state agencies, institutions of higher education and cities, towns,  
6 counties and school districts and to private citizens and groups,  
7 within the limitations of the resources available to the Center;

8 24. Provide training and practical experience for Oklahoma  
9 researchers in the preparation of applications for peer-reviewed  
10 grant competitions;

11 25. Facilitate public/private partnerships that will support  
12 the creation of endowed chairs, scholarships, research grants, and  
13 business opportunities;

14 26. Develop policies and procedures for partnering with and/or  
15 between universities offering engineering or technology degrees in  
16 Oklahoma to facilitate joint public/private technology research and  
17 development projects using resources and facilities of such public  
18 higher education institutions or private entities; provided that,  
19 the Board shall utilize, and accord lead status to, Rogers State  
20 University for coordinating and delivering higher education distance  
21 learning opportunities initiated or developed by the Board;

22 27. Advertise for, accept, and fund proposals from  
23 universities, private industries, towns, counties, municipalities,  
24 and individuals to achieve its goals and purposes;

1 28. Collaborate with the various entities to develop  
2 initiatives which foster economic development through technological  
3 advancement;

4 29. Create institutes or centers with world-class research  
5 teams that support the state's primary economic development thrusts;  
6 and

7 ~~30. Expend monies from the income and investment return and~~  
8 ~~principal from the Oklahoma Institute of Technology Trust Fund, upon~~  
9 ~~authorization of the trustees of the trust fund by the required vote~~  
10 ~~as provided in Section 12 of this act; and~~

11 ~~31.~~ Exercise any other powers necessary for the operation and  
12 functioning of the Center within the purposes authorized in this  
13 act.

14 B. The Center ~~and the Institute~~ shall be exempt from all  
15 franchise, corporate business and income taxes levied by the state.  
16 The manufacture or sale of any products or processes which are the  
17 subject of any agreement made by the Center ~~or the Institute~~, or any  
18 person entering into any agreement with the Center ~~or Institute~~  
19 shall not be exempt from any such taxes or taxes applicable to such  
20 manufacture or sale.

21 C. The Center ~~and Institute~~ shall include in the annual  
22 business plan appropriate administrative policies, including but not  
23 limited to policies governing the classification, employment,  
24 promotion, suspension, disciplinary action or dismissal of Center

1 employees, ~~including employees assigned to the Institute,~~  
2 purchasing, ~~travel,~~ and reimbursement of employees. All actions  
3 governed by said administrative policies shall be examined annually  
4 in the independent audit required by Section 5060.22 of this title.  
5 The Center ~~and Institute~~ shall not be subject to state purchasing  
6 laws, except with respect to purchases required for the  
7 administrative expenses of the Board, or laws concerning travel or  
8 reimbursement of state employees. Professional service contracts  
9 executed by the Center ~~or Institute~~ shall not be subject to any  
10 requirement of law relating to competitive bidding.

11 Because many of the powers and duties of the Center ~~and~~  
12 ~~Institute~~ involve working closely with the private sector, certain  
13 employee positions of the Center, ~~including employees assigned to~~  
14 ~~the Institute,~~ must be governed, classified and compensated in a  
15 manner that compares equally to similar positions in the private  
16 sector. Therefore, in the annual business plan, the Board shall  
17 list, describe and justify all such positions and their compensation  
18 and shall designate and place them in unclassified status, exempt  
19 from the provisions of the Oklahoma Personnel Act. All other  
20 employees and positions shall be classified and subject to the  
21 provisions of the Merit System of Personnel Administration as  
22 provided in the Oklahoma Personnel Act. Provided, nothing in this  
23 section shall be construed to limit the authority of the Legislature  
24 to specify the status of positions otherwise by law. Neither shall

1 the Board have the authority to circumvent, disregard or otherwise  
2 disobey specific provisions of law regarding positions in the Center  
3 ~~or the Institute.~~

4 D. Upon approval of the Board, the Center shall have the  
5 authority to exercise the powers enumerated in subsection A of this  
6 section.

7 SECTION 77. AMENDATORY 74 O.S. 2011, Section 5060.22, is  
8 amended to read as follows:

9 Section 5060.22 A. The Oklahoma Science and Technology  
10 Research and Development Board is authorized and instructed to make  
11 an annual report no later than November 1 to the Governor, the  
12 President Pro Tempore of the Senate, and the Speaker of the House of  
13 Representatives that shall describe the accomplishments, the  
14 expenditures, and the activities of the prior fiscal year. The  
15 report shall include elements the Board identifies as hampering the  
16 state's economic progress and recommendations for changes. The  
17 report shall include an independent audit in accordance with  
18 auditing standards generally accepted in the United States and the  
19 standards applicable to financial audits contained in Government  
20 Auditing Standards, latest revised edition, issued by the  
21 Comptroller General of the United States, which shall examine, among  
22 other things, actions governed by the administrative policies  
23 adopted by the Board on behalf of the Oklahoma Center for the  
24 Advancement of Science and Technology ~~and the Oklahoma Institute of~~

1 ~~Technology~~. The annual report shall specifically account for the  
2 ways in which the need, mission and programs of the Center ~~and the~~  
3 ~~Institute~~ have been carried out, including but not limited to a  
4 review of the results of the operations and transactions according  
5 to objective measures set forth in the business plan. The report  
6 shall recommend specific changes in the activities of the Center ~~or~~  
7 ~~Institute~~ which are necessary to better carry out the need and  
8 mission described in the Oklahoma Center for the Advancement of  
9 Science and Technology Act. The Board shall distribute its annual  
10 report by such means that will make it widely available to those  
11 innovative enterprises of special importance to the Oklahoma  
12 economy.

13 B. The Board shall annually review and prepare a report showing  
14 how and at what level other states fund technology-based economic  
15 development programs. The Board shall recommend an appropriate  
16 funding level for Oklahoma which will make these programs nationally  
17 competitive with those of other states. The Board's findings and  
18 recommendations shall be included in the annual report to be  
19 submitted to the Governor and the Legislature.

20 C. The Center shall adopt a threshold funding level for each of  
21 the programs provided for by law. The threshold amount shall  
22 provide for funding that is great enough to have a significant  
23 impact and carry out the intent of the Legislature. If the funding  
24 for these programs falls below the threshold, then no funding shall

1 be provided by the Center to the program funded below threshold  
2 level.

3 D. The Board, on behalf of the Center ~~and Institute~~, shall fund  
4 areas of research and development that the Board selects as most  
5 likely to stimulate information technology, biotechnology, genetics,  
6 meteorology and climate studies, and emerging or developing  
7 technology and related jobs; foster patents; result in new patents,  
8 copyrights, trademarks, and licenses of value; pursue world-class  
9 research teams that support the state's primary economic development  
10 thrusts or focus areas; and stimulate private and public investments  
11 with the intent to encourage economic development in Oklahoma.

12 SECTION 78. AMENDATORY 74 O.S. 2011, Section 5060.30, as  
13 amended by Section 1039, Chapter 304, O.S.L. 2012 (74 O.S. Supp.  
14 2012, Section 5060.30), is amended to read as follows:

15 Section 5060.30 A. The "Oklahoma ~~Institute of~~ Technology Trust  
16 Fund" is hereby created. The trust fund shall be administered as  
17 follows:

18 1. The trustees of the trust fund shall consist of seven  
19 members of the Oklahoma Science and Technology Research and  
20 Development Board who are the presidents of Oklahoma State  
21 University, the University of Oklahoma, and the private university  
22 offering graduate engineering degrees and the four chief executive  
23 officers or senior executive officers of corporations or  
24 foundations. The chair of the board of trustees shall be elected by

1 the trustees from among the four chief executive officers or senior  
2 executive officers who also serve on the Oklahoma Science and  
3 Technology Research and Development Board.

4 2. After January 1, 2003, the board of trustees may by  
5 unanimous vote expand the number of trustees at any time. No more  
6 than three members added by the board of trustees may serve  
7 concurrently. The members added by the board of trustees shall be  
8 representatives of industries ~~that have demonstrated support for the~~  
9 ~~Oklahoma Institute of Technology~~, shall have full voting rights, and  
10 shall serve four-year terms. A position added by the board of  
11 trustees may be filled at the end of the term by vote of the  
12 trustees. A position not filled by the trustees at the end of the  
13 term shall be considered abolished.

14 3. ~~The trust fund shall be utilized to further the mission and~~  
15 ~~purposes of the Institute.~~

16 4. The trust fund principal shall consist of monies received  
17 from any monies the Legislature appropriates for, or transfers to,  
18 the trust fund and any monies or assets contributed to the trust  
19 fund from any other source, public or private. Notwithstanding  
20 other provisions of law, income and investment return on trust fund  
21 principal shall accrue to the trust fund and may be authorized upon  
22 a majority vote of the trustees for use and expenditure by the  
23 Oklahoma Science and Technology Research and Development Board ~~for~~  
24 ~~the purposes of the Institute.~~ Use of the trust fund principal may

1 be authorized upon a vote of three-fourths of the trustees for use  
2 and expenditure by the Oklahoma Science and Technology Research and  
3 Development Board ~~to achieve the purposes and goals of the~~  
4 ~~Institute.~~

5 ~~5.~~ 4. The trustees shall develop procedures for accomplishing  
6 transfer of income and investment return to appropriate accounts set  
7 up in the Office of the State Treasurer.

8 ~~6.~~ 5. The trust fund may be dissolved upon an act approved by  
9 three-fourths (3/4) of both houses of the Legislature or pursuant to  
10 a plan for use of the principal, leading to dissolution of the trust  
11 fund, over a ten-year period that has been proposed by the trustees  
12 and approved by the Legislature and the Governor. Upon the trust  
13 fund's dissolution, any funds in the trust fund shall be placed in  
14 the state general revenue fund, unless the Legislature specifically  
15 provides otherwise.

16 B. There is hereby created in the State Treasury a fund for the  
17 Oklahoma ~~Institute of Technology~~ Center for the Advancement of  
18 Science and Technology to be designated the "Oklahoma ~~Institute of~~  
19 Technology Fund". The fund shall be a continuing fund, not subject  
20 to fiscal year limitations, and shall consist of any monies received  
21 by the ~~Institute~~ Center from the Legislature or other sources for  
22 the fund. All monies accruing to the credit of the fund are hereby  
23 appropriated and may be budgeted and expended by the Oklahoma  
24 Science and Technology Research and Development Board for the

1 purposes of the ~~Institute~~ Center. Expenditures from the fund shall  
2 be made upon warrants issued by the State Treasurer against claims  
3 filed as prescribed by law with the Director of the Office of  
4 Management and Enterprise Services for approval and payment. The  
5 Oklahoma Science and Technology Research and Development Board shall  
6 develop procedures for setting up accounts within the fund as  
7 necessary in the Office of the State Treasurer. The Board shall  
8 place only funds appropriated for or otherwise received for the  
9 ~~Institute~~ Center in the accounts for the ~~Institute~~ Center and shall  
10 not commingle funds that are not appropriated or otherwise received  
11 for the ~~Institute~~ Center with funds appropriated or received for any  
12 other purpose of the Center.

13 SECTION 79. REPEALER 74 O.S. 2011, Section 5212, is  
14 hereby repealed.

15 SECTION 80. REPEALER 74 O.S. 2011, Section 8401, as  
16 amended by Section 1052, Chapter 304, O.S.L. 2012 (74 O.S. Supp.  
17 2012, Section 8401), is hereby repealed.

18 SECTION 81. AMENDATORY 75 O.S. 2011, Section 250.10, is  
19 amended to read as follows:

20 Section 250.10 The Governor by Executive Order or either house  
21 of the Legislature or both houses of the Legislature by resolution,  
22 or a small business ~~or the Small Business Regulatory Review~~  
23 ~~Committee pursuant to Section 5 of this act~~, may request an agency  
24 to review its rules to determine whether or not the rules in

1 question should be amended, repealed or redrafted. The agency shall  
2 respond to requests from the Governor or the Legislature within  
3 ninety (90) calendar days of such request.

4 SECTION 82. AMENDATORY 75 O.S. 2011, Section 303, is  
5 amended to read as follows:

6 Section 303. A. Prior to the adoption of any rule or amendment  
7 or revocation of a rule, the agency shall:

8 1. Cause notice of any intended action to be published in "The  
9 Oklahoma Register" pursuant to subsection B of this section;

10 2. For at least thirty (30) days after publication of the  
11 notice of the intended rulemaking action, afford a comment period  
12 for all interested persons to submit data, views or arguments,  
13 orally or in writing. The agency shall consider fully all written  
14 and oral submissions respecting the proposed rule;

15 3. Hold a hearing, if required, as provided by subsection C of  
16 this section;

17 4. Consider the effect its intended action may have on the  
18 various types of business and governmental entities. Except where  
19 such modification or variance is prohibited by statute or  
20 constitutional constraints, if an agency finds that its actions may  
21 adversely affect any such entity, the agency may modify its actions  
22 to exclude that type of entity, or may "tier" its actions to allow  
23 rules, penalties, fines or reporting procedures and forms to vary  
24 according to the size of a business or governmental entity or its

1 ability to comply or both. For business entities, the agency shall  
2 include a description of the probable quantitative and qualitative  
3 impact of the proposed rule, economic or otherwise, and use  
4 quantifiable data to the extent possible, taking into account both  
5 short-term and long-term consequences; and

6 5. Consider the effect its intended action may have on the  
7 various types of consumer groups. If an agency finds that its  
8 actions may adversely affect such groups, the agency may modify its  
9 actions to exclude that type of activity.

10 B. The notice required by paragraph 1 of subsection A of this  
11 section shall include, but not be limited to:

- 12 1. In simple language, a brief summary of the rule;
- 13 2. The proposed action being taken;
- 14 3. The circumstances which created the need for the rule;
- 15 4. The specific legal authority authorizing the proposed rule;
- 16 5. The intended effect of the rule;
- 17 6. If the agency determines that the rule affects business  
18 entities, a request that such entities provide the agency, within  
19 the comment period, in dollar amounts if possible, the increase in  
20 the level of direct costs such as fees, and indirect costs such as  
21 reporting, recordkeeping, equipment, construction, labor,  
22 professional services, revenue loss, or other costs expected to be  
23 incurred by a particular entity due to compliance with the proposed  
24 rule;

1       7. The time when, the place where, and the manner in which  
2 interested persons may present their views thereon pursuant to  
3 paragraph 3 of subsection A of this section;

4       8. Whether or not the agency intends to issue a rule impact  
5 statement according to subsection D of this section and where copies  
6 of such impact statement may be obtained for review by the public;

7       9. The time when, the place where, and the manner in which  
8 persons may demand a hearing on the proposed rule if the notice does  
9 not already provide for a hearing. If the notice provides for a  
10 hearing, the time and place of the hearing shall be specified in the  
11 notice; and

12       10. Where copies of the proposed rules may be obtained for  
13 review by the public. An agency may charge persons for the actual  
14 cost of mailing a copy of the proposed rules to such persons.

15       The number of copies of such notice as specified by the  
16 Secretary shall be submitted to the Secretary who shall publish the  
17 notice in "The Oklahoma Register" pursuant to the provisions of  
18 Section 255 of this title.

19       Prior to or within three (3) days after publication of the  
20 notice in "The Oklahoma Register", the agency shall cause a copy of  
21 the notice of the proposed rule adoption and the rule impact  
22 statement, if available, to be mailed to all persons who have made a  
23 timely request of the agency for advance notice of its rulemaking  
24 proceedings. Provided, in lieu of mailing copies, an agency may

1 electronically notify interested persons that a copy of the proposed  
2 rule and the rule impact statement, if available, may be viewed on  
3 the agency's web site. If an agency posts a copy of the proposed  
4 rule and rule impact statement on its web site, the agency shall not  
5 charge persons for the cost of downloading or printing the proposed  
6 rule or impact statement. Each agency shall maintain a listing of  
7 persons or entities requesting such notice.

8 C. 1. If the published notice does not already provide for a  
9 hearing, an agency shall schedule a hearing on a proposed rule if,  
10 within thirty (30) days after the published notice of the proposed  
11 rule adoption, a written request for a hearing is submitted by:

- 12 a. at least ten persons,
- 13 b. a political subdivision,
- 14 c. an agency, or
- 15 d. an association having not less than twenty-five
- 16 members, ~~or~~
- 17 e. ~~the Small Business Regulatory Review Committee.~~

18 At that hearing persons may present oral argument, data, and  
19 views on the proposed rule.

20 2. A hearing on a proposed rule may not be held earlier than  
21 thirty (30) days after notice of the hearing is published pursuant  
22 to subsection B of this section.

23 3. The provisions of this subsection shall not be construed to  
24 prevent an agency from holding a hearing or hearings on the proposed

1 rule although not required by the provisions of this subsection;  
2 provided that notice of such hearing shall be published in "The  
3 Oklahoma Register" at least thirty (30) days prior to such hearing.

4 D. 1. Except as otherwise provided in this subsection, an  
5 agency shall issue a rule impact statement of a proposed rule prior  
6 to or within fifteen (15) days after the date of publication of the  
7 notice of proposed rule adoption. The rule impact statement may be  
8 modified after any hearing or comment period afforded pursuant to  
9 the provisions of this section.

10 2. Except as otherwise provided in this subsection, the rule  
11 impact statement shall include, but not be limited to:

- 12 a. a brief description of the purpose of the proposed  
13 rule,
- 14 b. a description of the classes of persons who most  
15 likely will be affected by the proposed rule,  
16 including classes that will bear the costs of the  
17 proposed rule, and any information on cost impacts  
18 received by the agency from any private or public  
19 entities,
- 20 c. a description of the classes of persons who will  
21 benefit from the proposed rule,
- 22 d. a description of the probable economic impact of the  
23 proposed rule upon affected classes of persons or  
24 political subdivisions, including a listing of all fee

1 changes and, whenever possible, a separate  
2 justification for each fee change,

3 e. the probable costs and benefits to the agency and to  
4 any other agency of the implementation and enforcement  
5 of the proposed rule, the source of revenue to be used  
6 for implementation and enforcement of the proposed  
7 rule, and any anticipated effect on state revenues,  
8 including a projected net loss or gain in such  
9 revenues if it can be projected by the agency,

10 f. a determination of whether implementation of the  
11 proposed rule will have an economic impact on any  
12 political subdivisions or require their cooperation in  
13 implementing or enforcing the rule,

14 g. a determination of whether implementation of the  
15 proposed rule may have an adverse economic effect on  
16 small business as provided by the Oklahoma Small  
17 Business Regulatory Flexibility Act,

18 h. an explanation of the measures the agency has taken to  
19 minimize compliance costs and a determination of  
20 whether there are less costly or nonregulatory methods  
21 or less intrusive methods for achieving the purpose of  
22 the proposed rule,

23 i. a determination of the effect of the proposed rule on  
24 the public health, safety and environment and, if the

1 proposed rule is designed to reduce significant risks  
2 to the public health, safety and environment, an  
3 explanation of the nature of the risk and to what  
4 extent the proposed rule will reduce the risk,

5 j. a determination of any detrimental effect on the  
6 public health, safety and environment if the proposed  
7 rule is not implemented, and

8 k. the date the rule impact statement was prepared and if  
9 modified, the date modified.

10 3. To the extent an agency for good cause finds the preparation  
11 of a rule impact statement or the specified contents thereof are  
12 unnecessary or contrary to the public interest in the process of  
13 adopting a particular rule, the agency may request the Governor to  
14 waive such requirement. Upon request by an agency, the Governor may  
15 also waive the rule impact statement requirements if the agency is  
16 required to implement a statute or federal requirement that does not  
17 require an agency to interpret or describe the requirements, such as  
18 federally mandated provisions which afford the agency no discretion  
19 to consider less restrictive alternatives. If the Governor fails to  
20 waive such requirement, in writing, prior to publication of the  
21 notice of the intended rulemaking action, the rule impact statement  
22 shall be completed. The determination to waive the rule impact  
23 statement shall not be subject to judicial review.

1 4. The rule shall not be invalidated on the ground that the  
2 contents of the rule impact statement are insufficient or  
3 inaccurate.

4 E. Upon completing the requirements of this section, an agency  
5 may adopt a proposed rule. No rule is valid unless adopted in  
6 substantial compliance with the provisions of this section.

7 SECTION 83. AMENDATORY 75 O.S. 2011, Section 502, is  
8 amended to read as follows:

9 Section 502. As used in the Oklahoma Small Business Regulatory  
10 Flexibility Act:

11 1. "Agency" is defined as provided by paragraph 3 of Section  
12 250.3 of ~~Title 75 of the Oklahoma Statutes~~ this title, except that  
13 agencies established by Title 59 of the Oklahoma Statutes that  
14 license and regulate or discipline professions and occupations shall  
15 be exempt from the definition of agency in the Oklahoma Small  
16 Business Regulatory Flexibility Act;

17 2. ~~"Committee" means the Small Business Regulatory Review~~  
18 ~~Committee;~~

19 ~~3.~~ "Rule" is defined as provided by paragraph ~~15~~ 17 of Section  
20 250.3 of ~~Title 75 of the Oklahoma Statutes~~ this title, provided that  
21 the definition shall not include emergency or preemptive rules; and

22 ~~4.~~ 3. "Small business" means a for-profit enterprise  
23 consisting of fifty or fewer full-time or part-time employees.  
24

1 SECTION 84. AMENDATORY 75 O.S. 2011, Section 504, is  
2 amended to read as follows:

3 Section 504. A. Prior to submitting proposed permanent rules  
4 for adoption, amendment, revision or revocation pursuant to the  
5 Administrative Procedures Act, the agency shall comply with the  
6 provisions of paragraph 4 of subsection A of Section 303 of this  
7 title in order to determine whether the proposed rules adversely  
8 affect small business.

9 ~~B. If the proposed rules may have an adverse economic effect  
10 upon small business, the agency shall submit a copy of the proposed  
11 rules and a rule impact statement to the Small Business Regulatory  
12 Review Committee for its review and comment pursuant to the review  
13 and comment provisions of paragraph 2 of subsection A and paragraph  
14 6 of subsection B of Section 303 of this title.~~

15 ~~C. Within the review and comment period, if the Small Business  
16 Regulatory Review Committee determines that the proposed rules may  
17 have an adverse economic effect upon small business, the Committee  
18 shall submit to the agency a request to consider:~~

19 ~~1. The availability and practicability of less restrictive  
20 alternatives that could be implemented; and~~

21 ~~2. Creative, innovative, or flexible methods of compliance for  
22 small businesses.~~

23 ~~D.~~ The Oklahoma Small Business Regulatory Flexibility Act shall  
24 not apply to proposed permanent rules by an agency to implement a

1 statute or ordinance that does not require an agency to interpret or  
2 describe the requirements of the statute or ordinance, such as state  
3 legislative or federally mandated provisions which afford the agency  
4 no discretion to consider less restrictive alternatives.

5 SECTION 85. AMENDATORY 75 O.S. 2011, Section 505, is  
6 amended to read as follows:

7 Section 505. A. For promulgated rules, any adversely affected  
8 small business may file a written petition with the agency that has  
9 promulgated the rules objecting to all or part of any rule adversely  
10 affecting small business on any of the following grounds:

11 1. The actual effect on small business was not reflected in, or  
12 significantly exceeded, the small business impact statement  
13 formulated by the agency pursuant to the provisions of paragraph 4  
14 of subsection A and paragraph 6 of subsection B of Section 303 of  
15 ~~Title 75 of the Oklahoma Statutes~~ this title prior to the adoption  
16 of the rules;

17 2. These impacts were either not previously considered at the  
18 public hearing on the rules or there was no public hearing on the  
19 rules; or

20 3. The technology, economic conditions, or other relevant  
21 factors justifying the purpose for the rules have changed or no  
22 longer exist.

23 B. ~~Upon submission of the petition, the agency shall forward a~~  
24 ~~copy of the petition to the Small Business Regulatory Review~~

1 ~~Committee as notification of a petition filed under the Oklahoma~~  
2 ~~Small Business Regulatory Flexibility Act.~~ The agency shall  
3 promptly consider the petition and may seek advice and counsel  
4 regarding the petition. Within sixty (60) days after the submission  
5 of the petition, the agency shall determine whether the impact  
6 statement or the public hearing addressed the actual and significant  
7 impact on small business or if conditions justifying the rule have  
8 changed. ~~The agency shall submit a written response of its~~  
9 ~~determination to the Small Business Regulatory Review Committee~~  
10 ~~within sixty (60) days after receipt of the petition.~~ If the agency  
11 determines that the petition merits the amendment, revision, or  
12 revocation of a rule, it may initiate proceedings in accordance with  
13 the applicable requirements of the Administrative Procedures Act.

14 ~~C. If the agency determines that the petition does not merit~~  
15 ~~the amendment, revision, or revocation of any rule, any adversely~~  
16 ~~affected small business may seek a review of the decision by the~~  
17 ~~Small Business Regulatory Review Committee. The Committee shall~~  
18 ~~promptly convene a meeting for the purpose of determining whether to~~  
19 ~~recommend that the agency initiate proceedings in accordance with~~  
20 ~~the Administrative Procedures Act. Such review shall not be de novo~~  
21 ~~but shall be based upon the actual record presented to the agency.~~  
22 ~~The Committee may base its recommendation on any of the following~~  
23 ~~reasons:~~

24

1 ~~1. The actual effect on small business was not reflected in, or~~  
2 ~~significantly exceeded, the small business impact statement~~  
3 ~~formulated by the agency pursuant to the provisions of paragraph 4~~  
4 ~~of subsection A and paragraph 6 of subsection B of Section 303 of~~  
5 ~~Title 75 of the Oklahoma Statutes prior to the promulgation of the~~  
6 ~~rules;~~

7 ~~2. These impacts were not previously considered by the agency;~~  
8 ~~or~~

9 ~~3. The technology, economic conditions, or other relevant~~  
10 ~~factors justifying the purpose for the rules have changed or no~~  
11 ~~longer exist.~~

12 ~~D. If the Small Business Regulatory Review Committee recommends~~  
13 ~~that an agency initiate rulemaking proceedings for any reason~~  
14 ~~provided in subsection C of this section, the Committee shall submit~~  
15 ~~to the Speaker of the House of Representatives and the President Pro~~  
16 ~~Tempore of the Senate an evaluation report and the agency's response~~  
17 ~~as provided in subsection B of this section. The Legislature may~~  
18 ~~subsequently take such action in response to the evaluation report~~  
19 ~~and the agency's response as the Legislature finds appropriate.~~

20 SECTION 86. REPEALER 75 O.S. 2011, Section 503, is  
21 hereby repealed.

22 SECTION 87. REPEALER 82 O.S. 2011, Section 110.30, is  
23 hereby repealed.

1 SECTION 88. REPEALER 85 O.S. 2011, Sections 358 and 359,  
2 are hereby repealed.

3 SECTION 89. AMENDATORY 85 O.S. 2011, Section 365, as  
4 amended by Section 1076, Chapter 304, O.S.L. 2012 (85 O.S. Supp.  
5 2012, Section 365), is amended to read as follows:

6 Section 365. ~~A. The Individual Self-Insured Guaranty Fund and  
7 its Board provided for in Section 358 of this title and the Group  
8 Self-Insurance Association Guaranty Fund and its Board provided for  
9 in Section 359 of this title shall cease to exist and shall be  
10 succeeded by the Workers' Compensation Self-Insurance Guaranty Fund  
11 and its Board once the initial appointments to the Workers'  
12 Compensation Self-Insurance Guaranty Fund Board are made pursuant to  
13 Section 360 of this title. At that time, all unexpended funds,  
14 including interest thereon, assets, property, records, and any  
15 outstanding financial obligations and encumbrances of the Individual  
16 Self-Insured Guaranty Fund Board and Group Self-Insurance  
17 Association Guaranty Fund Board shall be transferred to the Workers'  
18 Compensation Self-Insurance Guaranty Fund Board created by Section  
19 360 of this title. The Director of the Office of Management and  
20 Enterprise Services is hereby directed to coordinate the transfer of  
21 funds, outstanding financial obligations or encumbrances provided  
22 for in this subsection.~~

23 ~~B.~~ Any claim existing or action or proceeding pending by,  
24 against or before the Individual Self-Insured Guaranty Fund Board or

1 the Group Self-Insurance Association Guaranty Fund Board when the  
2 entities ceased existence may be continued as if the merger into the  
3 Workers' Compensation Self-Insurance Guaranty Fund Board did not  
4 occur, or the Workers' Compensation Self-Insurance Guaranty Fund  
5 Board may be substituted in the matter. The Workers' Compensation  
6 Self-Insurance Guaranty Fund Board shall be responsible and liable  
7 for all liabilities and obligations of the entities that ceased  
8 existence.

9 SECTION 90. AMENDATORY 85 O.S. 2011, Section 367, is  
10 amended to read as follows:

11 Section 367. A. Annually, on or before the first day of July,  
12 the Administrator of the Workers' Compensation Court shall prepare,  
13 make public and submit a report for the prior calendar year to the  
14 Governor, the Chief Justice of the Supreme Court, the President Pro  
15 Tempore of the Senate, the Speaker of the House of Representatives  
16 and each member of the Legislature, which shall include a statement  
17 of the number of awards made and the causes of the accidents leading  
18 to the injuries for which the awards were made, total work load data  
19 of the Workers' Compensation Court, a detailed report of the work  
20 load of and orders written by each judge of the Court, a detailed  
21 statement of the expenses of the office of the Administrator and the  
22 Court, together with any other matter which the Administrator deems  
23 proper to report to the Governor, including any recommendations the  
24 Administrator may desire to make.

1 B. After public hearing and consultation with representatives  
2 of employers, insurance carriers, and employees, the Administrator  
3 shall implement, with the assistance of the Insurance Commissioner,  
4 by July 1, 2012, an electronic data interchange (EDI) system that  
5 provides relevant data concerning the Oklahoma workers' compensation  
6 system and the delivery of benefits to injured workers.

7 ~~C. To assist the Administrator in developing and implementing~~  
8 ~~the EDI system, there is hereby created the Oklahoma Workers'~~  
9 ~~Compensation Electronic Data Interchange Advisory Committee. Within~~  
10 ~~thirty (30) days of the effective date of this act, the Governor~~  
11 ~~shall appoint five persons to serve as members of the advisory~~  
12 ~~committee, one of whom shall be selected by the Governor as chair.~~  
13 ~~The Administrator and Insurance Commissioner shall be nonvoting~~  
14 ~~members of the advisory committee. The Administrator shall provide~~  
15 ~~adequate notice of meetings of the advisory committee and public~~  
16 ~~hearings as required by law.~~

17 SECTION 91. REPEALER Section 2, Chapter 335, O.S.L.  
18 2007, is hereby repealed.

19 SECTION 92. REPEALER Section 1, Chapter 163, O.S.L.  
20 2008, is hereby repealed.

21 SECTION 93. This act shall become effective November 1, 2013.

22  
23 54-1-1663 MJM 4/3/2013 12:19:18 PM  
24