



1 acting legal advisor to the State Board of  
2 Registration for registered foresters; amending 62  
3 O.S. 2011, Sections 90.2, 90.3, 90.5, 90.6, 90.7 and  
4 90.8, as amended by Section 442, Chapter 304, O.S.L.  
5 2012 (62 O.S. Supp. 2012, Section 90.8), which relate  
6 to Rural Economic Development Loan Act, definitions,  
7 program, conditions for making loans, funding of  
8 loans, administrative costs, certification of  
9 compliance, state liability, rules and forms, and the  
10 Rural Economic Development Revolving Fund; modifying  
11 definitions, modifying duties of the Commissioner of  
12 Agriculture, modifying duties of the Department of  
13 Agriculture, modifying duties of The Oklahoma Rural  
14 Economic Development Loan Program Review Board,  
15 modifying powers of the State Banking Department;  
16 repealing 2 O.S. 2011, Sections 3-2, 3-35, 5-3.5, 10-  
17 9.2, 15-60.1, 15-60.2, 15-60.3, as amended by Section  
18 10, Chapter 304, O.S.L. 2012, 15-60.4, 16-13, 8-120,  
19 20-5, 20-43 and 1950.11 (2 O.S. Supp. 2012, Section  
20 15-60.3), which relate to establishment of Fire Ant  
21 Research and Management Advisory Committee, the Pest  
22 Control Compact, creation of the Oklahoma Agriculture  
23 Enhancement and Diversification Advisory Board, the  
24 Rule advisory committee for rules promulgated  
pursuant to the Oklahoma Registered Poultry Feeding  
Operations Act, the Oklahoma County Fair Enhancement  
Act, the creation of the Forestry cost-share advisory  
committee, the establishment of the Oklahoma Pecan  
Marketing Board, the Rule advisory committee for  
rules promulgated pursuant to the Oklahoma Swine  
Feeding Operations Act, the Rule advisory committee  
for rules promulgated pursuant to the Oklahoma  
Concentrated Animal Feeding Operations Act, and the  
creation of the Oklahoma Biofuels Development  
Advisory Committee; repealing 59 O.S. 2011, Sections  
1203, as amended by Section 1, Chapter 72, O.S.L.  
2012, 1203, as amended by Section 279, Chapter 304,  
O.S.L. 2012, 1204, 1206, 1207, 1208 and 1209 (59 O.S.  
Supp. 2012, Section 1203), which relate to the  
creation of the State Board of Registration for  
Foresters; repealing 62 O.S. 2011, Section 90.4,  
which relates to the creation of the Rural Economic  
Development Loan Program Review Board; and providing  
an effective date.

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

2 SECTION 1. AMENDATORY 2 O.S. 2011, Section 3-101, is  
3 amended to read as follows:

4 Section 3-101. A. The State Board of Agriculture or its  
5 authorized agents shall have the authority to enter any premises or  
6 mode of transportation during reasonable hours for the purpose of  
7 implementing the Oklahoma Apiary Act or rules promulgated pursuant  
8 thereto.

9 B. The Board or its authorized agents shall have the authority  
10 to carry out all necessary and proper actions to determine  
11 compliance with the Oklahoma Apiary Act including, but not limited  
12 to, conducting investigations, opening any bundle, package, or  
13 container, examining and making photocopies of records or documents,  
14 examining devices, collecting and submitting samples for analysis,  
15 issuing any order to destroy infected or infested bees or apiary  
16 equipment, and removing or destroying bees, hives or other articles  
17 as deemed necessary by the Board.

18 C. The Board is authorized to promulgate rules necessary,  
19 expedient, or appropriate for the performance, enforcement, or  
20 carrying out of any of the purposes, objectives, or provisions of  
21 the Oklahoma Apiary Act, including the establishment of fees. All  
22 fees shall be fair and equitable to all parties concerned. Any  
23  
24

1 rules shall be promulgated pursuant to the Administrative Procedures  
2 Act.

3 D. The Board shall have the authority to:

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

7 2. Issue certificates of inspection;

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

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

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

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

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

24

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

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

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

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

15 1. Cooperative marketing grants and loans to be available to  
16 entities or individuals wishing to work together to develop or  
17 establish production, processing or marketing of agricultural  
18 products. The purpose of this category is to provide funding for  
19 promoting productivity, providing added value to agricultural  
20 products, stimulating and fostering agricultural diversification and  
21 encouraging processing innovations;

22 2. Marketing and utilization grants and loans to be used to  
23 assist in the development or implementation of sound domestic or  
24 foreign marketing plans for Oklahoma agricultural products, by-

1 products, or new and better uses for existing agricultural products  
2 by the financing of marketing feasibility studies, business plans,  
3 and test marketing;

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

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

- 13 a. focused research which enhances the value of an
- 14 agricultural product or by-product,
- 15 b. feasibility studies,
- 16 c. product development costs, and
- 17 d. projects that are driven by an entrepreneur or the
- 18 industry.

19 D. The State Board of Agriculture, ~~with the advice and~~  
20 ~~assistance of the Oklahoma Agriculture Enhancement and~~  
21 ~~Diversification Advisory Board created in Section 5 of this act,~~  
22 shall promulgate rules governing the Oklahoma Agriculture  
23 Enhancement and Diversification Program.

24

1 SECTION 3. AMENDATORY 2 O.S. 2011, Section 14-1, is  
2 amended to read as follows:

3 Section 14-1. There shall be established a State Bureau of  
4 Standards of weights, measures, and tests of all kinds. This Bureau  
5 shall be a part of the ~~State~~ Oklahoma Department of Agriculture, Food, and Forestry, which shall provide facilities for its use. The  
6 ~~President of the State Board of Agriculture~~ Director of Laboratory  
7 Services shall ~~appoint~~ act as Director of the Bureau of Standards ~~an~~  
8 ~~employee of the Department. Upon recommendation of the Director,~~  
9 ~~the President of the Board shall appoint at least two other~~  
10 ~~employees as assistant directors. The Director and assistant~~  
11 ~~directors shall constitute a board of control for the Bureau of~~  
12 ~~Standards. The members of the board of control shall serve without~~  
13 ~~salary.~~

15 SECTION 4. AMENDATORY 2 O.S. 2011, Section 14-2, is  
16 amended to read as follows:

17 Section 14-2. The ~~board of control~~ Director of the Bureau of  
18 Standards shall have charge of the various standards of weights,  
19 measures, and testing devices received by this state from the United  
20 States pursuant to Resolutions of Congress approved June 14, 1836,  
21 and July 27, 1866, and any future standards which may be received  
22 from the United States. The ~~board of control~~ Director shall have  
23 charge of the various state or office standards purchased by this  
24 state for the Bureau.

1       The ~~board of control~~ Director shall have charge and control of  
2 the standard methods of weighing, measuring, and testing in this  
3 state. The ~~board of control~~ Director shall maintain the standards  
4 in good order and shall submit a set of standards called the  
5 reference standards to the National Institute of Standards and  
6 Technology (NIST) for certification.

7       SECTION 5.       AMENDATORY       2 O.S. 2011, Section 14-4, is  
8 amended to read as follows:

9       Section 14-4. The Bureau of Standards shall be available to all  
10 state departments, municipal and private corporations, and citizens  
11 of this state. The Bureau shall be the highest official authority  
12 with regard to standards of weights, measures, and testing devices,  
13 and methods of weighing, measuring, and testing for this state. The  
14 findings of the Bureau of Standards in any case or question shall be  
15 considered prima facie evidence of the correctness of the case or  
16 question. All officers enforcing the standards for weights,  
17 measures, and testing devices in this state shall submit their  
18 weighing, measuring, and testing devices to the State Bureau of  
19 Standards at those periods determined by the ~~board of control~~  
20 Director of the Bureau of Standards for certification and seal. ~~The~~  
21 ~~board of control shall adopt a seal for this purpose.~~

22       SECTION 6.       AMENDATORY       2 O.S. 2011, Section 14-5, is  
23 amended to read as follows:

24

1       Section 14-5. The ~~board of control~~ State Board of Agriculture  
2 shall establish fees for all tests and certifications made by the  
3 Bureau of Standards. The fees shall in no case exceed those  
4 established for similar work by the National Institute of Standards  
5 and Technology. The fees collected shall be deposited with the  
6 State Treasurer in the State Department of Agriculture Revolving  
7 Fund.

8       SECTION 7.       AMENDATORY       2 O.S. 2011, Section 14-6, is  
9 amended to read as follows:

10       Section 14-6. The Bureau of Standards shall provide information  
11 for general distribution, literature, and directions regarding  
12 weights, measures and tests, and methods of weighing, measuring, and  
13 testing as recommended by the ~~board of control~~ Director of the  
14 Bureau of Standards.

15       SECTION 8.       AMENDATORY       59 O.S. 2011, Section 1202, is  
16 amended to read as follows:

17       Section 1202. As used in ~~this act~~ Section 1201 et seq. of this  
18 title: (1) the term "forester" means a person who, by reason of his  
19 knowledge of the natural sciences, mathematics, and the principles  
20 of forestry, acquired by forestry education, as set forth in Section  
21 ~~12, 1)~~ 1212 of this ~~act~~ title, and/or practical experience is  
22 qualified to engage in the practice of professional forestry as  
23 hereinafter defined; (2) the term "registered forester" means a  
24 person who has been licensed pursuant to the act; (3) the term

1 "practice of professional forestry" means professional forestry  
2 services, including but not limited to consultation, investigation,  
3 evaluation, planning, or responsible supervisions of any forestry  
4 activities when such professional services require the application  
5 of forestry principles and techniques; and (4) the term "~~Board~~"  
6 "Department" means the ~~State Board of Registration for registered~~  
7 ~~foresters~~ Oklahoma Department of Agriculture, Food, and Forestry.

8 SECTION 9. AMENDATORY 59 O.S. 2011, Section 1210, is  
9 amended to read as follows:

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

21 SECTION 10. AMENDATORY 59 O.S. 2011, Section 1211, is  
22 amended to read as follows:

23 Section 1211. A roster showing the names and places of business  
24 of all registered foresters qualified according to the provisions of

1 ~~this act~~ Section 1201 et seq. of this title shall be prepared by the  
2 ~~secretary of the Board~~ Oklahoma Department of Agriculture, Food, and  
3 Forestry during the month of March of each year. Copies of ~~such the~~  
4 roster shall be mailed to each person ~~se~~ registered, placed on file  
5 with the Secretary of State and made available to the public upon  
6 request.

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

9 Section 1212. (A) ~~The following shall be considered as minimum~~  
10 ~~evidence satisfactory to the Board that the applicant is qualified~~  
11 ~~for registration as a registered forester: (1) Graduation from a~~  
12 ~~university or college with a curriculum in forestry acceptable to~~  
13 ~~the Board, including one three credit course in each of the~~  
14 ~~following subjects: silviculture, forest protection, forest~~  
15 ~~management, forest economics, and forest utilization; and a record~~  
16 ~~of an additional two (2) years' or more experience in forestry work~~  
17 ~~of a character satisfactory to the Board, and indicating that the~~  
18 ~~applicant is competent to practice professional forestry; or (2)~~  
19 ~~successfully passing an examination designed to show knowledge~~  
20 ~~approximation as obtained through graduation from an acceptable~~  
21 ~~four-year curriculum in forestry, and a record of four (4) years or~~  
22 ~~more of active practice in forestry work of a character satisfactory~~  
23 ~~to the Board, and indicating that the applicant is competent to~~  
24 ~~practice professional forestry; provided, that after five (5) years~~

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

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

20 SECTION 12. AMENDATORY 59 O.S. 2011, Section 1213, is  
21 amended to read as follows:

22 Section 1213. Applications for registration shall be made on  
23 forms prescribed and furnished by the ~~Board~~ Oklahoma Department of  
24 Agriculture, Food, and Forestry, shall contain statements made under

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

21 SECTION 13. AMENDATORY 59 O.S. 2011, Section 1214, is  
22 amended to read as follows:

23 Section 1214. When examinations are required, they shall be  
24 held at such time and place as the ~~Board~~ Oklahoma Department of

1 Agriculture, Food, and Forestry shall determine. The methods of  
2 procedure shall be prescribed by the ~~Board~~ Department. A candidate  
3 failing an examination may apply for reexamination at the expiration  
4 of six (6) months and shall be entitled to one reexamination without  
5 payment of an additional fee. Subsequent examinations may be granted  
6 upon payment of a fee to be determined by the ~~Board~~ Department, but  
7 not in excess of Twenty-five Dollars (\$25.00).

8 SECTION 14. AMENDATORY 59 O.S. 2011, Section 1215, is  
9 amended to read as follows:

10 Section 1215. The ~~Board~~ Oklahoma Department of Agriculture,  
11 Food, and Forestry shall issue a license upon payment of the  
12 registration fee as provided for in ~~this act~~ Section 1201 et seq. of  
13 this title to any applicant who, in the opinion of the ~~Board~~  
14 Department, has satisfactorily met all the requirements of the act.  
15 Licenses shall show the full name of the registrant, shall have a  
16 serial number, and shall be signed by the ~~chairman and secretary of~~  
17 ~~the Board under seal of the Board~~ Department. The issuance of a  
18 license by the ~~Board~~ Department shall be evidence that the person  
19 named therein is entitled to all the rights and privileges of a  
20 licensed forester while the ~~said~~ license remains unrevoked or  
21 unexpired. Plans, maps, specifications, and reports issued by a  
22 registrant shall be endorsed with ~~his~~ the registrant's name and  
23 license number. It shall be a misdemeanor for anyone to endorse any  
24 plan, specifications, estimate, or map unless ~~he shall have the~~

1 registrant actually prepared ~~such~~ the plan, specification, estimate,  
2 or map or ~~shall have been~~ was in ~~the~~ actual charge of the  
3 preparation ~~and/or~~ responsible therefor.

4 SECTION 15. AMENDATORY 59 O.S. 2011, Section 1216, is  
5 amended to read as follows:

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

19 SECTION 16. AMENDATORY 59 O.S. 2011, Section 1218, is  
20 amended to read as follows:

21 Section 1218. A person not a resident of and having no  
22 established place of business in Oklahoma, or who has recently  
23 become a resident thereof, may become a licensed forester in  
24 Oklahoma provided: (1) ~~such~~ the person is legally licensed as a

1 registered forester in ~~his own~~ the state or country of origin and  
2 ~~has submitted~~ submits evidence to the ~~Board~~ that he is so licensed  
3 Oklahoma Department of Agriculture, Food, and Forestry of the  
4 license and that the requirements for registration therein are at  
5 least substantially equivalent to the requirements of ~~the act~~  
6 Section 1201 et seq. of this title; and (2) the state or country in  
7 which ~~he is so~~ licensed observes these same rules of reciprocity in  
8 regard to persons originally licensed under the provisions of this  
9 act; and (3) the ~~Board~~ Department shall issue a qualified applicant  
10 a one-year permit upon receipt of a fee equal to one-year annual  
11 renewal, charged licensed foresters in this state.

12 SECTION 17. AMENDATORY 59 O.S. 2011, Section 1219, is  
13 amended to read as follows:

14 Section 1219. The ~~Board~~ Oklahoma Department of Agriculture,  
15 Food, and Forestry shall have the power to revoke the license of any  
16 registrant who is found guilty by the ~~Board~~ Department of fraud,  
17 deceit, gross negligence, incompetency, or misconduct in connection  
18 with any forestry practice against any registrant. Such charges  
19 shall be written, shall be sworn to by the person making them, and  
20 shall be filed with the secretary of the ~~Board~~ Department. All  
21 charges shall be heard by the ~~Board~~ Department pursuant to its rules  
22 and regulations. ~~A quorum of the Board~~ The Department, for reasons  
23 it may deem sufficient, may reissue a license to any person whose  
24 license has been revoked. A new license to replace any license

1 revoked, lost, destroyed or mutilated may be issued, subject to the  
2 rules of the ~~Board~~ Department, and upon payment of a fee of Three  
3 Dollars (\$3.00).

4 SECTION 18. AMENDATORY 59 O.S. 2011, Section 1220, is  
5 amended to read as follows:

6 Section 1220. Any person who shall practice or offer to  
7 practice the profession of forestry as a registered forester in this  
8 state, without being registered in accordance with the provisions of  
9 ~~this act~~ Section 1201 et seq. of this title, or any person who shall  
10 use ~~in connection with his name~~ or otherwise assume, use, or  
11 advertise any title or description tending to convey the impression  
12 that ~~he~~ the person is a registered forester, without being  
13 registered in accordance with the provisions of this act, or any  
14 person who shall present or attempt to use as his or her own the  
15 license of another, or any person who shall give any false or forged  
16 evidence of any kind to the ~~Board~~ Oklahoma Department of  
17 Agriculture, Food, and Forestry, or any member thereof, in obtaining  
18 a license, or any person who shall attempt to use an expired or  
19 revoked license, or any person, firm, partnership, or corporation  
20 who shall violate any of the provisions of this act, shall be guilty  
21 of a misdemeanor and upon conviction thereof shall be fined not less  
22 than One Hundred Dollars (\$100.00) or more than Five Hundred Dollars  
23 (\$500.00), and such monies shall be ~~impounded~~ collected by the ~~Board~~  
24 Department. The ~~Board~~ Department, or such person or persons as may

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

10 SECTION 19. AMENDATORY 62 O.S. 2011, Section 90.2, is  
11 amended to read as follows:

12 Section 90.2. As used in the Rural Economic Development Loan  
13 Act:

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

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

22 3. "Participating financial institution" means a financial  
23 institution which pledges at least Three Million Dollars  
24 (\$3,000,000.00) but not to exceed Ten Million Dollars

1 (\$10,000,000.00) to the Rural Economic Development Loan Revolving  
2 Fund;

3 4. "Qualified economic development project" means:

- 4 a. the development, construction, restoration, or  
5 replacement of a physical facility located or to be  
6 located in a rural area of this state, which has been  
7 initiated by a participating financial institution  
8 which has been certified by the ~~Rural Economic~~  
9 ~~Development Loan Program Review Board pursuant to the~~  
10 ~~provisions of paragraph 3 of subsection B of Section~~  
11 ~~90.4 of this title Department~~, and
- 12 b. the commencement or expansion of economic activities  
13 that result in or that will, within three (3) years of  
14 the commencement of such activities, result in the  
15 employment of five (5) or more full-time-equivalent  
16 employees at a location in a rural area of this state  
17 in positions that did not exist prior to the  
18 commencement of such activities and which has been  
19 certified by the ~~Rural Economic Development Loan~~  
20 ~~Program Review Board pursuant to the provisions of~~  
21 ~~paragraph 3 of subsection B of Section 90.4 of this~~  
22 ~~title Department~~; and

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

1 SECTION 20. AMENDATORY 62 O.S. 2011, Section 90.3, is  
2 amended to read as follows:

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

15 SECTION 21. AMENDATORY 62 O.S. 2011, Section 90.5, is  
16 amended to read as follows:

17 Section 90.5. A. A participating financial institution that  
18 desires to make a rural economic development loan shall accept and  
19 review applications for loans in connection with qualified economic  
20 development projects. A package of more than one rural economic  
21 development loan may be developed by a development company certified  
22 by the U.S. Small Business Administration or a political subdivision  
23 of this state or an agency thereof, and such entity may submit an  
24 application for one or more loans. The financial institution shall

1 apply all usual lending standards and shall exercise due diligence  
2 to determine the creditworthiness of each applicant and to determine  
3 if the loan should be granted. Loans made under the Rural Economic  
4 Development Loan Act shall conform to the following conditions:

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

13 2. The applicant shall certify on the loan application that the  
14 loan will be used exclusively in connection with the qualified  
15 economic development project in accordance with the purpose of the  
16 Rural Economic Development Loan Act;

17 3. No loan shall be approved for any otherwise eligible  
18 recipient when fifty percent (50%) or more of the interest in or  
19 control of such otherwise eligible recipient is owned directly or  
20 indirectly by a person who owns directly or indirectly fifty percent  
21 (50%) or more of or controls another participating recipient;

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

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

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

9           7. Rural economic development loans may be renewed if the  
10 amount of principal has been reduced by a minimum of five percent  
11 (5%) per year and all interest has been paid from the time of the  
12 original loan.

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

20           C. Upon receipt of a completed rural economic development loan  
21 application, the ~~Commissioner~~ Department shall forward the loan  
22 application to the ~~Board, the~~ Oklahoma Tax Commission, and the  
23 Oklahoma Employment Security Commission. The ~~Board~~ Department shall  
24 review the loan package to determine if the loan requested meets the

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

21 SECTION 22. AMENDATORY 62 O.S. 2011, Section 90.6, is  
22 amended to read as follows:

23 Section 90.6. A. Loans made pursuant to applications approved  
24 by the ~~Oklahoma Rural Economic Development Loan Program Review Board~~

1 Oklahoma Department of Agriculture, Food, and Forestry shall be  
2 subject to the availability of funds pledged to the Rural Economic  
3 Development Loan Revolving Fund, and if a loan is not funded for  
4 such reason, it shall be funded in the order of the priority given  
5 each loan application by the ~~Board~~ Department.

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

23 C. The percentage rate of the loan shall be reduced compared to  
24 the rate imposed with respect to other loans made by the financial

1 institution to similar recipients for similar purposes in an amount  
2 determined by the financial institution making the loan.

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

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

16 F. The participating financial institution making the loan  
17 shall, within three (3) business days of receipt, forward all  
18 payments received for repayment of the loan to the ~~Commissioner~~  
19 Department for immediate deposit to the Rural Economic Development  
20 Loan Revolving Fund, until the amount deposited is equal to the  
21 amount transferred by other participating financial institutions in  
22 connection with the loan together with interest at the rate applied  
23 to the loan. The ~~Commissioner~~ Department shall forward such  
24 payments to such other participating financial institutions in

1 proportion to the amounts transferred in connection with the loan.  
2 Remaining payments received for repayment of the loan shall be  
3 retained by the participating financial institution making the loan.

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

8 SECTION 23. AMENDATORY 62 O.S. 2011, Section 90.7, is  
9 amended to read as follows:

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

18 SECTION 24. AMENDATORY 62 O.S. 2011, Section 90.8, as  
19 amended by Section 442, Chapter 304, O.S.L. 2012 (62 O.S. Supp.  
20 2012, Section 90.8), is amended to read as follows:

21 Section 90.8. There is hereby created in the State Treasury a  
22 revolving fund for the ~~Commissioner~~ Oklahoma Department of  
23 Agriculture, Food, and Forestry to be designated the "Rural Economic  
24 Development Loan Revolving Fund". The fund shall be a continuing

1 fund, not subject to fiscal year limitations, and shall consist of  
2 all monies received by the ~~Commissioner~~ Department as provided in  
3 the Rural Economic Development Loan Act. All monies accruing to the  
4 credit of the fund are hereby appropriated and may be budgeted and  
5 expended by the ~~Commissioner~~ Department for the purpose of  
6 implementing the Rural Economic Development Loan Act. Expenditures  
7 from the fund shall be made upon warrants issued by the State  
8 Treasurer against claims filed as prescribed by law with the  
9 Director of the Office of Management and Enterprise Services for  
10 approval and payment.

11 SECTION 25. REPEALER 2 O.S. 2011, Sections 3-2, 3-35, 5-  
12 3.5, 10-9.2, 15-60.1, 15-60.2, 15-60.3, as amended by Section 10,  
13 Chapter 304, O.S.L. 2012, 15-60.4, 16-13, 18-120, 20-5, 20-43 and  
14 1950.11 (2 O.S. Supp. 2012, Section 15-60.3), are hereby repealed.

15 SECTION 26. REPEALER 59 O.S. 2011, Sections 1203, as  
16 amended by Section 1, Chapter 72, O.S.L. 2012, 1203, as amended by  
17 Section 279, Chapter 304, O.S.L. 2012, 1204, 1206, 1207, 1208 and  
18 1209 (59 O.S. Supp. 2012, Section 1203), are hereby repealed.

19 SECTION 27. REPEALER 62 O.S. 2011, Section 90.4, is  
20 hereby repealed.

21 SECTION 28. This act shall become effective November 1, 2013.

22  
23 COMMITTEE REPORT BY: COMMITTEE ON GOVERNMENT MODERNIZATION, dated  
24 03/28/2013 - DO PASS.