

STATE OF OKLAHOMA

1st Session of the 54th Legislature (2013)

SENATE BILL 977

By: Sykes

AS INTRODUCED

An Act relating to multiple versions of statutes; amending, merging, consolidating, and repealing multiple versions of statutes; repealing 2 O.S. 2011, Section 2-2, as amended by Section 1, Chapter 133, O.S.L. 2012 (2 O.S. Supp. 2012, Section 2-2); repealing 10 O.S. 2011, Section 1-240, as recodified by Section 6, Chapter 253, O.S.L. 2012 (10 O.S. Supp. 2012, Section 440); amending 10 O.S. 2011, Section 601.3, as amended by Section 1, Chapter 340, O.S.L. 2012 (10 O.S. Supp. 2012, Section 601.3); repealing 10 O.S. 2011, Section 601.3, as amended by Section 2, Chapter 353, O.S.L. 2012 (10 O.S. Supp. 2012, Section 601.3); amending 10A O.S. 2011, Section 2-7-202, as amended by Section 9, Chapter 353, O.S.L. 2012 (10A O.S. Supp. 2012, Section 2-7-202); repealing 10A O.S. 2011, Section 2-7-202, as amended by Section 41, Chapter 304, O.S.L. 2012 (10A O.S. Supp. 2012, Section 2-7-202); amending 11 O.S. 2011, Section 51-104, as amended by Section 1, Chapter 90, O.S.L. 2012 (11 O.S. Supp. 2012, Section 51-104); repealing 11 O.S. 2011, Section 51-104, as amended by Section 1, Chapter 58, O.S.L. 2012 (11 O.S. Supp. 2012, Section 51-104); amending 17 O.S. 2011, Section 354, as amended by Section 1, Chapter 287, O.S.L. 2012 (17 O.S. Supp. 2012, Section 354); repealing 17 O.S. 2011, Section 354, as amended by Section 1, Chapter 362, O.S.L. 2012 (17 O.S. Supp. 2012, Section 354); amending 19 O.S. 2011, Section 339, as amended by Section 1, Chapter 22, O.S.L. 2012 (19 O.S. Supp. 2012, Section 339); repealing 19 O.S. 2011, Section 339, as amended by Section 1, Chapter 19, O.S.L. 2012 (19 O.S. Supp. 2012, Section 339); repealing 19 O.S. 2011, Section 339, as amended by Section 1, Chapter 144, O.S.L. 2012 (19 O.S. Supp. 2012, Section 339); amending 21 O.S. 2011, Section 1247, as amended by

1 Section 1, Chapter 30, O.S.L. 2012 (21 O.S. Supp.
2 2012, Section 1247); repealing 21 O.S. 2011, Section
3 1247, as amended by Section 90, Chapter 304, O.S.L.
4 2012 (21 O.S. Supp. 2012, Section 1247); amending 21
5 O.S. 2011, Section 1290.14, as amended by Section 34,
6 Chapter 259, O.S.L. 2012 (21 O.S. Supp. 2012, Section
7 1290.14); repealing 21 O.S. 2011, Section 1290.14, as
8 amended by Section 91, Chapter 304, O.S.L. 2012 (21
9 O.S. Supp. 2012, Section 1290.14); amending 21 O.S.
10 2011, Section 1290.26, as amended by Section 1,
11 Chapter 195, O.S.L. 2012 (21 O.S. Supp. 2012, Section
12 1290.26); repealing 21 O.S. 2011, Section 1290.26, as
13 amended by Section 44, Chapter 259, O.S.L. 2012 (21
14 O.S. Supp. 2012, Section 1290.26); amending 26 O.S.
15 2011, Section 3-101, as amended by Section 2, Chapter
16 31, O.S.L. 2012 (26 O.S. Supp. 2012, Section 3-101);
17 repealing 26 O.S. 2011, Section 3-101, as amended by
18 Section 1, Chapter 152, O.S.L. 2012 (26 O.S. Supp.
19 2012, Section 3-101); amending 36 O.S. 2011, Section
20 6670, as amended by Section 1, Chapter 147, O.S.L.
21 2012 (36 O.S. Supp. 2012, Section 6670); repealing 36
22 O.S. 2011, Section 6670, as amended by Section 36,
23 Chapter 150, O.S.L. 2012 (36 O.S. Supp. 2012, Section
24 6670); amending 47 O.S. 2011, Section 2-110, as
amended by Section 3, Chapter 242, O.S.L. 2012 (47
O.S. Supp. 2012, Section 2-110); repealing 47 O.S.
2011, Section 2-110, as amended by Section 1, Chapter
255, O.S.L. 2012 (47 O.S. Supp. 2012, Section 2-110);
amending 47 O.S. 2011, Section 6-101, as amended by
Section 1, Chapter 280, O.S.L. 2012 (47 O.S. Supp.
2012, Section 6-101); repealing 47 O.S. 2011, Section
6-101, as amended by Section 5, Chapter 283, O.S.L.
2012 (47 O.S. Supp. 2012, Section 6-101); amending 47
O.S. 2011, Section 11-1401.2, as amended by Section
1, Chapter 43, O.S.L. 2012 (47 O.S. Supp. 2012,
Section 11-1401.2); repealing 47 O.S. 2011, Section
11-1401.2, as amended by Section 1, Chapter 132,
O.S.L. 2012 (47 O.S. Supp. 2012, Section 11-1401.2);
amending 47 O.S. 2011, Section 14-118, as amended by
Section 1, Chapter 162, O.S.L. 2012 (47 O.S. Supp.
2012, Section 14-118); repealing 47 O.S. 2011,
Section 14-118, as amended by Section 11, Chapter
283, O.S.L. 2012 (47 O.S. Supp. 2012, Section 14-
118); amending 47 O.S. 2011, Section 759, as amended
by Section 181, Chapter 304, O.S.L. 2012 (47 O.S.
Supp. 2012, Section 759); repealing 47 O.S. 2011,
Section 759, as amended by Section 1, Chapter 61,

O.S.L. 2012 (47 O.S. Supp. 2012, Section 759); amending 51 O.S. 2011, Section 155, as amended by Section 1, Chapter 16, O.S.L. 2012 (51 O.S. Supp. 2012, Section 155); repealing 51 O.S. 2011, Section 155, as amended by Section 1, Chapter 14, O.S.L. 2012 (51 O.S. Supp. 2012, Section 155); amending 56 O.S. 2011, Section 1003, as amended by Section 1, Chapter 244, O.S.L. 2012 (56 O.S. Supp. 2012, Section 1003); repealing 56 O.S. 2011, Section 1003, as amended by Section 240, Chapter 304, O.S.L. 2012 (56 O.S. Supp. 2012, Section 1003); amending 56 O.S. 2011, Section 2002, as amended by Section 1, Chapter 122, O.S.L. 2012 (56 O.S. Supp. 2012, Section 2002); repealing 56 O.S. 2011, Section 2002, as amended by Section 241, Chapter 304, O.S.L. 2012 (56 O.S. Supp. 2012, Section 2002); amending 57 O.S. 2011, Section 549.1, as amended by Section 252, Chapter 304, O.S.L. 2012 (57 O.S. Supp. 2012, Section 549.1); repealing 57 O.S. 2011, Section 549.1, as amended by Section 2, Chapter 219, O.S.L. 2012 (57 O.S. Supp. 2012, Section 549.1); amending 59 O.S. 2011, Section 1203, as amended by Section 279, Chapter 304, O.S.L. 2012 (59 O.S. Supp. 2012, Section 1203); repealing 59 O.S. 2011, Section 1203, as amended by Section 1, Chapter 72, O.S.L. 2012 (59 O.S. Supp. 2012, Section 1203); amending 59 O.S. 2011, Section 1800.14, as amended by Section 16, Chapter 368, O.S.L. 2012 (59 O.S. Supp. 2012, Section 1800.14); repealing 59 O.S. 2011, Section 1800.14, as amended by Section 282, Chapter 304, O.S.L. 2012 (59 O.S. Supp. 2012, Section 1800.14); amending 59 O.S. 2011, Section 1800.15, as amended by Section 17, Chapter 368, O.S.L. 2012 (59 O.S. Supp. 2012, Section 1800.15); repealing 59 O.S. 2011, Section 1800.15, as amended by Section 283, Chapter 304, O.S.L. 2012 (59 O.S. Supp. 2012, Section 1800.15); amending 61 O.S. 2011, Section 202, as amended by Section 1, Chapter 184, O.S.L. 2012 (61 O.S. Supp. 2012, Section 202); repealing 61 O.S. 2011, Section 202, as amended by Section 318, Chapter 304, O.S.L. 2012 (61 O.S. Supp. 2012, Section 202); amending 61 O.S. 2011, Section 204, as amended by Section 2, Chapter 184, O.S.L. 2012 (61 O.S. Supp. 2012, Section 204); repealing 61 O.S. 2011, Section 204, as amended by Section 321, Chapter 304, O.S.L. 2012 (61 O.S. Supp. 2012, Section 204); amending 61 O.S. 2011, Section 208.1, as amended by Section 3, Chapter 184, O.S.L. 2012 (61 O.S. Supp. 2012, Section 208.1); repealing 61 O.S.

2011, Section 208.1, as amended by Section 325, Chapter 304, O.S.L. 2012 (61 O.S. Supp. 2012, Section 208.1); amending 61 O.S. 2011, Section 208.2, as amended by Section 4, Chapter 184, O.S.L. 2012 (61 O.S. Supp. 2012, Section 208.2); repealing 61 O.S. 2011, Section 208.2, as amended by Section 326, Chapter 304, O.S.L. 2012 (61 O.S. Supp. 2012, Section 208.2); amending 62 O.S. 2011, Section 34.11.1, as amended by Section 342, Chapter 304, O.S.L. 2012 (62 O.S. Supp. 2012, Section 34.11.1); repealing 62 O.S. 2011, Section 34.11.1, as last amended by Section 1, Chapter 292, O.S.L. 2012 (62 O.S. Supp. 2012, Section 34.11.1); amending 62 O.S. 2011, Section 34.12, as amended by Section 2, Chapter 292, O.S.L. 2012 (62 O.S. Supp. 2012, Section 34.12); repealing 62 O.S. 2011, Section 34.12, as amended by Section 345, Chapter 304, O.S.L. 2012 (62 O.S. Supp. 2012, Section 34.12); amending 62 O.S. 2011, Section 34.21, as amended by Section 3, Chapter 292, O.S.L. 2012 (62 O.S. Supp. 2012, Section 34.21); repealing 62 O.S. 2011, Section 34.21, as amended by Section 353, Chapter 304, O.S.L. 2012 (62 O.S. Supp. 2012, Section 34.21); amending 62 O.S. 2011, Section 35.5, as amended by Section 414, Chapter 304, O.S.L. 2012 (62 O.S. Supp. 2012, Section 35.5); repealing 62 O.S. 2011, Section 35.5, as amended by Section 4, Chapter 292, O.S.L. 2012 (62 O.S. Supp. 2012, Section 35.5); amending 62 O.S. 2011, Section 35.8, as amended by Section 5, Chapter 292, O.S.L. 2012 (62 O.S. Supp. 2012, Section 35.8); repealing 62 O.S. 2011, Section 35.8, as amended by Section 417, Chapter 304, O.S.L. 2012 (62 O.S. Supp. 2012, Section 35.8); amending 62 O.S. 2011, Section 89.2, as amended by Section 4, Chapter 131, O.S.L. 2012 (62 O.S. Supp. 2012, Section 89.2); repealing 62 O.S. 2011, Section 89.2, as amended by Section 439, Chapter 304, O.S.L. 2012 (62 O.S. Supp. 2012, Section 89.2); amending 62 O.S. 2011, Section 901, as amended by Section 1, Chapter 288, O.S.L. 2012 (62 O.S. Supp. 2012, Section 901); repealing 62 O.S. 2011, Section 901, as last amended by Section 469, Chapter 304, O.S.L. 2012 (62 O.S. Supp. 2012, Section 901); amending 63 O.S. 2011, Section 2-103, as amended by Section 1, Chapter 186, O.S.L. 2012 (63 O.S. Supp. 2012, Section 2-103); repealing 63 O.S. 2011, Section 2-103, as amended by Section 495, Chapter 304, O.S.L. 2012 (63 O.S. Supp. 2012, Section 2-103); repealing 63 O.S. 2011, Section

2-309, as amended by Section 5, Chapter 80, O.S.L. 2012 (63 O.S. Supp. 2012, Section 2-309); amending 63 O.S. 2011, Section 2-309C, as last amended by Section 3, Chapter 206, O.S.L. 2012 (63 O.S. Supp. 2012, Section 2-309C); repealing 63 O.S. 2011, Section 2-309C, as amended by Section 2, Chapter 83, O.S.L. 2012 (63 O.S. Supp. 2012, Section 2-309C); repealing 63 O.S. 2011, Section 2-329, as amended by Section 7, Chapter 80, O.S.L. 2012 (63 O.S. Supp. 2012, Section 2-329); amending 63 O.S. 2011, Section 91, as amended by Section 1, Chapter 119, O.S.L. 2012 (63 O.S. Supp. 2012, Section 91); repealing 63 O.S. 2011, Section 91, as amended by Section 1, Chapter 62, O.S.L. 2012 (63 O.S. Supp. 2012, Section 91); amending 63 O.S. 2011, Section 2418, as amended by Section 3, Chapter 357, O.S.L. 2012 (63 O.S. Supp. 2012, Section 2418); repealing 63 O.S. 2011, Section 2418, as amended by Section 512, Chapter 304, O.S.L. 2012 (63 O.S. Supp. 2012, Section 2418); amending 68 O.S. 2011, Section 205.2, as amended by Section 1, Chapter 240, O.S.L. 2012 (68 O.S. Supp. 2012, Section 205.2); repealing 68 O.S. 2011, Section 205.2, as amended by Section 1, Chapter 256, O.S.L. 2012 (68 O.S. Supp. 2012, Section 205.2); amending 68 O.S. 2011, Section 1357, as amended by Section 2, Chapter 230, O.S.L. 2012 (68 O.S. Supp. 2012, Section 1357); repealing 68 O.S. 2011, Section 1357, as amended by Section 1, Chapter 233, O.S.L. 2012 (68 O.S. Supp. 2012, Section 1357); amending 68 O.S. 2011, Section 2368.14, as amended by Section 2, Chapter 209, O.S.L. 2012 (68 O.S. Supp. 2012, Section 2368.14); repealing 68 O.S. 2011, Section 2368.14, as amended by Section 555, Chapter 304, O.S.L. 2012 (68 O.S. Supp. 2012, Section 2368.14); amending 68 O.S. 2011, Section 2368.16, as amended by Section 3, Chapter 209, O.S.L. 2012 (68 O.S. Supp. 2012, Section 2368.16); repealing 68 O.S. 2011, Section 2368.16, as amended by Section 557, Chapter 304, O.S.L. 2012 (68 O.S. Supp. 2012, Section 2368.16); amending 68 O.S. 2011, Section 3603, as amended by Section 1, Chapter 308, O.S.L. 2012 (68 O.S. Supp. 2012, Section 3603); repealing 68 O.S. 2011, Section 3603, as amended by Section 567, Chapter 304, O.S.L. 2012 (68 O.S. Supp. 2012, Section 3603); repealing 68 O.S. 2011, Section 3603, as amended by Section 1, Chapter 310, O.S.L. 2012 (68 O.S. Supp. 2012, Section 3603); amending 69 O.S. 2011, Section 404, as amended by Section 3, Chapter

356, O.S.L. 2012 (69 O.S. Supp. 2012, Section 404);
repealing 69 O.S. 2011, Section 404, as amended by
Section 572, Chapter 304, O.S.L. 2012 (69 O.S. Supp.
2012, Section 404); amending 69 O.S. 2011, Section
1521, as amended by Section 1, Chapter 346, O.S.L.
2012 (69 O.S. Supp. 2012, Section 1521); repealing 69
O.S. 2011, Section 1521, as amended by Section 583,
Chapter 304, O.S.L. 2012 (69 O.S. Supp. 2012, Section
1521); repealing 70 O.S. 2011, Section 3-117, as
amended by Section 590, Chapter 304, O.S.L. 2012 (70
O.S. Supp. 2012, Section 3-117); amending 70 O.S.
2011, Section 1210.508C, as last amended by Section
1, Chapter 250, O.S.L. 2012 (70 O.S. Supp. 2012,
Section 1210.508C); repealing 70 O.S. 2011, Section
1210.508C, as last amended by Section 9, Chapter 354,
O.S.L. 2012 (70 O.S. Supp. 2012, Section 1210.508C);
amending 70 O.S. 2011, Section 21-116, as amended by
Section 1, Chapter 277, O.S.L. 2012 (70 O.S. Supp.
2012, Section 21-116); repealing 70 O.S. 2011,
Section 21-116, as amended by Section 612, Chapter
304, O.S.L. 2012 (70 O.S. Supp. 2012, Section 21-
116); repealing 74 O.S. 2011, Section 10.3, as
amended by Section 694, Chapter 304, O.S.L. 2012 (74
O.S. Supp. 2012, Section 10.3); amending 74 O.S.
2011, Section 85.45k, as amended by Section 4,
Chapter 106, O.S.L. 2012 (74 O.S. Supp. 2012, Section
85.45k); repealing 74 O.S. 2011, Section 85.45k, as
amended by Section 764, Chapter 304, O.S.L. 2012 (74
O.S. Supp. 2012, Section 85.45k); amending 74 O.S.
2011, Section 85.45l, as amended by Section 6,
Chapter 316, O.S.L. 2012 (74 O.S. Supp. 2012, Section
85.45l); repealing 74 O.S. 2011, Section 85.45l, as
amended by Section 765, Chapter 304, O.S.L. 2012 (74
O.S. Supp. 2012, Section 85.45l); amending 74 O.S.
2011, Section 110.3, as amended by Section 809,
Chapter 304, O.S.L. 2012 (74 O.S. Supp. 2012, Section
110.3); repealing 74 O.S. 2011, Section 110.3, as
amended by Section 7, Chapter 316, O.S.L. 2012 (74
O.S. Supp. 2012, Section 110.3); amending 74 O.S.
2011, Section 500.2, as amended by Section 5, Chapter
106, O.S.L. 2012 (74 O.S. Supp. 2012, Section 500.2);
repealing 74 O.S. 2011, Section 500.2, as amended by
Section 853, Chapter 304, O.S.L. 2012 (74 O.S. Supp.
2012, Section 500.2); amending 74 O.S. 2011, Section
840-4.14, as amended by Section 1, Chapter 285,
O.S.L. 2012 (74 O.S. Supp. 2012, Section 840-4.14);
repealing 74 O.S. 2011, Section 840-4.14, as amended

1 by Section 909, Chapter 304, O.S.L. 2012 (74 O.S.
2 Supp. 2012, Section 840-4.14); amending 74 O.S. 2011,
3 Section 913, as amended by Section 1, Chapter 155,
4 O.S.L. 2012 (74 O.S. Supp. 2012, Section 913);
5 repealing 74 O.S. 2011, Section 913, as amended by
6 Section 928, Chapter 304, O.S.L. 2012 (74 O.S. Supp.
7 2012, Section 913); amending 74 O.S. 2011, Section
8 913.4, as amended by Section 2, Chapter 109, O.S.L.
9 2012 (74 O.S. Supp. 2012, Section 913.4) repealing 74
10 O.S. 2011, Section 913.4, as amended by Section 2,
11 Chapter 155, O.S.L. 2012 (74 O.S. Supp. 2012, Section
12 913.4); amending 74 O.S. 2011, Section 1310.1, as
13 amended by Section 2, Chapter 321, O.S.L. 2012 (74
14 O.S. Supp. 2012, Section 1310.1); repealing 74 O.S.
15 2011, Section 1310.1, as amended by Section 949,
16 Chapter 304, O.S.L. 2012 (74 O.S. Supp. 2012, Section
17 1310.1); amending 74 O.S. 2011, Section 3001, as
18 amended by Section 1, Chapter 289, O.S.L. 2012 (74
19 O.S. Supp. 2012, Section 3001); repealing 74 O.S.
20 2011, Section 3001, as amended by Section 1000,
21 Chapter 304, O.S.L. 2012 (74 O.S. Supp. 2012, Section
22 3001); amending 74 O.S. 2011, Section 3007, as
23 amended by Section 3, Chapter 289, O.S.L. 2012 (74
24 O.S. Supp. 2012, Section 3007); repealing 74 O.S.
2011, Section 3007, as amended by Section 1003,
Chapter 304, O.S.L. 2012 (74 O.S. Supp. 2012, Section
3007); amending 74 O.S. 2011, Section 7005, as
amended by Section 1049, Chapter 304, O.S.L. 2012 (74
O.S. Supp. 2012, Section 7005); repealing 74 O.S.
2011, Section 7005, as amended by Section 2, Chapter
301, O.S.L. 2012 (74 O.S. Supp. 2012, Section 7005);
providing an effective date; and declaring an
emergency.

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

SECTION 1. REPEALER 2 O.S. 2011, Section 2-2, as amended
by Section 1, Chapter 133, O.S.L. 2012 (2 O.S. Supp. 2012, Section
2-2), is hereby repealed.

1 SECTION 2. REPEALER 10 O.S. 2011, Section 1-240, as
2 recodified by Section 6, Chapter 253, O.S.L. 2012 (10 O.S. Supp.
3 2012, Section 440), is hereby repealed.

4 SECTION 3. AMENDATORY 10 O.S. 2011, Section 601.3, as
5 amended by Section 1, Chapter 340, O.S.L. 2012 (10 O.S. Supp. 2012,
6 Section 601.3), is amended to read as follows:

7 Section 601.3. The Oklahoma Commission on Children and Youth is
8 hereby authorized and directed to:

9 1. Establish and maintain the Office of Planning and
10 Coordination for Services to Children and Youth;

11 2. Establish and maintain the Office of Juvenile System
12 Oversight;

13 3. Designate community partnership districts for services to
14 children and youth and, within the limitations of available funds,
15 whether appropriated or otherwise available, provide staff,
16 technical assistance and other assistance as necessary and
17 appropriate to the district boards; and

18 4. ~~Establish a system of certification in accordance with the~~
19 ~~Oklahoma Child Care Facilities Licensing Act for the shelters~~
20 ~~managed and operated by the Department of Human Services pursuant to~~
21 ~~Section 1-9-111 of Title 10A of the Oklahoma Statutes; and~~

22 5. Establish services for the children of incarcerated parents.
23 Duties designed to improve the lives of children of incarcerated
24 parents shall include:

- a. coordinating research,
- b. collecting data,
- c. creating a resource clearinghouse,
- d. developing an educational toolkit describing services available to children of incarcerated parents, and
- e. coordinating an advisory committee to work collaboratively with agencies and service providers to better meet the needs and improve the quality of life for children of incarcerated parents.

SECTION 4. REPEALER 10 O.S. 2011, Section 601.3, as amended by Section 2, Chapter 353, O.S.L. 2012 (10 O.S. Supp. 2012, Section 601.3), is hereby repealed.

SECTION 5. AMENDATORY 10A O.S. 2011, Section 2-7-202, as amended by Section 9, Chapter 353, O.S.L. 2012 (10A O.S. Supp. 2012, Section 2-7-202), is amended to read as follows:

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

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

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

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

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

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

22 B. Suitable office space shall be provided by the ~~Department of~~
23 ~~Central Services~~ Office of Management and Enterprise Services to the
24 Office of Juvenile Affairs, to the extent necessary for the Office

1 to implement its jurisdictional duties provided by the Oklahoma
2 Juvenile Code, and the Office may incur necessary expenses for
3 office rent.

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

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

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

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

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

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

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

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

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

10 8. Enter into interagency agreements;

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

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

17 11. Lease, from time to time, any real property which the Board
18 of Juvenile Affairs shall determine advisable to more fully carry
19 into effect the operation of the Office of Juvenile Affairs in
20 accordance with applicable state statutes. All such leases for real
21 property shall be subject to the provisions of Section 63 of Title
22 74 of the Oklahoma Statutes;

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

1 13. Contract for professional services;

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

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

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

18 F. Effective November 1, 2012, the Office of Juvenile Affairs
19 shall establish a system of certification in accordance with the
20 Oklahoma Child Care Facilities Licensing Act for the shelters
21 managed and operated by the Department of Human Services pursuant to
22 the requirements of Section 1-9-111 of this title. The Office of
23 Juvenile Affairs shall certify shelters pursuant to the requirements
24 of existing rules as established by the Oklahoma Commission on

1 Children and Youth until such time the Office of Juvenile Affairs
2 has promulgated rules for the certification of shelters.

3 SECTION 6. REPEALER 10A O.S. 2011, Section 2-7-202, as
4 amended by Section 41, Chapter 304, O.S.L. 2012 (10A O.S. Supp.
5 2012, Section 2-7-202), is hereby repealed.

6 SECTION 7. AMENDATORY 11 O.S. 2011, Section 51-104, as
7 amended by Section 1, Chapter 90, O.S.L. 2012 (11 O.S. Supp. 2012,
8 Section 51-104), is amended to read as follows:

9 Section 51-104. A. There is hereby re-created, to continue
10 until July 1, ~~2012~~ 2016, in accordance with the provisions of the
11 Oklahoma Sunset Law, Section 3901 et seq. of Title 74, the Public
12 Employees Relations Board, which shall be composed of five (5)
13 members to be appointed or selected as follows:

14 1. One appointed by the Governor shall be an impartial
15 appointment and designated as Chairman;

16 2. Two appointed by the President Pro Tempore of the State
17 Senate, one of whom shall be an impartial appointment and one of
18 whom shall be a representative from the labor industry chosen from a
19 list of four nominees to be submitted jointly by an Oklahoma
20 organization the primary purpose of which is to provide services to
21 members who are municipal police officers, which shall provide two
22 nominees, and by an Oklahoma organization the primary purpose of
23 which is to provide services to members who are municipal
24 firefighters, which shall provide two nominees; and

1 3. Two appointed by the Speaker of the Oklahoma House of
2 Representatives, one of whom shall be an impartial appointment and
3 one of whom shall be a representative of a municipality to be
4 selected from a list of four nominees submitted by a statewide
5 organization the membership of which consists primarily of
6 incorporated cities and towns within Oklahoma.

7 B. The Chairman shall be appointed for a term of five (5)
8 years, commencing from July 1, 1972. The other members shall be
9 appointed for terms of one (1) and three (3) years, respectively,
10 from July 1, 1972, but their successors shall be appointed for terms
11 of three (3) years. No member shall serve on the Board for more
12 than two terms. No impartial member appointed by either the
13 President Pro Tempore of the Oklahoma State Senate or by the Speaker
14 of the Oklahoma House of Representatives shall, within two (2) years
15 of being appointed to the Board or while serving on the Board, have
16 served or worked in a capacity as an advocate, be a member or
17 receive compensation from a labor union group association or its
18 subordinate affiliates or have served or worked in a capacity as an
19 advocate, appointed or elected official of or received compensation
20 from a municipality or municipalities.

21 C. Three members of the Board shall constitute a quorum. Any
22 individual chosen to fill a vacancy on the Board shall be appointed
23 only for the unexpired term. The Chairman and members of the Board
24 shall not receive a salary but shall receive compensation in lieu of

1 expenses in the amount of Fifty Dollars (\$50.00) per day for any
2 meeting or the conduct of official duties, whether acting singly or
3 collectively.

4 D. To accomplish the objectives and to perform the duties
5 prescribed by this article, the Board may subpoena witnesses, issue
6 subpoenas to require the production of books, papers, records, and
7 documents which may be needed as evidence of any matter under
8 inquiry, and administer oaths and affirmations. In cases of neglect
9 or refusal to obey a subpoena issued to any person, the district
10 court of the county in which the investigations or the public
11 hearings are taking place, upon application by the Board, may issue
12 an order requiring such person to appear before the Board and
13 produce evidence about the matter under investigation. A failure to
14 obey such order may be punished by the court as a contempt.

15 E. Any subpoena, notice of hearing, or other process or notice
16 of the Board issued under the provisions of this article may be
17 served personally, by registered mail, or by leaving a copy at the
18 principal office of the person required to be served. A return made
19 and verified by the individual making such service and setting forth
20 the manner of such service is proof of service, and a returned post
21 office receipt, when registered or certified mail is used, is proof
22 of service.

23 F. The Board shall adopt, promulgate, amend, or rescind such
24 rules as it deems necessary to carry out the provisions of this

1 article. Public hearings shall be held by the Board on any proposed
2 rule of general applicability designed to implement, interpret, or
3 prescribe policy, procedure or practice requirements under the
4 provisions of this article and on any proposed change to such
5 existing rule. Reasonable notice shall be given prior to such
6 hearings, which shall include the time, place, and nature of such
7 hearing and the terms or substance of the proposed rule or the
8 changes to such rule.

9 SECTION 8. REPEALER 11 O.S. 2011, Section 51-104, as
10 amended by Section 1, Chapter 58, O.S.L. 2012 (11 O.S. Supp. 2012,
11 Section 51-104), is hereby repealed.

12 SECTION 9. AMENDATORY 17 O.S. 2011, Section 354, as
13 amended by Section 1, Chapter 287, O.S.L. 2012 (17 O.S. Supp. 2012,
14 Section 354), is amended to read as follows:

15 Section 354. A. Except as otherwise provided by this section,
16 there shall be an assessment of one cent (\$0.01) per gallon upon the
17 sale of each gallon of motor fuel used or consumed in this state.
18 The assessment imposed pursuant to the provisions of this section
19 shall be for the purposes of providing revenue to:

20 1. The Corporation Commission Revolving Fund pursuant to
21 paragraph 1 of subsection C of this section;

22 2. The Petroleum Storage Tank Indemnity Fund pursuant to
23 paragraphs 3 and 4 of subsection C of this section;
24

1 3. The State Transportation Fund pursuant to subparagraph b of
2 paragraph 5 of subsection C of this section;

3 4. The Corporation Commission Storage Tank Regulation Revolving
4 Fund pursuant to subparagraph a of paragraph 5 of subsection C of
5 this section;

6 5. The Department of Environmental Quality Revolving Fund
7 pursuant to paragraph 2 of subsection C of this section; and

8 6. The Weigh Station Improvement Revolving Fund pursuant to
9 paragraph 3 of subsection C of this section.

10 The assessment shall be imposed at the time of the sale of the
11 motor fuel and shall be precollected and remitted to the Oklahoma
12 Tax Commission in accordance with Section 500.1 et seq. of Title 68
13 of the Oklahoma Statutes and as provided by Section 355 of this
14 title.

15 B. 1. Exempt from the assessment imposed pursuant to
16 subsection A of this section are:

- 17 a. the state government,
- 18 b. the federal government,
- 19 c. class I and class II railroads, and
- 20 d. sales for exportation outside of this state by a
21 licensed exporter.

22 2. Exempt from the assessment imposed for purposes specified in
23 paragraph 3 of subsection A of this section are sales of:
24

- 1 a. motor fuel used solely and exclusively in district-
2 owned or leased public school buses, FFA and 4-H club
3 trucks for the purposes of legally transporting public
4 school children, or in the operation of vehicles used
5 in driver training,
- 6 b. motor fuels used solely and exclusively to propel
7 motor vehicles on the public roads and highways of
8 this state when leased or owned and being operated for
9 the sole benefit of a county, city, town, volunteer
10 fire department with a state certification and rating,
11 rural electric cooperative, rural water and sewer
12 district, rural ambulance service district, or
13 federally recognized Indian tribe as specified by
14 Section 500.10 of Title 68 of the Oklahoma Statutes,
- 15 c. motor fuel to counties and cities and towns,
- 16 d. diesel fuel for off-road purposes specified by Section
17 500.10 of Title 68 of the Oklahoma Statutes,
- 18 e. motor fuel used for agricultural purposes specified by
19 Section 500.10 of Title 68 of the Oklahoma Statutes,
20 and
- 21 f. motor fuel used in aircraft or in aircraft engines
22 pursuant to Section 500.10 of Title 68 of the Oklahoma
23 Statutes.
- 24

1 C. The assessment imposed by subsection A of this section shall
2 be distributed in the following manner:

3 1. The first One Million Dollars (\$1,000,000.00) collected
4 during each fiscal year shall be deposited into the Corporation
5 Commission Revolving Fund created in Section 180.7 of this title;

6 2. After deduction of the amount required pursuant to paragraph
7 1 of this subsection, eight percent (8%) of the remainder of the
8 revenue collected during each fiscal year shall be deposited into
9 the Department of Environmental Quality Revolving Fund created in
10 Section 2-3-401 of Title 27A of the Oklahoma Statutes;

11 3. Until the total amount deposited since July 1, 2008, in the
12 Weigh Station Improvement Revolving Fund totals Eighty-one Million
13 Dollars (\$81,000,000.00), Five Hundred Thousand Dollars
14 (\$500,000.00) per month of all revenue from the assessment received
15 over the amount required by paragraphs 1 and 2 of this subsection
16 shall be deposited in the Weigh Station Improvement Revolving Fund,
17 created in Section 1167 of Title 47 of the Oklahoma Statutes and
18 shall be used solely for the purpose of constructing weigh stations;

19 4. After the total amount deposited in the Weigh Station
20 Improvement Revolving Fund totals Eighty-one Million Dollars
21 (\$81,000,000.00), any revenue from the assessment received over the
22 amounts required in paragraphs 1 and 2 of this subsection shall be
23 deposited in the Petroleum Storage Tank Indemnity Fund created in
24 Section 353 of this title in amounts necessary to maintain the

1 maintenance level of the Indemnity Fund pursuant to subsection D of
2 this section; and

3 5. The balance of any revenue from the assessment remaining
4 above the amount required in paragraphs 1 through 4 of this
5 subsection shall be deposited as follows:

- 6 a. the first One Million Dollars (\$1,000,000.00)
7 collected during each fiscal year shall be deposited
8 in the Corporation Commission Storage Tank Regulation
9 Revolving Fund for the purpose of implementing the
10 provisions of the Oklahoma Storage Tank Regulation Act
11 and the rules promulgated thereunder, and
- 12 b. the balance of the monies collected during each fiscal
13 year shall be deposited in the State Transportation
14 Fund and shall be used solely for the purpose of
15 matching Federal-Aid funds for the construction of
16 highways and roads in this state.

17 D. 1. If at any time the Petroleum Storage Tank Indemnity Fund
18 falls below the required maintenance level on or before December 31,
19 ~~2012~~ 2022, the Administrator shall notify the Tax Commission that
20 the Indemnity Fund has fallen below the required maintenance level
21 and that the assessment is to be deposited into the Indemnity Fund
22 for at least three (3) calendar months pursuant to the provisions of
23 paragraph 2 of this subsection.

1 2. At least fifteen (15) days prior to the calendar month in
2 which the assessment is to be collected for credit to the Indemnity
3 Fund, the Tax Commission, upon notification by the Administrator
4 that the Indemnity Fund has fallen below the required maintenance
5 level, shall notify the suppliers, licensed importers or other
6 appropriate persons that the assessment is being imposed for
7 purposes of maintaining the Indemnity Fund. The notice shall
8 include a date certain upon which to begin collecting the assessment
9 for credit to the Indemnity Fund and a date certain for ending the
10 assessment for credit to the Indemnity Fund. Upon notice by the Tax
11 Commission that the assessment imposed is for credit to the
12 Indemnity Fund, the supplier, licensed importer or other appropriate
13 person shall also assess, for the specified period required by the
14 Tax Commission, the sales of:

15 a. motor fuel used solely and exclusively in district-
16 owned or leased public school buses, FFA and 4-H Club
17 trucks for the purposes of legally transporting public
18 school children or in the operation of vehicles used
19 in driver's training,

20 b. motor fuels used solely and exclusively to propel
21 motor vehicles on the public roads and highways of the
22 state when leased or owned and being operated for the
23 sole benefit of a county, city or town, volunteer fire
24 department with a state certification and rating,

1 rural electric cooperative, rural water and sewer
2 district, rural ambulance service district, or
3 federally recognized Indian tribe as specified by
4 Section 500.10 of Title 68 of the Oklahoma Statutes,
5 c. motor fuel to counties and cities and towns,
6 d. diesel fuel for off-road purposes specified by Section
7 500.10 of Title 68 of the Oklahoma Statutes,
8 e. motor fuel used for agricultural purposes specified by
9 Section 500.10 of Title 68 of the Oklahoma Statutes,
10 and
11 f. motor fuel used in aircraft and aircraft engines
12 pursuant to Section 500.10 of Title 68 of the Oklahoma
13 Statutes.

14 3. After the collection period required by this subsection has
15 expired, the revenue collected from the assessment shall be again
16 deposited in the Corporation Commission Storage Tank Regulation
17 Revolving Fund and the State Transportation Fund as provided in
18 paragraph 5 of subsection C of this section.

19 SECTION 10. REPEALER 17 O.S. 2011, Section 354, as
20 amended by Section 1, Chapter 362, O.S.L. 2012 (17 O.S. Supp. 2012,
21 Section 354), is hereby repealed.

22 SECTION 11. AMENDATORY 19 O.S. 2011, Section 339, as
23 amended by Section 1, Chapter 22, O.S.L. 2012 (19 O.S. Supp. 2012,
24 Section 339), is amended to read as follows:

1 Section 339. A. The board of county commissioners shall have
2 power:

3 1. To make all orders respecting the real property of the
4 county, to sell the public grounds of the county and to purchase
5 other grounds in lieu thereof; and for the purpose of carrying out
6 the provisions of this section it shall be sufficient to convey all
7 the interests of the county in those grounds when an order made for
8 the sale and a deed is executed in the name of the county by the
9 chair of the board of county commissioners, reciting the order, and
10 signed by the chair and acknowledged by the county clerk for and on
11 behalf of the county;

12 2. To audit the accounts of all officers having the care,
13 management, collection or disbursement of any money belonging to the
14 county or appropriated for its benefit;

15 3. To construct and repair bridges and to open, lay out and
16 vacate highways; provided, however, that when any state institution,
17 school or department shall own, lease or otherwise control land on
18 both sides of any established highway, the governing board or body
19 of the same shall have the power to vacate, alter or relocate the
20 highway adjoining the property in the following manner:

21 If it should appear that it would be to the best use and
22 interest of the institution, school or department to vacate, alter
23 or relocate such highway, the governing board or body shall notify
24 the board of county commissioners, in writing, of their intention to

1 hold a public hearing and determine whether to vacate, alter or
2 relocate the highway, setting forth the location and terminals of
3 the road, and all data concerning the proposed right-of-way if
4 changed or relocated, and shall give fifteen (15) days' notice of
5 the hearing by publication in some newspaper in the county or
6 counties in which the road is located, and the hearing shall be held
7 at the county seat of the county in which the road is located, and
8 if a county line road, may be heard in either county. At the
9 hearing testimony may be taken, and any protests or suggestions
10 shall be received as to the proposed measure, and at the conclusion
11 thereof if the governing board or body shall find that it would be
12 to the best use and interest of the institution, school or
13 department, and the public generally, they may make an appropriate
14 order either vacating, altering or relocating the highway, which
15 order shall be final if approved by the board of county
16 commissioners. The institution, school or department may by
17 agreement share the cost of changing any such road. No property
18 owner shall be denied access to a public highway by the order;

19 4. To recommend or sponsor an employee or prospective employee
20 for job-related training and certification in an area that may
21 require training or certification to comply with state or federal
22 law as such training or certification is provided by the Department
23 of Transportation, the Federal Highway Administration, or any other
24 state agency, technology center school, or university;

1 5. Until January 1, 1983, to furnish necessary blank books,
2 plats, blanks and stationery for the clerk of the district court,
3 county clerk, register of deeds, county treasurer and county judge,
4 sheriff, county surveyor and county attorney, justices of the peace,
5 and constables, to be paid for out of the county treasury; also a
6 fireproof vault sufficient in which to keep all the books, records,
7 vouchers and papers pertaining to the business of the county;

8 6. To set off, organize and change the boundaries of townships
9 and to designate and give names therefor; provided, that the
10 boundaries of no township shall be changed within six (6) months
11 next preceding a general election;

12 7. To lease tools, apparatus, machinery or equipment of the
13 county to another political subdivision or a state agency. The
14 Association of County Commissioners of Oklahoma, and the Oklahoma
15 State University Center for Local Government Technology ~~and the~~
16 ~~Office of the State Auditor and Inspector,~~ together, shall establish
17 a system of uniform rates for the leasing of such tools, apparatus,
18 machinery and equipment;

19 8. To jointly, with other counties, buy heavy equipment and to
20 loan or lease such equipment across county lines;

21 9. To develop ~~minimum~~ personnel policies for the county with
22 the approval of a majority of all county elected officers, as
23 evidenced in the minutes of a meeting of the board of county
24 commissioners or the county budget board;

1 10. To purchase, rent, or lease-purchase uniforms, safety
2 devices and equipment for the officers and employees of the county.
3 The county commissioners may pay for any safety training or safety
4 devices and safety equipment out of the general county funds or any
5 county highway funds available to the county commissioners;

6 11. To provide incentive awards for safety-related job
7 performance. However, no employee shall be recognized more than
8 once per calendar year and the award shall not exceed the value of
9 Two Hundred Fifty Dollars (\$250.00); further, no elected official
10 shall be eligible to receive a safety award;

11 12. To provide for payment of notary commissions, filing fees,
12 and the cost of notary seals and bonds;

13 13. To do and perform other duties and acts that the board of
14 county commissioners may be required by law to do and perform;

15 14. To make purchases at a public auction pursuant to the
16 county purchasing procedures in subsection D of Section 1505 of this
17 title;

18 15. To deposit interest income from highway funds in the
19 general fund of the county;

20 16. To submit sealed bids for the purchase of equipment from
21 this state, or any agency or political subdivision of this state;

22 17. To utilize county-owned equipment, labor and supplies at
23 their disposal on property owned by the county, public schools, two-
24 year colleges or technical branches of colleges that are members of

1 The Oklahoma State System of Higher Education, the state and
2 municipalities according to the provisions of Section 36-113 of
3 Title 11 of the Oklahoma Statutes. Cooperative agreements may be
4 general in terms of routine maintenance or specific in terms of
5 construction and agreed to and renewed on an annual basis. Work
6 performed pursuant to Section 36-113 of Title 11 of the Oklahoma
7 Statutes shall comply with the provisions of this section;

8 18. To enter into intergovernmental cooperative agreements with
9 the federally recognized Indian tribes within this state to address
10 issues of construction and maintenance of streets, roads, bridges
11 and highways exclusive of the provisions of Section 1221 of Title 74
12 of the Oklahoma Statutes;

13 19. To execute hold harmless agreements with the lessor in the
14 manner provided by subsection B of Section 636.5 of Title 69 of the
15 Oklahoma Statutes when leasing or lease-purchasing equipment;

16 20. To accept donations of right-of-way or right-of-way
17 easements pursuant to Section 381 et seq. of Title 60 of the
18 Oklahoma Statutes;

19 21. To establish by resolution the use of per diem for specific
20 purposes in accordance with the limitations provided by Sections
21 500.8 and 500.9 of Title 74 of the Oklahoma Statutes;

22 22. To apply to the Department of Environmental Quality for a
23 waste tire permit to bale waste tires for use in approved
24 engineering projects;

1 23. To enter into the National Association of Counties (NACo)
2 Prescription Drug Discount Program; and

3 24. To work with federal, state, municipal, and public school
4 district properties in an effort to minimize cost to such entities.

5 B. The county commissioners of a county or, in counties where
6 there is a county budget board, the county budget board may
7 designate money from general county funds for the designated purpose
8 of drug enforcement and drug abuse prevention programs within the
9 county.

10 C. When any lease or lease purchase is made on behalf of the
11 county by the board pursuant to the provisions of this section, the
12 county shall be allowed to have trade in values for transactions
13 involving The Oklahoma Central Purchasing Act.

14 D. In order to timely comply with the Oklahoma Vehicle License
15 and Registration Act with regard to county vehicles, the board of
16 county commissioners may, by resolution, create a petty cash
17 account. The board of county commissioners may request a purchase
18 order for petty cash in an amount necessary to pay the expense of
19 license and registration fees for county motor vehicles. Any
20 balance in the petty cash account after the license and registration
21 fees have been paid shall be returned to the account or fund from
22 which the funds originated. The county purchasing agent shall be
23 the custodian of the petty cash account, and the petty cash account
24 shall be subject to audit.

1 E. When the board of county commissioners ~~approve~~ approves an
2 express trust, pursuant to Sections 176 through 180.4 of Title 60 of
3 the Oklahoma Statutes, for the purpose of operating a county jail,
4 the trustees of the public trust may appoint commissioned peace
5 officers, certified by the Council on Law Enforcement Education and
6 Training, to provide security for inmates that are required to be
7 transported outside of the detention facility, and investigate
8 violations of law within the detention facility. Other personnel
9 necessary to operate the jail may be employed and trained or
10 certified as may be required by applicable state or federal law.

11 SECTION 12. REPEALER 19 O.S. 2011, Section 339, as
12 amended by Section 1, Chapter 19, O.S.L. 2012 (19 O.S. Supp. 2012,
13 Section 339), is hereby repealed.

14 SECTION 13. REPEALER 19 O.S. 2011, Section 339, as
15 amended by Section 1, Chapter 144, O.S.L. 2012 (19 O.S. Supp. 2012,
16 Section 339), is hereby repealed.

17 SECTION 14. AMENDATORY 21 O.S. 2011, Section 1247, as
18 amended by Section 1, Chapter 30, O.S.L. 2012 (21 O.S. Supp. 2012,
19 Section 1247), is amended to read as follows:

20 Section 1247. A. The possession of lighted tobacco in any form
21 is a public nuisance and dangerous to public health and is hereby
22 prohibited when such possession is in any indoor place used by or
23 open to the public, all parts of a zoo to which the public may be
24 admitted, whether indoors or outdoors, public transportation, or any

1 indoor workplace, except where specifically allowed by law.
2 Commercial airport operators may prohibit the use of lighted tobacco
3 in any area that is open to or used by the public whether located
4 indoors or outdoors, provided that the outdoor area is within one
5 hundred seventy-five (175) feet from an entrance.

6 As used in this section, "indoor workplace" means any indoor
7 place of employment or employment-type service for or at the request
8 of another individual or individuals, or any public or private
9 entity, whether part-time or full-time and whether for compensation
10 or not. Such services shall include, without limitation, any
11 service performed by an owner, employee, independent contractor,
12 agent, partner, proprietor, manager, officer, director, apprentice,
13 trainee, associate, servant or volunteer. An indoor workplace
14 includes work areas, employee lounges, restrooms, conference rooms,
15 classrooms, employee cafeterias, hallways, any other spaces used or
16 visited by employees, and all space between a floor and ceiling that
17 is predominantly or totally enclosed by walls or windows, regardless
18 of doors, doorways, open or closed windows, stairways, or the like.
19 The provisions of this section shall apply to such indoor workplace
20 at any given time, whether or not work is being performed.

21 B. All buildings, or portions thereof, owned or operated by
22 this state shall be designated as nonsmoking; provided, however,
23 each building may have one designated smoking room. As used in this
24 paragraph, "buildings" shall not include up to twenty-five percent

1 (25%) of any hotel or motel rooms rented to guests if the rooms are
2 properly ventilated so that smoke is not circulated to nonsmoking
3 areas.

4 C. All buildings, or portions thereof, owned or operated by a
5 county or municipal government, at the discretion of the county or
6 municipal governing body, may be designated as entirely nonsmoking
7 or may be designated as nonsmoking with one designated smoking room.

8 D. All buildings, or portions thereof, owned by an educational
9 facility as is defined in the Smoking in Public Places and Indoor
10 Workplaces Act shall be designated as nonsmoking as provided for in
11 Section 1-1523 of Title 63 of the Oklahoma Statutes. All campuses,
12 buildings and grounds, or portions thereof, owned or operated by an
13 institution within The Oklahoma State System of Higher Education may
14 be designated as tobacco free, including smoking or smokeless
15 tobacco, by the institution upon adoption of a policy stating the
16 tobacco restrictions for the institution and an intent to enforce
17 the penalty for violations as set forth in subsection N of this
18 section.

19 E. A smoking room as provided for in subsections B and C of
20 this section:

- 21 1. Shall not be used for the conduct of public business;
- 22 2. Shall be in a location which is fully enclosed, directly
23 exhausted to the outside, under negative air pressure so smoke
24 cannot escape when a door is opened, and no air is recirculated to

1 nonsmoking areas of the building. No smoking exhaust shall be
2 located within twenty-five (25) feet of any entrance, exit or air
3 intake; and

4 3. Shall be verified for compliance with the provisions of this
5 subsection by the ~~Department of Central Services~~ Office of
6 Management and Enterprise Services for state buildings, by a county
7 entity designated by the board of county commissioners for county
8 buildings, or by a municipal entity designated by the municipal
9 governing body for municipal buildings.

10 F. No smoking shall be allowed within twenty-five (25) feet of
11 the entrance or exit of any building specified in subsection B, C or
12 D of this section.

13 G. The restrictions provided in this section shall not apply to
14 stand-alone bars, stand-alone taverns and cigar bars as defined in
15 Section 1-1522 of Title 63 of the Oklahoma Statutes.

16 H. The restrictions provided in this section shall not apply to
17 the following:

18 1. The room or rooms where licensed charitable bingo games are
19 being operated, but only during the hours of operation of such
20 games;

21 2. Up to twenty-five percent (25%) of the guest rooms at a
22 hotel or other lodging establishment;

23 3. Retail tobacco stores predominantly engaged in the sale of
24 tobacco products and accessories and in which the sale of other

1 products is merely incidental and in which no food or beverage is
2 sold or served for consumption on the premises;

3 4. Workplaces where only the owner or operator of the
4 workplace, or the immediate family of the owner or operator,
5 performs any work in the workplace, and the workplace has only
6 incidental public access. "Incidental public access" means that a
7 place of business has only an occasional person, who is not an
8 employee, present at the business to transact business or make a
9 delivery. It does not include businesses that depend on walk-in
10 customers for any part of their business;

11 5. Workplaces occupied exclusively by one or more smokers, if
12 the workplace has only incidental public access;

13 6. Private offices occupied exclusively by one or more smokers;

14 7. Workplaces within private residences, except that smoking
15 shall not be allowed inside any private residence that is used as a
16 licensed child care facility during hours of operation;

17 8. Medical research or treatment centers, if smoking is
18 integral to the research or treatment;

19 9. A facility operated by a post or organization of past or
20 present members of the Armed Forces of the United States which is
21 exempt from taxation pursuant to Section 501(c)(8), 501(c)(10) or
22 501(c)(19) of the Internal Revenue Code, 26 U.S.C., Section
23 501(c)(8), 501(c)(10) or 501(c)(19), when such facility is utilized
24 exclusively by its members and their families and for the conduct of

1 post or organization nonprofit operations except during an event or
2 activity which is open to the public; and

3 10. Any outdoor seating area of a restaurant; provided, smoking
4 shall not be allowed within fifteen (15) feet of any exterior public
5 doorway or any air intake of a restaurant.

6 I. An employer not otherwise restricted from doing so may elect
7 to provide smoking rooms where no work is performed except for
8 cleaning and maintenance during the time the room is not in use for
9 smoking, provided each smoking room is fully enclosed and exhausted
10 directly to the outside in such a manner that no smoke can drift or
11 circulate into a nonsmoking area. No exhaust from a smoking room
12 shall be located within fifteen (15) feet of any entrance, exit or
13 air intake.

14 J. If smoking is to be permitted in any space exempted in
15 subsection G or H of this section or in a smoking room pursuant to
16 subsection I of this section, such smoking space must either occupy
17 the entire enclosed indoor space or, if it shares the enclosed space
18 with any nonsmoking areas, the smoking space shall be fully
19 enclosed, exhausted directly to the outside with no air from the
20 smoking space circulated to any nonsmoking area, and under negative
21 air pressure so that no smoke can drift or circulate into a
22 nonsmoking area when a door to an adjacent nonsmoking area is
23 opened. Air from a smoking room shall not be exhausted within
24 fifteen (15) feet of any entrance, exit or air intake. Any employer

1 may choose a more restrictive smoking policy, including being
2 totally smoke free.

3 K. Notwithstanding any other provision of this section, until
4 March 1, 2006, restaurants may have designated smoking and
5 nonsmoking areas or may be designated as being a totally nonsmoking
6 area. Beginning March 1, 2006, restaurants shall be totally
7 nonsmoking or may provide nonsmoking areas and designated smoking
8 rooms. Food and beverage may be served in such designated smoking
9 rooms which shall be in a location which is fully enclosed, directly
10 exhausted to the outside, under negative air pressure so smoke
11 cannot escape when a door is opened, and no air is recirculated to
12 nonsmoking areas of the building. No exhaust from such room shall
13 be located within twenty-five (25) feet of any entrance, exit or air
14 intake. Such room shall be subject to verification for compliance
15 with the provisions of this subsection by the State Department of
16 Health.

17 L. The person who owns or operates a place where smoking or
18 tobacco use is prohibited by law shall be responsible for posting a
19 sign or decal, at least four (4) inches by two (2) inches in size,
20 at each entrance to the building indicating that the place is smoke-
21 free or tobacco-free.

22 M. Responsibility for posting signs or decals shall be as
23 follows:
24

1 1. In privately owned facilities, the owner or lessee, if a
2 lessee is in possession of the facilities, shall be responsible;

3 2. In corporately owned facilities, the manager and/or
4 supervisor of the facility involved shall be responsible; and

5 3. In publicly owned facilities, the manager and/or supervisor
6 of the facility shall be responsible.

7 N. Any person who knowingly violates the provisions of this
8 section is guilty of a misdemeanor, and upon conviction thereof,
9 shall be punished by a fine of not less than Ten Dollars (\$10.00)
10 nor more than One Hundred Dollars (\$100.00).

11 SECTION 15. REPEALER 21 O.S. 2011, Section 1247, as
12 amended by Section 90, Chapter 304, O.S.L. 2012 (21 O.S. Supp. 2012,
13 Section 1247), is hereby repealed.

14 SECTION 16. AMENDATORY 21 O.S. 2011, Section 1290.14, as
15 amended by Section 34, Chapter 259, O.S.L. 2012 (21 O.S. Supp. 2012,
16 Section 1290.14), is amended to read as follows:

17 Section 1290.14.

18 SAFETY AND TRAINING COURSE

19 A. Each applicant for a license to carry a concealed or
20 unconcealed handgun pursuant to the Oklahoma Self-Defense Act must
21 successfully complete a firearms safety and training course in this
22 state conducted by a registered and approved firearms instructor as
23 provided by the provisions of this section. The applicant must
24 further demonstrate competence and qualification with an authorized

1 pistol of the type or types that the applicant desires to carry as a
2 concealed or unconcealed handgun pursuant to the provisions of the
3 Oklahoma Self-Defense Act, except certain persons may be exempt from
4 such training requirement as provided by the provisions of Section
5 1290.15 of this title.

6 B. The Council on Law Enforcement Education and Training
7 (CLEET) shall establish criteria for approving firearms instructors
8 for purposes of training and qualifying individuals for a handgun
9 license pursuant to the provisions of the Oklahoma Self-Defense Act.
10 Prior to submitting an application for CLEET approval as a firearms
11 instructor, applicants shall attend a firearms instructor school,
12 meeting the following minimum requirements:

13 1. Firearms instructor training conducted by one of the
14 following entities:

- 15 a. Council on Law Enforcement Education and Training,
- 16 b. National Rifle Association,
- 17 c. Oklahoma Rifle Association,
- 18 d. federal law enforcement agencies, or
- 19 e. other professionally recognized organizations;

20 2. The course shall be at least sixteen (16) hours in length;

21 3. Upon completion of the course, the applicant shall be
22 qualified to provide instruction on revolvers, semiautomatic
23 pistols, or both; and

24 4. Receive a course completion certificate.

1 All firearms instructors shall be required to meet the
2 eligibility requirements for a handgun license as provided in
3 Sections 1290.9, 1290.10, and 1290.11 of this title, and the
4 application shall be processed as provided for applicants in Section
5 1290.12 of this title, including the state and national criminal
6 history records search and fingerprint search. A firearms
7 instructor shall be required to pay a fee of One Hundred Dollars
8 (\$100.00) to the Council on Law Enforcement Education and Training
9 (CLEET) each time the person makes application for CLEET approval as
10 a firearms instructor pursuant to the provisions of the Oklahoma
11 Self-Defense Act. The fee shall be retained by CLEET and shall be
12 deposited into the Firearms Instructors Revolving Fund. CLEET shall
13 promulgate the rules, forms and procedures necessary to implement
14 the approval of firearms instructors as authorized by the provisions
15 of this subsection. CLEET shall periodically review each approved
16 instructor during a training and qualification course to assure
17 compliance with the rules and course contents. Any violation of the
18 rules may result in the revocation or suspension of CLEET and
19 Oklahoma State Bureau of Investigation approval. Unless the
20 approval has been revoked or suspended, a firearms instructor's
21 CLEET approval shall be for a term of five (5) years. Beginning on
22 July 1, 2003, any firearms instructor who has been issued a four-
23 year CLEET approval shall not be eligible for the five-year approval
24 until the expiration of the approval previously issued. CLEET shall

1 be responsible for notifying all approved firearms instructors of
2 statutory and policy changes related to the Oklahoma Self-Defense
3 Act.

4 C. 1. All firearms instructors approved by CLEET to train and
5 qualify individuals for a handgun license shall be required to apply
6 for registration with the Oklahoma State Bureau of Investigation
7 after receiving CLEET approval. All firearms instructors teaching
8 the approved course for a handgun license must display their
9 registration certificate during each training and qualification
10 course. Each approved firearms instructor shall complete a
11 registration form provided by the Bureau and shall pay a
12 registration fee of One Hundred Dollars (\$100.00) to the Bureau at
13 the time of each application for registration, except as provided in
14 paragraph 2 of this subsection. Registration certificates issued by
15 the Bureau shall be valid for five (5) years from the date of
16 issuance. The Bureau shall issue a five-year handgun license to an
17 approved firearms instructor at the time of issuance of a
18 registration certificate and no additional fee shall be required or
19 charged. The Bureau shall maintain a current listing of all
20 registered firearms instructors in this state. Nothing in this
21 paragraph shall be construed to eliminate the requirement for
22 registration and training with CLEET as provided in subsection B of
23 this section. Failure to register or be trained as required shall
24

1 result in a revocation or suspension of the instructor certificate
2 by the Bureau.

3 2. On or after July 1, 2003, the registered instructors listed
4 in subparagraphs a and b of this paragraph shall not be required to
5 renew the firearms instructor registration certificate with the
6 Oklahoma State Bureau of Investigation at the expiration of the
7 registration term, provided the instructor is not subject to any
8 suspension or revocation of the firearm instructor certificate. The
9 firearms instructor registration with the Oklahoma State Bureau of
10 Investigation shall automatically renew together with the handgun
11 license authorized in paragraph 1 of this subsection for an
12 additional five-year term and no additional cost or fee may be
13 charged for the following individuals:

14 a. an active duty law enforcement officer of this state
15 or any of its political subdivisions or of the federal
16 government who has a valid CLEET approval as a
17 firearms instructor pursuant to the Oklahoma Self-
18 Defense Act, and

19 b. a retired law enforcement officer authorized to carry
20 a firearm pursuant to Section 1289.8 of this title who
21 has a valid CLEET approval as a firearms instructor
22 pursuant to the Oklahoma Self-Defense Act.

23 D. The Oklahoma State Bureau of Investigation shall approve
24 registration for a firearms instructor applicant who is in full

1 compliance with CLEET rules regarding firearms instructors and the
2 provisions of subsection B of this section, if completion of the
3 federal fingerprint search is the only reason for delay of
4 registration of that firearms instructor applicant. Upon receipt of
5 the federal fingerprint search information, if the Bureau receives
6 information which precludes the person from having a handgun
7 license, the Bureau shall revoke both the registration and the
8 handgun license previously issued to the firearms instructor.

9 E. The required firearms safety and training course and the
10 actual demonstration of competency and qualification required of the
11 applicant shall be designed and conducted in such a manner that the
12 course can be reasonably completed by the applicant within an eight-
13 hour period. CLEET shall establish the course content and
14 promulgate rules, procedures and forms necessary to implement the
15 provisions of this subsection. For the training and qualification
16 course, an applicant may be charged a fee not to exceed Sixty
17 Dollars (\$60.00). The instructor to student ratio shall not exceed
18 ten students to any one instructor. CLEET may establish criteria
19 for assistant instructors, maximum class size and any other
20 requirements deemed necessary to conduct a safe and effective
21 training and qualification course. The course content shall include
22 a safety inspection of the firearm to be used by the applicant in
23 the training course; instruction on pistol handling, safety and
24 storage; dynamics of ammunition and firing; methods or positions for

1 firing a pistol; information about the criminal provisions of the
2 Oklahoma law relating to firearms; the requirements of the Oklahoma
3 Self-Defense Act as it relates to the applicant; self-defense and
4 the use of appropriate force; a practice shooting session; and a
5 familiarization course. The firearms instructor shall refuse to
6 train or qualify any person when the pistol to be used or carried by
7 the person is either deemed unsafe or unfit for firing or is a
8 weapon not authorized by the Oklahoma Self-Defense Act. The course
9 shall provide an opportunity for the applicant to qualify himself or
10 herself on either a derringer, a revolver, a semiautomatic pistol or
11 any combination of a derringer, a revolver and a semiautomatic
12 pistol, provided no pistol shall be capable of firing larger than
13 .45 caliber ammunition. Any applicant who successfully trains and
14 qualifies himself or herself with a semiautomatic pistol may be
15 approved by the firearms instructor on the training certificate for
16 a semiautomatic pistol, a revolver and a derringer upon request of
17 the applicant. Any person who qualifies on a derringer or revolver
18 shall not be eligible for a semiautomatic rating until the person
19 has demonstrated competence and qualifications on a semiautomatic
20 pistol. Upon successful completion of the training and
21 qualification course, a certificate shall be issued to each
22 applicant who successfully completes the course. The certificate of
23 training shall comply with the form established by CLEET and shall
24

1 be submitted with an application for a handgun license pursuant to
2 the provisions of paragraph 2 of Section 1290.12 of this title.

3 F. There is hereby created a revolving fund for the Council on
4 Law Enforcement Education and Training (CLEET), to be designated the
5 "Firearms Instructors Revolving Fund". The fund shall be a
6 continuing fund, not subject to fiscal year limitations, and shall
7 consist of all funds received for approval of firearms instructors
8 for purposes of the Oklahoma Self-Defense Act. All funds received
9 shall be deposited to the fund. All monies accruing to the credit
10 of said fund are hereby appropriated and may be budgeted and
11 expended by the Council on Law Enforcement Education and Training,
12 for implementation of the training and qualification course
13 contents, approval of firearms instructors and any other CLEET
14 requirement pursuant to the provisions of the Oklahoma Self-Defense
15 Act or as may otherwise be deemed appropriate by CLEET.
16 Expenditures from said fund shall be made upon warrants issued by
17 the State Treasurer against claims filed as prescribed by law with
18 the Director of ~~State Finance~~ the Office of Management and
19 Enterprise Services for approval and payment.

20 SECTION 17. REPEALER 21 O.S. 2011, Section 1290.14, as
21 amended by Section 91, Chapter 304, O.S.L. 2012 (21 O.S. Supp. 2012,
22 Section 1290.14), is hereby repealed.

1 SECTION 18. AMENDATORY 21 O.S. 2011, Section 1290.26, as
2 amended by Section 1, Chapter 195, O.S.L. 2012 (21 O.S. Supp. 2012,
3 Section 1290.26), is amended to read as follows:

4 Section 1290.26.

5 RECIPROCAL AGREEMENT AUTHORITY

6 The State of Oklahoma hereby recognizes any valid concealed or
7 unconcealed carry weapons permit or license issued by another state,
8 or if the state is a nonpermitting carry state, this state shall
9 reciprocate under the permitting law of that state.

10 A. Any person entering this state in possession of a firearm
11 authorized for concealed or unconcealed carry upon the authority and
12 license of another state is authorized to continue to carry a
13 concealed or unconcealed firearm and license in this state; provided
14 the license from the other state remains valid. The firearm must
15 either be carried ~~fully~~ unconcealed or concealed from detection and
16 view, and upon coming in contact with any peace officer of this
17 state, the person must disclose the fact that he or she is in
18 possession of a concealed or unconcealed firearm pursuant to a valid
19 concealed or unconcealed carry weapons permit or license issued in
20 another state.

21 B. Any person entering this state in possession of a firearm
22 authorized for concealed carry upon the authority of a state that is
23 a nonpermitted carry state and the person is in compliance with the
24 Oklahoma Self-Defense Act, the person is authorized to carry a

1 concealed firearm in this state. The firearm must be carried fully
2 concealed from detection and view, and upon coming in contact with
3 any peace officer of this state, the person must disclose the fact
4 that he or she is in possession of a concealed firearm pursuant to
5 the nonpermitting laws of the state in which he or she is a legal
6 resident. The person shall present proper identification by a valid
7 photo ID as proof that he or she is a legal resident in such a non-
8 permitting state. The Department of Public Safety shall keep a
9 current list of non-permitting states for law enforcement officers
10 to confirm that a state is nonpermitting.

11 C. Any person who is twenty-one (21) years of age or older
12 having a valid firearm license from another state may apply for a
13 ~~concealed~~ handgun license in this state immediately upon
14 establishing a residence in this state.

15 SECTION 19. REPEALER 21 O.S. 2011, Section 1290.26, as
16 amended by Section 44, Chapter 259, O.S.L. 2012 (21 O.S. Supp. 2012,
17 Section 1290.26), is hereby repealed.

18 SECTION 20. AMENDATORY 26 O.S. 2011, Section 3-101, as
19 amended by Section 2, Chapter 31, O.S.L. 2012 (26 O.S. Supp. 2012,
20 Section 3-101), is amended to read as follows:

21 Section 3-101. A. No election required to be conducted by any
22 county election board shall be scheduled for a day other than
23 Tuesday.
24

1 B. Except as otherwise provided by law, no special election
2 shall be held by any county, school district, technology center
3 school district, municipality or other entity authorized to call
4 elections except on:

5 1. The second Tuesday of January, February, May, June, July,
6 August, September, October and November and the first Tuesday in
7 March and April in odd-numbered years; provided, a municipality with
8 a population in excess of two hundred fifty thousand (250,000)
9 persons, according to the most recent federal decennial census, may
10 also hold an election on the second Tuesday of December in odd-
11 numbered years; and

12 2. The second Tuesday of January and February, the first
13 Tuesday in March and April, the last Tuesday in June, the fourth
14 Tuesday in August, and the first Tuesday after the first Monday in
15 November of any even-numbered year.

16 C. In the event that a regular or special election date occurs
17 on an official state holiday, the election shall be scheduled for
18 the next following Tuesday.

19 D. Notwithstanding any other provision of law or any provision
20 of a municipal charter, any municipality, school district,
21 technology center district, county, rural fire protection district,
22 or any other entity seeking to hold a regular or special election to
23 be conducted by a county election board on the same date as a
24 regular or special federal or state election, shall file the

1 resolution calling for the election with the county election board
2 secretary no later than seventy-five (75) days prior to the election
3 date. A candidate filing period, if so required by the resolution,
4 shall begin no later than ten (10) days following the deadline to
5 file the resolution with the secretary of the county election board;
6 provided, the filing period for such municipal office may be
7 scheduled on the same dates as the filing period for state or
8 federal office to be filled at such election.

9 SECTION 21. REPEALER 26 O.S. 2011, Section 3-101, as
10 amended by Section 1, Chapter 152, O.S.L. 2012 (26 O.S. Supp. 2012,
11 Section 3-101), is hereby repealed.

12 SECTION 22. AMENDATORY 36 O.S. 2011, Section 6670, as
13 amended by Section 1, Chapter 147, O.S.L. 2012 (36 O.S. Supp. 2012,
14 Section 6670), is amended to read as follows:

15 Section 6670. As used in ~~Sections 6670~~ this section through
16 Section 6676 of this title:

17 1. "Commissioner" means the Insurance Commissioner;

18 2. "Enrolled customer" means a customer who elects coverage
19 under a portable electronics insurance policy issued to a vendor of
20 portable electronics;

21 3. "Customer" means a person who purchases portable electronics
22 or services;

23

24

1 4. "Location" means any physical location in the State of
2 Oklahoma or any website, call center site, or similar location
3 directed to residents of the State of Oklahoma;

4 5. "Portable electronics" means electronic devices that are
5 portable in nature, their accessories and services related to the
6 use of the device;

7 6. "Portable electronics insurance" means insurance providing
8 coverage for the repair or replacement of portable electronics which
9 may provide coverage for portable electronics against any one or
10 more of the following causes of loss: loss, theft, inoperability due
11 to mechanical failure, malfunction, damage or other similar causes
12 of loss. "Portable electronics insurance" does not include:

13 a. a service contract governed by the Service Warranty
14 ~~Insurance~~ Act,

15 b. a policy of insurance covering a seller's or a
16 manufacturer's obligations under a warranty,

17 c. a homeowner's, renter's, private passenger automobile,
18 commercial multi-peril, or similar policy, or

19 d. a contract excluded from the definition of a service
20 warranty as set forth by subparagraphs a through e of
21 paragraph 14 of Section 6602 of this title;

22 7. "Portable electronics transaction" means:

23 a. the sale or lease of portable electronics by a vendor
24 to a customer, or

b. the sale of a service related to the use of portable electronics by a vendor to a customer;

8. "Supervising entity" means a business entity that is a licensed insurer or insurance producer; and

9. "Vendor" means a person in the business of engaging in portable electronics transactions directly or indirectly.

SECTION 23. REPEALER 36 O.S. 2011, Section 6670, as amended by Section 36, Chapter 150, O.S.L. 2012 (36 O.S. Supp. 2012, Section 6670), is hereby repealed.

SECTION 24. AMENDATORY 47 O.S. 2011, Section 2-110, as amended by Section 3, Chapter 242, O.S.L. 2012 (47 O.S. Supp. 2012, Section 2-110), is amended to read as follows:

Section 2-110. A. Officers and employees of the Department of Public Safety designated by the Commissioner, for the purpose of administering the motor vehicle laws, are authorized to administer oaths and acknowledge signatures and shall do so without fee.

B. The Commissioner and such officers of the Department as the Commissioner may designate are hereby authorized to prepare under the seal of the Department and deliver upon request a certified copy of any record of the Department, charging a fee of Three Dollars (\$3.00) for each record so certified, and every such certified copy shall be admissible in any proceeding in any court in like manner as the original thereof. A certification fee shall be charged:

1 1. Only if the person requesting the record specifically
2 requests that the record be certified; and

3 2. In addition to the copying and reproduction fees provided by
4 the Oklahoma Open Records Act or any other applicable law.

5 C. The Commissioner and any other officers of the Department as
6 the Commissioner may designate are hereby authorized to provide a
7 copy of any record required to be maintained by the Department at no
8 charge to any of the following government agencies when requested in
9 the performance of official governmental duties:

10 1. The driver license agency of any other state;

11 2. Any court, district attorney or municipal prosecutor in this
12 state or any other state;

13 3. Any law enforcement agency in this state or any other state
14 or any federal agency empowered by law to make arrests for public
15 offenses;

16 4. Any public school district in this state for purposes of
17 providing the Motor Vehicle Report of a currently employed school
18 bus driver or person making application for employment as a school
19 bus driver;

20 5. The Department of Human Services for the purpose of
21 providing the Motor Vehicle Report to ascertain the suitability of
22 any person being considered by the Department of Human Services for
23 placement of a child in foster care or for adoption of the child;
24

1 6. The Office of Juvenile Affairs for the purpose of providing
2 the Motor Vehicle Report to ascertain the suitability of any person
3 being considered by the Office of Juvenile Affairs for placement of
4 a child in foster care; ~~or~~

5 7. Any nonprofit provider exempt from federal income tax
6 pursuant to Section 501(c)(3) of the Internal Revenue Code of 1986
7 and contracted by the Developmental Disabilities Services Division
8 of the Oklahoma Department of Human Services; or

9 8. Any state agency in this state.

10 D. Any record required to be maintained by the Department may
11 be released to any other entity free of charge when the release of
12 the record would be for the benefit of the public, as determined by
13 the Commissioner or a designee of the Commissioner.

14 E. The following records shall be provided by the Department to
15 any authorized recipient, pursuant to the provisions of the Driver's
16 Privacy Protection Act, 18 United States Code, Sections 2721 through
17 2725, upon payment of the appropriate fees for the records:

18 1. A Motor Vehicle Report, as defined in Section 6-117 of this
19 title; and

20 2. A copy of any driving record related to the Motor Vehicle
21 Report.

22 F. 1. The provisions of subsections B, D, and E of this
23 section and the Oklahoma Open Records Act shall not apply to the
24 release of personal information from any driving record of any

1 person. Such personal information shall be confidential except as
2 provided for in this subsection or in the provisions of the Driver's
3 Privacy Protection Act, 18 United States Code, Sections 2721 through
4 2725. Upon written request to the Commissioner of Public Safety by
5 a law enforcement agency or another state's or country's driver
6 licensing agency for personal information on a specific individual,
7 as named or otherwise identified in the written request, to be used
8 in the official capacity of the agency, the Commissioner may release
9 such personal information to the agency pursuant to the provisions
10 of the Driver's Privacy Protection Act, 18 United States Code,
11 Sections 2721 through 2725.

12 2. For the purposes of this subsection, "personal information"
13 means information which identifies a person, including but not
14 limited to a photograph or image in computerized format of the
15 person, fingerprint image in computerized format, signature or
16 signature in computerized format, social security number, residence
17 address, mailing address, and medical or disability information.

18 SECTION 25. REPEALER 47 O.S. 2011, Section 2-110, as
19 amended by Section 1, Chapter 255, O.S.L. 2012 (47 O.S. Supp. 2012,
20 Section 2-110), is hereby repealed.

21 SECTION 26. AMENDATORY 47 O.S. 2011, Section 6-101, as
22 amended by Section 1, Chapter 280, O.S.L. 2012 (47 O.S. Supp. 2012,
23 Section 6-101), is amended to read as follows:
24

1 Section 6-101. A. No person, except those hereinafter
2 expressly exempted in Section 6-102 of this title, shall operate any
3 motor vehicle upon a highway in this state unless the person has a
4 valid Oklahoma driver license for the class of vehicle being
5 operated under the provisions of this title. No person shall be
6 permitted to possess more than one valid license at any time.

7 B. 1. No person shall operate a Class A commercial motor
8 vehicle unless the person is eighteen (18) years of age or older and
9 holds a valid Class A commercial license, except as provided in
10 paragraph 5 of this subsection. Any person holding a valid Class A
11 commercial license shall be permitted to operate motor vehicles in
12 Classes A, B, C and D, except as provided for in paragraph 4 of this
13 subsection.

14 2. No person shall operate a Class B commercial motor vehicle
15 unless the person is eighteen (18) years of age or older and holds a
16 valid Class B commercial license. Any person holding a valid Class
17 B commercial license shall be permitted to operate motor vehicles in
18 Classes B, C and D, except as provided for in paragraph 4 of this
19 subsection.

20 3. No person shall operate a Class C commercial motor vehicle
21 unless the person is eighteen (18) years of age or older and holds a
22 valid Class C commercial license. Any person holding a valid Class
23 C commercial license shall be permitted to operate motor vehicles in
24

1 Classes C and D, except as provided for in paragraph 4 of this
2 subsection.

3 4. No person under twenty-one (21) years of age shall be
4 licensed to operate any motor vehicle which is required to be
5 placarded for hazardous materials pursuant to 49 C.F.R., Part 172,
6 subpart F; provided, a person eighteen (18) years of age or older
7 may be licensed to operate a farm vehicle which is required to be
8 placarded for hazardous materials pursuant to 49 C.F.R., Part 172,
9 subpart F.

10 5. A person at least seventeen (17) years of age who
11 successfully completes all examinations required by law may be
12 issued by the Department:

- 13 a. a restricted Class A commercial license which shall
14 grant to the licensee the privilege to operate a Class
15 A or Class B commercial motor vehicle for harvest
16 purposes or a Class D motor vehicle, or
17 b. a restricted Class B commercial license which shall
18 grant to the licensee the privilege to operate a Class
19 B commercial motor vehicle for harvest purposes or a
20 Class D motor vehicle.

21 6. No person shall operate a Class D motor vehicle unless the
22 person is sixteen (16) years of age or older and holds a valid Class
23 D license, except as provided for in Section 6-102 or 6-105 of this
24

1 title. Any person holding a valid Class D license shall be
2 permitted to operate motor vehicles in Class D only.

3 C. Any person issued a driver license pursuant to this section
4 may exercise the privilege thereby granted upon all streets and
5 highways in this state.

6 D. No person shall operate a motorcycle or motor-driven cycle
7 without having a valid Class A, B, C or D license with a motorcycle
8 endorsement. Except as otherwise provided by law, any new applicant
9 for an original driver license shall be required to successfully
10 complete a written examination, vision examination, and driving
11 examination for a motorcycle as prescribed by the Department of
12 Public Safety to be eligible for a motorcycle endorsement thereon.
13 The written examination and driving examination for a motorcycle may
14 be waived by the Department of Public Safety upon verification that
15 the person has successfully completed a certified Motorcycle Safety
16 Foundation rider course approved by the Department.

17 E. Except as otherwise provided by law, any person who lawfully
18 possesses a valid Oklahoma driver license which is eligible for
19 renewal shall be required to successfully complete a written
20 examination, vision examination, and driving examination for a
21 motorcycle as prescribed by the Department to be eligible for a
22 motorcycle endorsement. The written examination and driving
23 examination for a motorcycle may be waived by the Department of
24 Public Safety upon verification that the person has successfully

1 completed a certified Motorcycle Safety Foundation rider course
2 approved by the Department.

3 F. 1. Any person eighteen (18) years of age or older may apply
4 for a restricted Class A, B or C commercial license. The
5 Department, after the applicant has passed all parts of the
6 examination for a Class D license and has successfully passed all
7 parts of the examination for a Class A, B or C commercial license
8 other than the driving examination, may issue to the applicant a
9 restricted driver license which shall entitle the applicant having
10 immediate possession of the license to operate a Class A, B or C
11 commercial motor vehicle upon the public highways solely for the
12 purpose of behind-the-wheel training in accordance with rules
13 promulgated by the Department.

14 2. This restricted driver license shall be issued for a period
15 as provided in Section 6-115 of this title; provided, such
16 restricted license may be suspended, revoked, canceled, or denied at
17 the discretion of the Department for violation of the restrictions,
18 for failing to give the required or correct information on the
19 application, or for violation of any traffic laws of this state
20 pertaining to the operation of a motor vehicle. Except as otherwise
21 provided, the lawful possessor of a restricted license who has been
22 issued a restricted license for a minimum of thirty (30) days may
23 have the restriction requiring an accompanying driver removed by
24 satisfactorily completing a driver's examination; provided, the

1 removal of a restriction shall not authorize the operation of a
2 Class A, B or C commercial motor vehicle if such operation is
3 otherwise prohibited by law.

4 G. 1. The fee charged for an approved application for an
5 original Oklahoma driver license or an approved application for the
6 addition of an endorsement to a current valid Oklahoma driver
7 license shall be assessed in accordance with the following schedule:

8	Class A Commercial License	\$25.00
9	Class B Commercial License	\$15.00
10	Class C Commercial License	\$15.00
11	Class D License	\$ 4.00
12	Motorcycle Endorsement	\$ 4.00

13 2. Notwithstanding the provisions of Section 1104 of this
14 title, all monies collected from the fees charged for Class A, B and
15 C commercial licenses pursuant to the provisions of this subsection
16 shall be deposited in the General Revenue Fund of this state.

17 H. The fee charged for any failed examination shall be Four
18 Dollars (\$4.00) for any license classification. Notwithstanding the
19 provisions of Section 1104 of this title, all monies collected from
20 such examination fees pursuant to the provisions of this subsection
21 shall be deposited in the General Revenue Fund of this state.

22 I. 1. In addition to any fee charged pursuant to the
23 provisions of subsection G of this section, the fee charged for the
24 issuance or renewal of an Oklahoma license which is not in a

1 computerized image format shall be in accordance with the following
2 schedule:

3	Class A Commercial License	\$40.50
4	Class B Commercial License	\$40.50
5	Class C Commercial License	\$30.50
6	Class D License	\$20.50

7 Notwithstanding the provisions of Section 1104 of this title, of
8 each fee charged pursuant to this paragraph:

- 9 a. Five Dollars and fifty cents (\$5.50) shall be
10 deposited to the Trauma Care Assistance Revolving Fund
11 created in Section 1-2530.9 of Title 63 of the
12 Oklahoma Statutes, and
- 13 b. Five Dollars and seventy-five cents (\$5.75) shall be
14 deposited to the Department of Public Safety Computer
15 Imaging System Revolving Fund to be used solely for
16 the purpose of administration and maintenance of the
17 computerized imaging system of the Department.

18 2. In addition to any fee charged pursuant to the provisions of
19 subsection G of this section, the fee charged for the issuance or
20 renewal of an Oklahoma license which is in a computerized image
21 format shall be in accordance with the following schedule:

22	Class A Commercial License	\$41.50
23	Class B Commercial License	\$41.50
24	Class C Commercial License	\$31.50

Class D License \$21.50

Notwithstanding the provisions of Section 1104 of this title, of each fee charged pursuant to the provisions of this paragraph:

a. Five Dollars and fifty cents (\$5.50) shall be deposited to the Trauma Care Assistance Revolving Fund created in Section 1-2530.9 of Title 63 of the Oklahoma Statutes, and

b. Six Dollars and seventy-five cents (\$6.75) shall be deposited to the Department of Public Safety Computer Imaging System Revolving Fund to be used solely for the purpose of administration and maintenance of the computerized imaging system of the Department.

J. All original and renewal driver licenses shall expire as provided in Section 6-115 of this title.

K. Any person sixty-two (62) years of age or older during the calendar year of issuance of a Class D license or motorcycle endorsement shall be charged the following prorated fee:

Age 62	\$11.25
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Age 63	\$ 7.50
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Age 64	\$ 3.75
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Age 65	-0-
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L. No person who has been honorably discharged from active service in any branch of the Armed Forces of the United States or Oklahoma National Guard and who has been certified by the United

1 States Department of Veterans Affairs, its successor, or the Armed
2 Forces of the United States to be a disabled veteran in receipt of
3 compensation at the one-hundred-percent rate for a permanent
4 disability sustained through military action or accident resulting
5 from disease contracted while in such active service shall be
6 charged a fee for the issuance or renewal of an Oklahoma driver
7 license.

8 M. The Department of Public Safety and the Oklahoma Tax
9 Commission are authorized to promulgate rules for the issuance and
10 renewal of driver licenses authorized pursuant to the provisions of
11 Sections 6-101 through 6-309 of this title. Applications, upon
12 forms approved by the Department of Public Safety, for such licenses
13 shall be handled by the motor license agents; provided, the
14 Department of Public Safety is authorized to assume these duties in
15 any county of this state. Each motor license agent accepting
16 applications for driver licenses shall receive Two Dollars (\$2.00)
17 to be deducted from the total collected for each license or renewal
18 application accepted. The two-dollar fee received by the motor
19 license agent shall be used for operating expenses.

20 N. Notwithstanding the provisions of Section 1104 of this title
21 and subsection M of this section and except as provided in
22 subsections G and I of this section, the first Sixty Thousand
23 Dollars (\$60,000.00) of all monies collected pursuant to this
24 section shall be paid by the Oklahoma Tax Commission to the State

1 Treasurer to be deposited in the General Revenue Fund of the State
2 Treasury.

3 The next Five Hundred Thousand Dollars (\$500,000.00) of monies
4 collected pursuant to this section shall be paid by the Tax
5 Commission to the State Treasurer to be deposited each fiscal year
6 under the provisions of this section to the credit of the ~~Department~~
7 ~~of Public Safety Revolving Fund~~ Department of Public Safety
8 Restricted Revolving Fund for the purpose of the Statewide Law
9 Enforcement Communications System. All other monies collected in
10 excess of Five Hundred Sixty Thousand Dollars (\$560,000.00) each
11 fiscal year shall be apportioned as provided in Section 1104 of this
12 title, except as otherwise provided in this section.

13 O. The Department of Public Safety shall implement a procedure
14 whereby images displayed on licenses and identification cards issued
15 pursuant to the provisions of Sections 6-101 through 6-309 of this
16 title are maintained by the Department to create photographs or
17 computerized images which may be used only:

18 1. By a law enforcement agency for purposes of criminal
19 investigations, missing person investigations, or any law
20 enforcement purpose which is deemed necessary by the Commissioner of
21 Public Safety;

22 2. By the driver licensing agency of another state for its
23 official purpose; and

24 3. As provided in Section 2-110 of this title.

1 The computer system and related equipment acquired for this
2 purpose must conform to industry standards for interoperability and
3 open architecture. The Department of Public Safety may promulgate
4 rules to implement the provisions of this subsection.

5 SECTION 27. REPEALER 47 O.S. 2011, Section 6-101, as
6 amended by Section 5, Chapter 283, O.S.L. 2012 (47 O.S. Supp. 2012,
7 Section 6-101), is hereby repealed.

8 SECTION 28. AMENDATORY 47 O.S. 2011, Section 11-1401.2,
9 as amended by Section 1, Chapter 43, O.S.L. 2012 (47 O.S. Supp.
10 2012, Section 11-1401.2), is amended to read as follows:

11 Section 11-1401.2. A. For purposes of this section:

12 1. "Authority" means the Oklahoma Turnpike Authority;

13 2. "Commission" means the Oklahoma Tax Commission;

14 3. "Electronic toll collection system" means a system of
15 collecting tolls or charges which is capable of charging an account
16 holder the appropriate toll or charge by transmission of information
17 from an electronic device on a motor vehicle to the toll lane, which
18 information is used to charge the account the appropriate toll or
19 charge;

20 4. "Owner" means any person, corporation, partnership, firm,
21 agency, association, or organization who, at the time of the
22 violation and with respect to the vehicle identified in the notice
23 of toll evasion violation:

24 a. is the beneficial or equitable owner of the vehicle,

1 b. has title to the vehicle,

2 c. is the registrant or coregistrant of the vehicle which
3 is registered with the Oklahoma Tax Commission or
4 similar registering agency of any other state,
5 territory, district, province, nation or other
6 jurisdiction,

7 d. subject to the liability limitations set forth in
8 paragraph 12 of subsection B of this section, uses the
9 vehicle in its vehicle renting and/or leasing
10 businesses, or

11 e. is a person entitled to the use and possession of a
12 vehicle subject to a security interest in another
13 person;

14 5. "Photo-monitoring system" means a vehicle sensor installed
15 to work in conjunction with a toll collection facility which
16 automatically produces one or more photographs, one or more
17 microphotographs, a videotape or other recorded images of each
18 vehicle at the time it is used or operated in violation of toll
19 collection regulations;

20 6. "Toll collection regulations" means those rules and
21 regulations of the Oklahoma Turnpike Authority or statutes providing
22 for and requiring the payment of tolls and/or charges prescribed by
23 the Authority for the use of turnpikes under its jurisdiction or
24 those rules and regulations of the Authority or statutes making it

1 unlawful to refuse to pay or to evade or to attempt to evade the
2 payment of all or part of any toll and/or charge for the use of
3 turnpikes under the jurisdiction of the Authority; and

4 7. "Vehicle" means every device in, upon or by which a person
5 or property is or may be transported or drawn upon a highway, except
6 devices used exclusively upon stationary rails or tracks.

7 B. 1. Notwithstanding any other provision of law, there shall
8 be imposed monetary liability on the owner of a vehicle for failure
9 of an operator thereof to comply with the toll collection
10 regulations of the Oklahoma Turnpike Authority in accordance with
11 the provisions of this section.

12 2. The owner of a vehicle shall be liable for a civil penalty
13 imposed pursuant to this section if the vehicle was used or operated
14 with the permission of the owner, express or implied, in violation
15 of the toll collection regulations, and such violation is evidence
16 by information obtained from a photo-monitoring system. However, no
17 owner of a vehicle shall be liable for a penalty imposed pursuant to
18 this section where the operator of the vehicle has been convicted of
19 a violation of toll collection regulations for the same incident.

20 3. A certificate, sworn to or affirmed by an agent of the
21 Authority, or facsimile thereof, based upon inspection of
22 photographs, microphotographs, videotape or other recorded images
23 produced by a photo-monitoring system shall be prima facie evidence
24 of the facts contained therein and shall be admissible in any

1 proceeding charging a violation of toll collection regulations. The
2 photographs, microphotographs, videotape or other recorded images
3 evidencing such a violation shall be available for inspection and
4 admission into evidence in any proceeding to adjudicate the
5 liability for the violation. Each photo-monitoring system shall be
6 checked bi-monthly for accuracy, and shall be maintained, adjusted
7 or replaced if necessary to ensure the systems are operating
8 properly.

9 4. An owner found liable for a violation of toll collection
10 regulations pursuant to this section ~~for a first violation~~ shall be
11 liable for a monetary penalty of Twenty-five Dollars (\$25.00); ~~for a~~
12 ~~second violation within eighteen (18) months of the first violation,~~
13 ~~shall be liable for a monetary penalty of Fifty Dollars (\$50.00);~~
14 ~~and for a third or any subsequent violation within eighteen (18)~~
15 ~~months of the first violation, shall be liable for a monetary~~
16 ~~penalty of Seventy-five Dollars (\$75.00) for each violation.~~

17 5. An imposition of liability pursuant to this section shall be
18 based upon a preponderance of evidence as submitted. An imposition
19 of liability pursuant to this section shall not be deemed a
20 conviction as an operator and shall not be made part of the motor
21 vehicle operating record of the person upon whom such liability is
22 imposed nor shall it be used for insurance purposes in the provision
23 of motor vehicle insurance coverage.

- 1 6. a. A notice of toll evasion violation shall be sent by
2 regular first-class mail to each person alleged to be
3 liable as an owner for a violation of toll collection
4 regulations. The notice shall be mailed no later than
5 forty-five (45) days after the alleged violation. A
6 manual or automatic record of mailing prepared in the
7 ordinary course of business shall be prima facie
8 evidence of the receipt of the notice.
- 9 b. A notice of toll evasion violation shall contain the
10 name and address of the person alleged to be liable as
11 an owner for a violation of toll collection
12 regulations pursuant to this section, the registration
13 or the license tag number of the vehicle involved in
14 the violation, the location where the violation took
15 place, the date and time of the violation and the
16 identification number of the photo-monitoring system
17 which recorded the violation or other document locator
18 number.
- 19 c. Notice of toll evasion violation shall be prepared and
20 mailed by the Authority or its agents and shall
21 contain information advising the person of the
22 applicable monetary penalty and method of payment
23 thereof and the manner and the time in which the
24 person may contest the liability alleged in the

1 notice. The notice of toll evasion violation shall
2 contain, or be accompanied with, an affidavit of
3 nonliability and information of what constitutes
4 nonliability, information as to the effect of
5 executing the affidavit and instructions for returning
6 the affidavit to the Authority and shall also contain
7 a warning to advise the persons charged that failure
8 to contest in the manner and time provided shall be
9 deemed an admission of liability and that the penalty
10 shall be imposed and may be collected as authorized by
11 law. In addition to the notice required by
12 subparagraph a of this paragraph, the Authority may
13 elect to send a subsequent notice of toll evasion
14 violation by certified mail. Such notice shall
15 contain a statement to the registered owner that,
16 unless the registered owner pays the toll evasion
17 penalty or contests the notice within twenty-one (21)
18 days after receipt of the certified mail notice of
19 toll evasion violation or completes and files the
20 affidavit of nonliability, the renewal of the vehicle
21 registration shall be contingent upon compliance with
22 the notice of toll evasion violation.

23 d. If the toll evasion penalty is received by the
24 Authority and there is no contest as to that toll

1 evasion violation, the proceedings under this section
2 shall terminate.

3 e. If the registered owner fails to pay the toll evasion
4 penalty as required in this section, or fails to
5 contest the notice of toll evasion violation issued
6 pursuant to subparagraph c of this paragraph as
7 provided in subparagraph a of paragraph 7 of this
8 subsection, the registered owner shall be deemed
9 liable for the violation by operation of law. The
10 toll evasion penalty and any administrative fees or
11 charges shall be considered a debt due and owing the
12 Authority by the registered owner and the Authority
13 may proceed to collect such penalty, fees or charges
14 under paragraph 9 of this subsection.

15 7. a. Within twenty-one (21) days after receipt of a notice
16 of toll evasion violation a person may contest a
17 notice of toll evasion violation. In that case, the
18 Authority shall do the following:

19 (1) the Authority shall investigate the circumstances
20 of the notice with respect to the contestant's
21 written explanation of reasons for contesting the
22 toll evasion violation. If, based upon the
23 results of the investigation, the Authority is
24 satisfied that the violation did not occur or

1 that the registered owner was not responsible for
2 the violation, the Authority shall maintain an
3 adequate record of the findings of the
4 investigation. Within thirty (30) days of
5 receipt of a notice of contest the Authority
6 shall complete such investigation and mail the
7 results of the investigation to the person who
8 contested the notice of toll evasion violation,
9 and

10 (2) if the person contesting a notice of toll evasion
11 violation is not satisfied with the results of
12 the investigation provided for in division (1) of
13 this subparagraph, the person may, within fifteen
14 (15) days of the mailing of the results of the
15 investigation, deposit the amount of the toll
16 evasion penalty and request an administrative
17 review. An administrative review shall be held
18 within ninety (90) calendar days following the
19 receipt of a request for an administrative
20 review, excluding any continuance time. The
21 person requesting the review may request and
22 shall be allowed one continuance, not to exceed
23 twenty-one (21) calendar days.

1 b. The administrative review procedure shall consist of
2 the following:

3 (1) the person requesting an administrative review
4 shall indicate to the Authority his or her
5 election for a review by mail or personal
6 conference and may provide materials in support
7 of the contest of the results of the
8 investigation,

9 (2) upon ten (10) days' written notice mailed to the
10 contestant, the administrative review shall be
11 conducted before an examiner designated to
12 conduct review by the Authority's governing body
13 or Director of the Oklahoma Turnpike Authority.
14 In addition to any other requirements of
15 employment, an examiner shall demonstrate those
16 qualifications, training, and objectivity
17 prescribed by the Authority's governing body or
18 Director as are necessary and which are
19 consistent with the duties and responsibilities
20 set forth in this ~~act~~ section and Section 11-
21 1401.1 et seq. of this title,

22 (3) the officer or person authorized to issue a
23 notice of toll evasion violation shall be
24 required to participate in an administrative

1 review. The Authority shall not be required to
2 produce any evidence other than the notice of
3 toll evasion violation or copy thereof, a
4 photograph of the rear of the vehicle,
5 information received from the Commission
6 identifying the registered owner of the vehicle,
7 and a notarized statement from the person
8 reporting the violations. The documentation in
9 proper form shall be considered prima facie
10 evidence of the violation, and

11 (4) the review shall be conducted in accordance with
12 paragraph 5 of this subsection and in accordance
13 with the written procedure established by the
14 Authority which shall ensure fair and impartial
15 review of contested toll evasion violations. The
16 examiner's final decision shall be in writing and
17 shall be delivered personally or by registered
18 mail to the contestant within ten (10) days of
19 the review. A manual or automatic record of
20 mailing prepared in the ordinary course of
21 business shall be prima facie evidence of the
22 receipt of such decision.

23 8. a. Within twenty (20) days after receipt of the final
24 decision described in division (4) of subparagraph b

1 of paragraph 7 of this subsection, the contestant may
2 seek review by filing an appeal to the district court
3 having jurisdiction in the county in which the
4 contestant lives, where the same shall be heard on the
5 record. A copy of the notice of appeal shall be
6 served in person or by first-class mail upon the
7 Authority by the contestants. For purposes of
8 computing the twenty-day period, the Code of Civil
9 Procedure, Section 2006 of Title 12 of the Oklahoma
10 Statutes, shall be applicable.

11 b. The conduct of the hearing on appeal under this
12 section is a subordinate judicial duty which may be
13 performed by referees, masters or other subordinate
14 judicial officials at the direction of the district
15 court.

16 c. If no notice of appeal of the Authority's decision is
17 filed within the period set forth in subparagraph a of
18 this paragraph, the examiner's decision shall be
19 deemed final.

20 9. Except as otherwise provided in paragraphs 10 and 11 of this
21 subsection, the Authority shall proceed under one or more of the
22 following options to collect an unpaid toll evasion penalty:

23 a. the Authority may file an itemization of unpaid toll
24 evasion penalties and administrative and service fees

1 with the Commission for collection at the time of
2 registration of the vehicle pursuant to paragraph 17
3 of this subsection, or

4 b. the Authority may contract with a collection agency to
5 collect unpaid toll evasion penalties, fees, and
6 charges.

7 10. The Authority shall not file a civil judgment with the
8 district court relating to a toll evasion violation which has been
9 filed with the Commission unless the Authority has determined that
10 the registration of the vehicle has not been renewed for sixty (60)
11 days beyond the renewal date and the notice has not been mailed by
12 the Commission pursuant to paragraph 17 of this subsection.

13 11. If an owner receives a notice of toll evasion violation
14 pursuant to this paragraph for any time period during which the
15 vehicle was reported to the police department as having been stolen,
16 it shall be a valid defense to an allegation of liability for a
17 violation of toll collection regulations that the vehicle had been
18 reported to the police as stolen prior to the time the violation
19 occurred and had not been recovered by such time. If an owner
20 receives a notice of toll evasion violation pursuant to this
21 paragraph for any time period during which the vehicle was stolen,
22 but not yet reported to the police as having been stolen, it shall
23 be a valid defense to an allegation of liability for a violation of
24 toll collection regulations pursuant to this paragraph that the

1 vehicle was reported as stolen within two (2) hours after the
2 discovery of the theft by the owner. For purposes of asserting the
3 defense provided by this subsection it shall be sufficient that a
4 certified copy of the police report of the stolen vehicle be sent by
5 first-class mail to the Authority and the district court having
6 jurisdiction.

7 12. An owner of a vehicle to which a notice of toll evasion
8 violation was issued pursuant to paragraph 6 of this subsection
9 shall not be liable for the violation of the toll collection
10 regulations provided that the owner sends to the Authority the
11 affidavit of nonliability described in paragraph 6 of this
12 subsection, within twenty-one (21) days after receiving the original
13 notice of toll evasion violation. Failure to send such information
14 within the time period shall render the owner liable for the penalty
15 prescribed by this section. If the owner complies with the
16 provisions of this subsection, the operator of the vehicle on the
17 date of the violation shall be subject to liability for the
18 violation of toll collection regulations, provided that the
19 Authority mails a notice of toll evasion violation to the operator
20 within ten (10) days after receipt of such information.

21 13. In connection with the preparation and mailing of a notice
22 of toll evasion violation, the Authority shall ensure adequate and
23 timely notice to all electronic toll collection system account
24 holders to inform them when their accounts are delinquent. An owner

1 who is an account holder under the electronic toll collection system
2 shall not be found liable for a violation of this section unless the
3 Authority has first sent a notice of delinquency to the account
4 holder and the account holder was in fact delinquent at the time of
5 the violation.

6 14. Nothing in this section shall be construed to limit the
7 liability of an operator of a vehicle for any violation of toll
8 collection laws or regulations.

9 15. Notwithstanding any other provision of law, all
10 photographs, microphotographs, videotape or other recorded images
11 prepared pursuant to this section shall be for the exclusive use of
12 the Authority in the discharge of its duties under this section and
13 shall not be open to the public nor be used in any court in any
14 action or proceeding pending therein unless the action or proceeding
15 relates to the imposition of or indemnification for liability
16 pursuant to this section. The Authority shall not sell, distribute
17 or make available in any way, the names and addresses of electronic
18 toll collection system account holders, without the consent of the
19 account holders, to any entity that will use the information for any
20 commercial purpose.

21 16. a. Except as provided in subparagraph c of this
22 paragraph, the Commission shall refuse to renew the
23 registration of any vehicle if the registered owner or
24 lessee has been mailed by certified mail a notice of

1 toll evasion violation as provided in subparagraph c
2 of paragraph 6 of this subsection, the Authority has
3 transmitted to the Commission an itemization of unpaid
4 toll evasion penalties, including administrative fees,
5 pursuant to paragraph 9 of this subsection, and the
6 toll evasion penalty and administrative fee have not
7 been paid pursuant to paragraph 8 of this subsection,
8 unless the full amount of all outstanding toll evasion
9 penalties and administrative fees, as shown by records
10 of the Commission are paid to the Commission at the
11 time of application for renewal.

12 b. The Authority shall issue a notice of disposition of
13 toll evasion violation to a lessor, if the lessor
14 provides the Authority with the name, address, and
15 driver's license number of the lessee at the time of
16 the occurrence of the toll evasion violation.

17 c. The Commission shall renew the registration of any
18 vehicle if the applicant provides the Commission with
19 the notice of disposition of toll evasion violation
20 issued pursuant to subparagraph b of this paragraph
21 for clearing all outstanding toll evasion penalties,
22 fees and assessments, as shown by the records of the
23 Commission, and the applicant has met all other
24 requirements for registration.

1 17. The Commission shall include on each vehicle registration
2 renewal notice issued for use at the time of renewal, or on an
3 accompanying document, an itemization of unpaid toll evasion
4 penalties, fees and assessments, showing the amount thereof and the
5 date of toll evasion relating thereto, which the registered owner or
6 lessee is required to pay pursuant to paragraph 16 of this
7 subsection.

8 18. a. Except as provided in subparagraph b of this
9 paragraph, the Commission shall remit all toll evasion
10 penalties, fees and assessments collected, after
11 deducting the administrative fee authorized by
12 paragraph 19 of this subsection, for each notice of
13 toll evasion violation for which toll evasion
14 penalties, fees and assessments have been collected
15 pursuant to paragraph 16 of this subsection, to the
16 Authority. Within forty-five (45) days from the time
17 penalties, fees and assessments are paid to the
18 Commission, the Commission shall inform the Authority
19 which of its notices of toll evasion violation have
20 been collected.

21 b. For each notice of toll evasion violation for which
22 toll evasion penalties, fees and assessments have been
23 collected by the Commission pursuant to paragraph 16
24 of this subsection, the Authority is due an amount

1 equal to the sum of the unpaid toll, administrative
2 fees, other costs incurred by the Authority that are
3 related to toll evasion, process service fees, and
4 fees and collection costs related to civil debt
5 collection. After deducting the Commission's
6 administrative fee authorized by paragraph 19 of this
7 subsection, the Commission shall promptly pay to the
8 Authority the amounts due the Authority for unpaid
9 tolls, administrative fees, other costs incurred by
10 the Authority that are related to toll evasion,
11 process service fees, and fees and collection costs
12 related to civil debt collection.

13 19. The Commission shall assess a fee for the recording of the
14 notice of toll evasion violation, which is given to the Commission
15 pursuant to paragraph 9 of this subsection, in an amount, as
16 determined by the Commission, that is sufficient to provide a total
17 amount equal to at least its actual costs of administering
18 paragraphs 16, 17 and 20 of this subsection.

19 20. Whenever a vehicle is transferred or not renewed for two
20 (2) renewal periods and the former registered owner or lessee of the
21 vehicle owes a toll evasion penalty and administrative fees for a
22 notice of toll evasion violation filed with the Commission pursuant
23 to paragraph 9 of this subsection, the Commission shall notify the
24

1 Authority of that fact and is not required thereafter to attempt
2 collection of the toll evasion penalty and administrative fees.

3 This legislation shall not be construed to affect in any way the
4 power which the Oklahoma Turnpike Authority possesses to establish
5 tolls and other charges in connection with their turnpike
6 facilities, including the authority to establish a one-way toll
7 collection system for any of its facilities or a toll discount
8 structure for certain classes of patrons using any of its
9 facilities.

10 SECTION 29. REPEALER 47 O.S. 2011, Section 11-1401.2, as
11 amended by Section 1, Chapter 132, O.S.L. 2012 (47 O.S. Supp. 2012,
12 Section 11-1401.2), is hereby repealed.

13 SECTION 30. AMENDATORY 47 O.S. 2011, Section 14-118, as
14 amended by Section 1, Chapter 162, O.S.L. 2012 (47 O.S. Supp. 2012,
15 Section 14-118), is amended to read as follows:

16 Section 14-118. A. 1. Pursuant to such rules as may be
17 prescribed by Oklahoma agencies of jurisdiction, Oklahoma motor
18 carriers may engage in any activity in which carriers subject to the
19 jurisdiction of the federal government may be authorized by federal
20 legislation to engage. Provided further, the Transportation
21 Commission shall formulate, for the State Trunk Highway System,
22 including the National System of Interstate and Defense Highways,
23 and for all other highways or portions thereof, rules governing the
24

1 movement of vehicles or loads which exceed the size or weight
2 limitations specified by the provisions of this chapter.

3 2. Such rules shall be the basis for the development of a
4 system by the Commissioner of Public Safety for the issuance of
5 permits for the movement of oversize or overweight vehicles or
6 loads. Such system shall include, but not be limited to, provisions
7 for duration, seasonal factors, hours of the day or days when valid,
8 special requirements as to flags, flagmen and warning or safety
9 devices, and other such items as may be consistent with the intent
10 of this section. The permit system shall include provisions for the
11 collection of permit fees as well as for the issuance of the permits
12 by telephone, electronic transfer or such other methods of issuance
13 as may be deemed feasible.

14 3. The Department of Public Safety is authorized to charge a
15 fee of Two Dollars (\$2.00) for each permit requested to be issued by
16 facsimile machine or by any other means of electronic transmission,
17 transfer or delivery. The fee shall be in addition to any other fee
18 or fees assessed for the permit. The fee shall be deposited in the
19 State Treasury to the credit of the ~~Department of Public Safety~~
20 ~~Revolving Fund~~ Department of Public Safety Restricted Revolving Fund
21 and the monies shall be expended by the Department solely for the
22 purposes provided for in this chapter.

1 4. It is the purpose of this section to permit the movement of
2 necessary overweight and oversize vehicles or loads consistent with
3 the following obligations:

- 4 a. protection of the motoring public from potential
5 traffic hazards,
- 6 b. protection of highway surfaces, structures, and
7 private property, and
- 8 c. provision for normal flow of traffic with a minimum of
9 interference.

10 B. The Transportation Commission shall prepare and publish a
11 map of the State of Oklahoma showing by appropriate symbols the
12 various highway structures and bridges in terms of maximum size and
13 weight restrictions. This map shall be titled "Oklahoma Load Limit
14 Map" and shall be revised periodically to maintain a reasonably
15 current status and in no event shall a period of two (2) years lapse
16 between revisions and publication of same. Provided, further, the
17 Secretary of the Department of Transportation shall prepare and
18 publish a map of the State of Oklahoma showing the advantages of
19 this state as a marketing, warehousing and distribution network
20 center for motor transportation sensitive industries.

21 C. The Commissioner of Public Safety, or an authorized
22 representative, shall have the authority, within the limitations
23 formulated under provisions of this chapter, to issue, withhold or
24 revoke special permits for the operation of vehicles or combinations

1 of vehicles or loads which exceed the size or weight limitations of
2 this chapter. Every such permit shall be carried in the vehicle or
3 combination of vehicles to which it refers and shall be open to
4 inspection by any law enforcement officer or authorized agent of any
5 authority granting such permit, and no person shall violate any of
6 the terms or conditions of such special permit.

7 D. It shall be permissible in the transportation of empty
8 trucks on any road or highway to tow by use of saddlemounts; i.e.,
9 mounting the front wheels of one vehicle on the bed of another
10 leaving the rear wheels only of such towed vehicle in contact with
11 the roadway. One vehicle may be fullmounted on the towing or towed
12 vehicles engaged in any driveaway or towaway operation. No more
13 than three saddlemounts may be permitted in such combinations. The
14 towed vehicles shall be securely fastened and operated under the
15 applicable safety requirements of the United States Department of
16 Transportation and such combinations shall not exceed an overall
17 length of seventy-five (75) feet. Provided, a driveaway saddlemount
18 with fullmount vehicle transporter combination may reach an overall
19 length of ninety-seven (97) feet on the National Network of
20 Highways.

21 E. The Commissioner of Public Safety, upon application of any
22 person engaged in the transportation of forest products in the raw
23 state, which is defined to be tree-length logs moving from the
24 forest directly to the mill, or upon application of any person

1 engaged in the hauling for hire or for resale, of round baled hay
2 with a total outside width of eleven (11) feet or less, shall issue
3 an annual permit, upon payment of a fee of Twenty-five Dollars
4 (\$25.00) each year, authorizing the operation by such persons of
5 such motor vehicle load lengths and widths upon the highways of this
6 state except on the National System of Interstate and Defense
7 Highways. Provided, however, the restriction on use of the National
8 System of Interstate and Defense Highways shall not be applicable to
9 persons engaged in the hauling of round baled hay with a total
10 outside width of eleven (11) feet or less.

11 F. The Commissioner of Public Safety, upon application of any
12 person engaged in the transportation of overwidth or overheight
13 equipment used in soil conservation work with a total outside width
14 of twelve (12) feet or less, shall issue an annual permit, upon
15 payment of a fee of Twenty-five Dollars (\$25.00) each year,
16 authorizing the operation by such persons of such motor vehicle load
17 lengths and widths upon the highways of this state except on the
18 National System of Interstate and Defense Highways.

19 G. Farm equipment including, but not limited to, implements of
20 husbandry as defined in Section 1-125 of this title shall be
21 exempted from the requirement for special permits due to size. Such
22 equipment may move on any highway, except those highways which are
23 part of the National System of Interstate and Defense Highways,
24 during the hours of darkness and shall be subject to the

1 requirements as provided in Section 12-215 of this title. In
2 addition to those requirements, tractors pulling machinery over
3 thirteen (13) feet wide must have two amber flashing warning lamps
4 symmetrically mounted, laterally and widely spaced as practicable,
5 visible from both front and rear, mounted at least thirty-nine (39)
6 inches high.

7 H. Any rubber-tired road construction vehicle including rubber-
8 tired truck cranes and special mobilized machinery either self-
9 propelled or drawn carrying no load other than component parts
10 safely secured to the machinery and its own weight, but which is
11 overweight by any provisions of this chapter, shall be authorized to
12 move on the highways of the State of Oklahoma. Movement of such
13 vehicles shall be authorized on the Federal Interstate System of
14 Highways only by special permit secured from the Commissioner of
15 Public Safety or an authorized representative upon determination
16 that the objectives of this section will be served by such a permit
17 and that federal weight restrictions will not be violated. The
18 special permit shall be:

19 1. A single-trip permit issued under the provisions of this
20 section and Section 14-116 of this title; or

21 2. A special annual overweight permit which shall be issued for
22 one calendar year period upon payment of a fee of Sixty Dollars
23 (\$60.00).
24

1 The weight of any such vehicle shall not exceed six hundred
2 fifty (650) pounds multiplied by the nominal width of the tire. The
3 vehicle shall be required to carry the safety equipment adjudged
4 necessary for the health and welfare of the driving public. If any
5 oversized vehicle does not come under the other limitations of the
6 present laws, it shall be deemed that the same shall travel only
7 between the hours of sunrise and sunset. The vehicle, being
8 overweight but of legal dimension, shall be allowed continuous
9 travel. The vehicles, except special mobilized machinery, shall be
10 exempt from the laws of this state relating to motor vehicle
11 registration, licensing or other fees or taxes in lieu of ad valorem
12 taxes.

13 I. 1. When such machinery has a width greater than eight and
14 one-half (8 1/2) feet, or a length, exclusive of load, of forty-five
15 (45) feet, or a height in excess of thirteen and one-half (13 1/2)
16 feet, then the permit may restrict movement to a fifty-mile radius
17 from an established operating base, and may designate highways to be
18 traveled, hours of travel and when flagmen may be required to
19 precede or follow the equipment.

20 2. Possession of a permit shall in no way be construed as
21 exempting such equipment from the authority of the Director of the
22 Department of Transportation to restrict use of particular highways,
23 nor shall it exempt owners or operators of such equipment from the
24 responsibility for damage to highways caused by movement of the

1 equipment. Nothing in this subsection shall apply to machinery used
2 in highway construction or road material production.

3 3. Upon the issuance of a special mobilized machinery driveaway
4 permit as provided in this subsection, special mobilized machinery
5 manufactured in Oklahoma shall be permitted to move upon the
6 highways of this state from the place of manufacture to the state
7 line for delivery and exclusive use outside the state, and may be
8 temporarily returned to Oklahoma for modification and repair, with
9 subsequent movement back out of the state. Special driveaway
10 permits for such movements shall be issued by the Commissioner of
11 Public Safety, who may act through designated agents, upon the
12 payment of a fee in the amount of Fifteen Dollars (\$15.00) for each
13 movement.

14 4. The size of the special mobilized machinery shall not be
15 such as to create a safety hazard in the judgment of the
16 Commissioner of Public Safety. Permits for such special mobilized
17 machinery shall specify a maximum permissible road speed of sixty
18 (60) miles per hour, designate safety equipment to be carried and
19 may exclude use of highways of the interstate system.

20 5. When such equipment has a width greater than eight and one-
21 half (8 1/2) feet, or a length exclusive of load of forty-five (45)
22 feet, or a height in excess of thirteen and one-half (13 1/2) feet,
23 the permit may designate highways to be traveled, hours of travel
24 and when flagmen may be required to precede or follow the equipment.

1 6. Possession of a special driveway permit shall in no way be
2 construed as exempting such equipment from the authority of the
3 Director of the Department of Transportation to restrict use of
4 particular highways, nor shall it exempt the owners or operators of
5 such equipment from the responsibility for damage to highways caused
6 by the movement of such equipment.

7 SECTION 31. REPEALER 47 O.S. 2011, Section 14-118, as
8 amended by Section 11, Chapter 283, O.S.L. 2012 (47 O.S. Supp. 2012,
9 Section 14-118), is hereby repealed.

10 SECTION 32. AMENDATORY 47 O.S. 2011, Section 759, as
11 amended by Section 181, Chapter 304, O.S.L. 2012 (47 O.S. Supp.
12 2012, Section 759), is amended to read as follows:

13 Section 759. A. There is hereby re-created, to continue until
14 July 1, ~~2012~~ 2015, in accordance with the provisions of the Oklahoma
15 Sunset Law, the Board of Tests for Alcohol and Drug Influence to be
16 composed of the Dean of the University of Oklahoma College of
17 Medicine, or the Dean's designee who shall receive an appointment in
18 writing, as Chairman, and the Commissioner of Public Safety or a
19 designee, the Director of the Oklahoma State Bureau of Investigation
20 or a designee, the State Commissioner of Health or a designee, the
21 Director of the Council on Law Enforcement Education and Training or
22 a designee, one certified peace officer who is a member of a local
23 law enforcement agency selected by the Oklahoma Sheriffs and Peace
24 Officers Association and one person selected by the Oklahoma

1 Association of Chiefs of Police, as members, to serve without pay
2 other than reimbursement of necessary and actual expenses as
3 provided in the State Travel Reimbursement Act, Section 500.1 et
4 seq. of Title 74 of the Oklahoma Statutes. Each designee shall
5 receive an appointment in writing which shall become a permanent
6 part of the records of the Board. The Board is authorized to
7 appoint a State Director of Tests for Alcohol and Drug Influence, an
8 Administrative Assistant to the Board, and other employees,
9 including but not limited to persons to conduct training and provide
10 administrative assistance as necessary for the performance of its
11 functions, subject to available funding and authorized full-time
12 equivalent employee limitations. The Board may expend appropriated
13 funds for purposes consistent with Sections 751 through 761 of this
14 title and Sections 301 through 308 of Title 3 of the Oklahoma
15 Statutes. The Legislature shall appropriate funds to the Department
16 of Public Safety for the support of the Board of Tests For Alcohol
17 and Drug Influence and its employees, if any. Upon the transfer of
18 any employees from the Alcohol Drug Countermeasures Unit of the
19 Department of Public Safety to the Board of Tests For Alcohol and
20 Drug Influence on July 1, 2003, all funds of the Unit appropriated
21 and budgeted shall be transferred to the Board, and may be budgeted
22 and expended to support the functions and personnel of the Board.

23 B. Collection and analysis of a person's blood, breath, saliva
24 or urine, to be considered valid and admissible in evidence, whether

1 performed by or at the direction of a law enforcement officer or at
2 the request of the tested person, shall have been performed in
3 compliance with the rules adopted by the Board of Tests for Alcohol
4 and Drug Influence and by an individual possessing a valid permit
5 issued by the Board for this purpose or shall have been performed by
6 a laboratory accredited in Toxicology by the American Society of
7 Crime Laboratory Directors/Laboratory Accreditation Board
8 (ASCLD/LAB) or accredited by the American Board of Forensic
9 Toxicology (ABFT).

10 C. The Board of Tests for Alcohol and Drug Influence is
11 authorized to approve laboratories for the analysis, provided by the
12 provisions of this title, of specimens of blood, breath, saliva and
13 urine, and to administer a program for regular monitoring of such
14 laboratories. The Board is authorized to prescribe uniform
15 standards and conditions for, and to approve satisfactory methods,
16 procedures, techniques, devices, equipment and records for tests and
17 analyses and to prescribe and approve the requisite education and
18 training for the performance of such tests and analyses. The Board
19 shall establish standards for and ascertain the qualifications and
20 competence of individuals to administer and conduct such tests and
21 analyses, and to issue permits to laboratories and to individuals
22 which shall be subject to suspension or revocation at the discretion
23 of the Board. The Board is authorized to prescribe uniform
24 standards, conditions, methods, procedures, techniques, devices,

1 equipment and records for the collection, handling, retention,
2 storage, preservation and delivery of specimens of blood, breath,
3 saliva and urine obtained for the purpose of determining the alcohol
4 concentration thereof or the presence or concentration of any other
5 intoxicating substance therein. The Board may take such other
6 actions as may be reasonably necessary or appropriate to effectuate
7 the purposes of Sections 751 through 761 of this title and Sections
8 301 through 308 of Title 3 of the Oklahoma Statutes, and may adopt,
9 amend and repeal such other rules consistent with this chapter as
10 the Board shall determine proper. Laboratories accredited in
11 Toxicology by the American Society of Crime Laboratory
12 Directors/Laboratory Accreditation Board (ASCLD/LAB) or accredited
13 by the American Board of Forensic Toxicology (ABFT) are exempt from
14 the provisions of this subsection.

15 D. The Board may set rules and charge appropriate fees for
16 operations incidental to its required duties and responsibilities.

17 E. There is hereby created in the State Treasury a revolving
18 fund for the Board of Tests for Alcohol and Drug Influence to be
19 designated the "Board of Tests for Alcohol and Drug Influence
20 Revolving Fund". The fund shall be a continuing fund, not subject
21 to fiscal year limitations, and shall consist of monies received
22 pursuant to the provisions of subsection D of this section and any
23 funds previously deposited in the Board of Tests for Alcohol and
24 Drug Influence Revolving Fund. All monies accruing to the credit of

1 the fund are hereby appropriated and may be budgeted and expended by
2 the Board of Tests for Alcohol and Drug Influence for operating
3 expenses of the Board. Expenditures from the funds shall be made
4 upon warrants issued by the State Treasurer against claims filed as
5 prescribed by law with the Director of the Office of Management and
6 Enterprise Services for approval and payment.

7 SECTION 33. REPEALER 47 O.S. 2011, Section 759, as
8 amended by Section 1, Chapter 61, O.S.L. 2012 (47 O.S. Supp. 2012,
9 Section 759), is hereby repealed.

10 SECTION 34. AMENDATORY 51 O.S. 2011, Section 155, as
11 amended by Section 1, Chapter 16, O.S.L. 2012 (51 O.S. Supp. 2012,
12 Section 155), is amended to read as follows:

13 Section 155. The state or a political subdivision shall not be
14 liable if a loss or claim results from:

- 15 1. Legislative functions;
- 16 2. Judicial, quasi-judicial, or prosecutorial functions, other
17 than claims for wrongful criminal felony conviction resulting in
18 imprisonment provided for in Section 154 of this title;
- 19 3. Execution or enforcement of the lawful orders of any court;
- 20 4. Adoption or enforcement of or failure to adopt or enforce a
21 law, whether valid or invalid, including, but not limited to, any
22 statute, charter provision, ordinance, resolution, rule, regulation
23 or written policy;
- 24

- 1 5. Performance of or the failure to exercise or perform any act
2 or service which is in the discretion of the state or political
3 subdivision or its employees;
- 4 6. Civil disobedience, riot, insurrection or rebellion or the
5 failure to provide, or the method of providing, police, law
6 enforcement or fire protection;
- 7 7. Any claim based on the theory of attractive nuisance;
- 8 8. Snow or ice conditions or temporary or natural conditions on
9 any public way or other public place due to weather conditions,
10 unless the condition is affirmatively caused by the negligent act of
11 the state or a political subdivision;
- 12 9. Entry upon any property where that entry is expressly or
13 implied authorized by law;
- 14 10. Natural conditions of property of the state or political
15 subdivision;
- 16 11. Assessment or collection of taxes or special assessments,
17 license or registration fees, or other fees or charges imposed by
18 law;
- 19 12. Licensing powers or functions including, but not limited
20 to, the issuance, denial, suspension or revocation of or failure or
21 refusal to issue, deny, suspend or revoke any permit, license,
22 certificate, approval, order or similar authority;
- 23 13. Inspection powers or functions, including failure to make
24 an inspection, review or approval, or making an inadequate or

negligent inspection, review or approval of any property, real or personal, to determine whether the property complies with or violates any law or contains a hazard to health or safety, or fails to conform to a recognized standard;

14. Any loss to any person covered by any workers' compensation act or any employer's liability act;

15. Absence, condition, location or malfunction of any traffic or road sign, signal or warning device unless the absence, condition, location or malfunction is not corrected by the state or political subdivision responsible within a reasonable time after actual or constructive notice or the removal or destruction of such signs, signals or warning devices by third parties, action of weather elements or as a result of traffic collision except on failure of the state or political subdivision to correct the same within a reasonable time after actual or constructive notice.

Nothing herein shall give rise to liability arising from the failure of the state or any political subdivision to initially place any of the above signs, signals or warning devices. The signs, signals and warning devices referred to herein are those used in connection with hazards normally connected with the use of roadways or public ways and do not apply to the duty to warn of special defects such as excavations or roadway obstructions;

16. Any claim which is limited or barred by any other law;

17. Misrepresentation, if unintentional;

1 18. An act or omission of an independent contractor or
2 consultant or his or her employees, agents, subcontractors or
3 suppliers or of a person other than an employee of the state or
4 political subdivision at the time the act or omission occurred;

5 19. Theft by a third person of money in the custody of an
6 employee unless the loss was sustained because of the negligence or
7 wrongful act or omission of the employee;

8 20. Participation in or practice for any interscholastic or
9 other athletic contest sponsored or conducted by or on the property
10 of the state or a political subdivision;

11 21. Participation in any activity approved by a local board of
12 education and held within a building or on the grounds of the school
13 district served by that local board of education before or after
14 normal school hours or on weekends;

15 22. Use of indoor or outdoor school property and facilities
16 made available for public recreation before or after normal school
17 hours or on weekends or school vacations, except those claims
18 resulting from willful and wanton acts of negligence. For purposes
19 of this paragraph:

20 a. "public" includes, but is not limited to, students
21 during nonschool hours and school staff when not
22 working as employees of the school, and

23 b. "recreation" means any indoor or outdoor physical
24 activity, either organized or unorganized, undertaken

1 for exercise, relaxation, diversion, sport or
2 pleasure, and that is not otherwise covered by
3 paragraph 20 or 21 of this section;

4 23. Any court-ordered or Department of Corrections approved
5 work release program; provided, however, this provision shall not
6 apply to claims from individuals not in the custody of the
7 Department of Corrections based on accidents involving motor
8 vehicles owned or operated by the Department of Corrections;

9 24. The activities of the National Guard, the militia or other
10 military organization administered by the Military Department of the
11 state when on duty pursuant to the lawful orders of competent
12 authority:

- 13 a. in an effort to quell a riot,
- 14 b. in response to a natural disaster or military attack,
- 15 or
- 16 c. if participating in a military mentor program ordered
17 by the court;

18 25. Provision, equipping, operation or maintenance of any
19 prison, jail or correctional facility, or injuries resulting from
20 the parole or escape of a prisoner or injuries by a prisoner to any
21 other prisoner; provided, however, this provision shall not apply to
22 claims from individuals not in the custody of the Department of
23 Corrections based on accidents involving motor vehicles owned or
24 operated by the Department of Corrections;

1 26. Provision, equipping, operation or maintenance of any
2 juvenile detention facility, or injuries resulting from the escape
3 of a juvenile detainee, or injuries by a juvenile detainee to any
4 other juvenile detainee;

5 27. Any claim or action based on the theory of manufacturer's
6 products liability or breach of warranty, either expressed or
7 implied;

8 28. Any claim or action based on the theory of indemnification
9 or subrogation;

10 29. Any claim based upon an act or omission of an employee in
11 the placement of children;

12 30. Acts or omissions done in conformance with then current
13 recognized standards;

14 31. Maintenance of the state highway system or any portion
15 thereof unless the claimant presents evidence which establishes
16 either that the state failed to warn of the unsafe condition or that
17 the loss would not have occurred but for a negligent affirmative act
18 of the state;

19 32. Any confirmation of the existence or nonexistence of any
20 effective financing statement on file in the office of the Secretary
21 of State made in good faith by an employee of the office of the
22 Secretary of State as required by the provisions of Section 1-9-
23 320.6 of Title 12A of the Oklahoma Statutes;

24 33. Any court-ordered community sentence;

1 34. Remedial action and any subsequent related maintenance of
2 property pursuant to and in compliance with an authorized
3 environmental remediation program, order, or requirement of a
4 federal or state environmental agency;

5 35. The use of necessary and reasonable force by a school
6 district employee to control and discipline a student during the
7 time the student is in attendance or in transit to and from the
8 school, or any other function authorized by the school district; ~~or~~

9 36. Actions taken in good faith by a school district employee
10 for the out-of-school suspension of a student pursuant to applicable
11 Oklahoma Statutes; or

12 37. Use of a public facility opened to the general public
13 during an emergency.

14 SECTION 35. REPEALER 51 O.S. 2011, Section 155, as
15 amended by Section 1, Chapter 14, O.S.L. 2012 (51 O.S. Supp. 2012,
16 Section 155), is hereby repealed.

17 SECTION 36. AMENDATORY 56 O.S. 2011, Section 1003, as
18 amended by Section 1, Chapter 244, O.S.L. 2012 (56 O.S. Supp. 2012,
19 Section 1003), is amended to read as follows:

20 Section 1003. A. There is hereby created within the Office of
21 the Attorney General, a Medicaid fraud control unit.

22 B. The Medicaid fraud control unit shall be the state entity to
23 which all cases of suspected Medicaid fraud shall be referred by the
24 Oklahoma Health Care Authority or its fiscal agents for the purposes

1 of investigation, civil action, criminal action or referral to the
2 district attorney. Provided however, nothing contained in the
3 Oklahoma Medicaid Program Integrity Act shall prohibit the Oklahoma
4 Health Care Authority from investigating or additionally referring
5 to other proper law enforcement agencies cases of suspected Medicaid
6 fraud, nor the Attorney General from pursuing cases of suspected
7 Medicaid fraud without a referral from the Oklahoma Health Care
8 Authority if there is credible evidence of fraud.

9 C. 1. In carrying out these responsibilities, the Attorney
10 General shall have all the powers necessary to comply with federal
11 laws and regulations relative to the operation of a Medicaid fraud
12 unit, the power to cross-designate assistant United States attorneys
13 as assistant attorneys general, the power to investigate cases of
14 patient abuse, the power to issue or cause to be issued subpoenas or
15 other process in aid of investigations and prosecutions, the power
16 to administer oaths and take sworn statements under penalty of
17 perjury, the power to serve and execute in any county, search
18 warrants which relate to investigations authorized by the Oklahoma
19 Medicaid Program Integrity Act and shall have all the powers of a
20 district attorney.

21 2. Subpoenas ad testificandum or duces tecum issued pursuant to
22 the Oklahoma Medicaid Program Integrity Act may be served by the
23 Attorney General, any peace officer, or any competent person over
24 eighteen (18) years of age, and may require attendance or production

1 at any place in this state. A refusal to obey such subpoena, or
2 willful failure to appear, be sworn, testify, or produce records at
3 the place and time specified shall constitute contempt and shall be
4 enforced by the district court of the county where issued or the
5 county where served, at the election of the Attorney General, as if
6 it was a contempt on that court.

7 D. The Attorney General shall have authority to collect all
8 fines, penalties, amounts of restitution, or interest accruing on
9 any amount of restitution to be made and any penalties to be paid
10 from and after default in the payment thereof levied pursuant to the
11 provisions of the Oklahoma Medicaid Program Integrity Act, the
12 Oklahoma Medicaid False Claims Act, or any other charge, cause of
13 action, prelitigation settlement or other settlement which recovers
14 money wrongfully paid by the Oklahoma Health Care Authority on a
15 claim submitted to the Oklahoma Health Care Authority. However,
16 this subsection is not in any way intended to affect the contempt
17 power of any court. Funds collected by the Attorney General
18 pursuant to this section shall be deposited as follows:

19 1. Restitution recovered and interest thereon shall be returned
20 to the Oklahoma Health Care Authority for deposit to the Oklahoma
21 Health Care Authority Medicaid Program Fund created pursuant to
22 Section 5020 of Title 63 of the Oklahoma Statutes-i

23 2. Costs of investigation, litigation, attorney fees, and other
24 expenses shall be retained by the Office of the Attorney General and

1 shall be deposited in the Attorney General's Medicaid Fraud
2 Revolving Fund created pursuant to subsection E of this section;
3 and

4 3. Fines and penalties and other funds recovered and interest
5 thereon shall be deposited in the Attorney General's Medicaid Fraud
6 Revolving Fund; provided, the balance in the Attorney General's
7 Medicaid Fraud Revolving Fund shall not exceed an amount equal to
8 fifty percent (50%) of the current-year budget for operating costs
9 of the Medicaid Fraud Control Unit. Any funds exceeding that amount
10 shall be deposited as follows:

11 a. seventy-five percent (75%) to the General Revenue
12 Fund, and

13 b. twenty-five percent (25%) to the Attorney General's
14 Evidence Fund created pursuant to Section 19 of Title
15 74 of the Oklahoma Statutes.

16 E. There is hereby created in the State Treasury a revolving
17 fund for the Office of the Attorney General, to be designated the
18 "Attorney General's Medicaid Fraud Revolving Fund". The fund shall
19 be a continuing fund, not subject to fiscal year limitations, and
20 shall consist of any monies designated to the fund by law. All
21 monies accruing to the credit of said fund are hereby appropriated
22 and may be budgeted and expended by the Attorney General for
23 activities related to the Medicaid Fraud Control Unit. Expenditures
24 from said fund shall be made upon warrants issued by the State

1 Treasurer against claims filed as prescribed by law with the
2 Director of the Office of ~~State Finance~~ Management and Enterprise
3 Services for approval and payment.

4 SECTION 37. REPEALER 56 O.S. 2011, Section 1003, as
5 amended by Section 240, Chapter 304, O.S.L. 2012 (56 O.S. Supp.
6 2012, Section 1003), is hereby repealed.

7 SECTION 38. AMENDATORY 56 O.S. 2011, Section 2002, as
8 amended by Section 1, Chapter 122, O.S.L. 2012 (56 O.S. Supp. 2012,
9 Section 2002), is amended to read as follows:

10 Section 2002. A. For the purpose of providing quality care
11 enhancements, the Oklahoma Health Care Authority is authorized to
12 and shall assess a Nursing Facilities Quality of Care Fee pursuant
13 to this section upon each nursing facility licensed in this state.
14 Quality of care enhancements include, but are not limited to, the
15 purposes specified in this section.

16 B. As a basis for determining the Nursing Facilities Quality of
17 Care Fee assessed upon each licensed nursing facility, the Authority
18 shall calculate a uniform per-patient day rate. The rate shall be
19 calculated by dividing six percent (6%) of the total annual patient
20 gross receipts of all licensed nursing facilities in this state by
21 the total number of patient days for all licensed nursing facilities
22 in this state. The result shall be the per-patient day rate.
23 Beginning July 15, 2004, the Nursing Facilities Quality of Care Fee
24

1 shall not be increased unless specifically authorized by the
2 Legislature.

3 C. Pursuant to any approved Medicaid waiver and pursuant to
4 subsection N of this section, the Nursing Facilities Quality of Care
5 Fee shall not exceed the amount or rate allowed by federal law for
6 nursing home licensed bed days.

7 D. The Nursing Facilities Quality of Care Fee owed by a
8 licensed nursing facility shall be calculated by the Authority by
9 adding the daily patient census of a licensed nursing facility, as
10 reported by the facility for each day of the month, and by
11 multiplying the ensuing figure by the per-patient day rate
12 determined pursuant to the provisions of subsection B of this
13 section.

14 E. Each licensed nursing facility which is assessed the Nursing
15 Facilities Quality of Care Fee shall be required to file a report on
16 a monthly basis with the Authority detailing the daily patient
17 census and patient gross receipts at such time and in such manner as
18 required by the Authority.

19 F. 1. The Nursing Facilities Quality of Care Fee for a
20 licensed nursing facility for the period beginning October 1, 2000,
21 shall be determined using the daily patient census and annual
22 patient gross receipts figures reported to the Authority for the
23 calendar year 1999 upon forms supplied by the Authority.

1 2. Annually the Nursing Facilities Quality of Care Fee shall be
2 determined by:

- 3 a. using the daily patient census and patient gross
4 receipts reports received by the Authority for the
5 most recent available twelve (12) months, and
- 6 b. annualizing those figures.

7 Each year thereafter, the annualization of the Nursing
8 Facilities Quality of Care Fee specified in this paragraph shall be
9 subject to the limitation in subsection B of this section unless the
10 provision of subsection C of this section is met.

11 G. The payment of the Nursing Facilities Quality of Care Fee by
12 licensed nursing facilities shall be an allowable cost for Medicaid
13 reimbursement purposes.

14 H. 1. There is hereby created in the State Treasury a
15 revolving fund to be designated the "Nursing Facility Quality of
16 Care Fund".

17 2. The fund shall be a continuing fund, not subject to fiscal
18 year limitations, and shall consist of:

- 19 a. all monies received by the Authority pursuant to this
20 section and otherwise specified or authorized by law,
- 21 b. monies received by the Authority due to federal
22 financial participation pursuant to Title XIX of the
23 Social Security Act, and

1 c. interest attributable to investment of money in the
2 fund.

3 3. All monies accruing to the credit of the fund are hereby
4 appropriated and shall be budgeted and expended by the Authority
5 for:

6 a. reimbursement of the additional costs paid to
7 Medicaid-certified nursing facilities for purposes
8 specified by Sections 1-1925.2, 5022.1 and 5022.2 of
9 Title 63 of the Oklahoma Statutes,

10 b. reimbursement of the Medicaid rate increases for
11 intermediate care facilities for the mentally retarded
12 (ICFs/MR),

13 c. nonemergency transportation services for Medicaid-
14 eligible nursing home clients,

15 d. eyeglass and denture services for Medicaid-eligible
16 nursing home clients,

17 e. ten additional ombudsmen employed by the Department of
18 Human Services,

19 f. ten additional nursing facility inspectors employed by
20 the State Department of Health,

21 g. pharmacy and other Medicaid services to qualified
22 Medicare beneficiaries whose incomes are at or below
23 one hundred percent (100%) of the federal poverty
24 level; provided however, pharmacy benefits authorized

1 for such qualified Medicare beneficiaries shall be
2 suspended if the federal government subsequently
3 extends pharmacy benefits to this population,

4 h. costs incurred by the Authority in the administration
5 of the provisions of this section and any programs
6 created pursuant to this section,

7 i. durable medical equipment and supplies services for
8 Medicaid-eligible elderly adults, and

9 j. personal needs allowance increases for residents of
10 nursing homes and Intermediate Care Facilities for the
11 Mentally Retarded (ICFs/MR) from Thirty Dollars
12 (\$30.00) to Fifty Dollars (\$50.00) per month per
13 resident.

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

18 5. The fund and the programs specified in this section funded
19 by revenues collected from the Nursing Facilities Quality of Care
20 Fee pursuant to this section are exempt from budgetary cuts,
21 reductions, or eliminations.

22 6. The Medicaid rate increases for intermediate care facilities
23 for the mentally retarded (ICFs/MR) shall not exceed the net
24 Medicaid rate increase for nursing facilities including, but not

1 limited to, the Medicaid rate increase for which Medicaid-certified
2 nursing facilities are eligible due to the Nursing Facilities
3 Quality of Care Fee less the portion of that increase attributable
4 to treating the Nursing Facilities Quality of Care Fee as an
5 allowable cost.

6 7. The reimbursement rate for nursing facilities shall be made
7 in accordance with Oklahoma's Medicaid reimbursement rate
8 methodology and the provisions of this section.

9 8. No nursing facility shall be guaranteed, expressly or
10 otherwise, that any additional costs reimbursed to the facility will
11 equal or exceed the amount of the Nursing Facilities Quality of Care
12 Fee paid by the nursing facility.

13 I. 1. In the event that federal financial participation
14 pursuant to Title XIX of the Social Security Act is not available to
15 the Oklahoma Medicaid program, for purposes of matching expenditures
16 from the Nursing Facility Quality of Care Fund at the approved
17 federal medical assistance percentage for the applicable fiscal
18 year, the Nursing Facilities Quality of Care Fee shall be null and
19 void as of the date of the nonavailability of such federal funding,
20 through and during any period of nonavailability.

21 2. In the event of an invalidation of this section by any court
22 of last resort under circumstances not covered in subsection J of
23 this section, the Nursing Facilities Quality of Care Fee shall be
24 null and void as of the effective date of that invalidation.

1 3. In the event that the Nursing Facilities Quality of Care Fee
2 is determined to be null and void for any of the reasons enumerated
3 in this subsection, any Nursing Facilities Quality of Care Fee
4 assessed and collected for any periods after such invalidation shall
5 be returned in full within sixty (60) days by the Authority to the
6 nursing facility from which it was collected.

7 J. 1. If any provision of this section or the application
8 thereof shall be adjudged to be invalid by any court of last resort,
9 such judgment shall not affect, impair or invalidate the provisions
10 of the section, but shall be confined in its operation to the
11 provision thereof directly involved in the controversy in which such
12 judgment was rendered. The applicability of such provision to other
13 persons or circumstances shall not be affected thereby.

14 2. This subsection shall not apply to any judgment that affects
15 the rate of the Nursing Facilities Quality of Care Fee, its
16 applicability to all licensed nursing homes in the state, the usage
17 of the fee for the purposes prescribed in this section, and/or the
18 ability of the Authority to obtain full federal participation to
19 match its expenditures of the proceeds of the fee.

20 K. The Authority shall promulgate rules for the implementation
21 and enforcement of the Nursing Facilities Quality of Care Fee
22 established by this section.

23 L. The Authority shall provide for administrative penalties in
24 the event nursing facilities fail to:

1 1. Submit the Quality of Care Fee;

2 2. Submit the fee in a timely manner;

3 3. Submit reports as required by this section; or

4 4. Submit reports timely.

5 M. As used in this section:

6 1. "Nursing facility" means any home, establishment or
7 institution, or any portion thereof, licensed by the State
8 Department of Health as defined in Section 1-1902 of Title 63 of the
9 Oklahoma Statutes;

10 2. "Medicaid" means the medical assistance program established
11 in Title XIX of the federal Social Security Act and administered in
12 this state by the Authority;

13 3. "Patient gross revenues" means gross revenues received in
14 compensation for services provided to residents of nursing
15 facilities including, but not limited to, client participation. The
16 term "patient gross revenues" shall not include amounts received by
17 nursing facilities as charitable contributions; and

18 4. "Additional costs paid to Medicaid-certified nursing
19 facilities under Oklahoma's Medicaid reimbursement methodology"
20 means both state and federal Medicaid expenditures including, but
21 not limited to, funds in excess of the aggregate amounts that would
22 otherwise have been paid to Medicaid-certified nursing facilities
23 under the Medicaid reimbursement methodology which have been updated
24 for inflationary, economic, and regulatory trends and which are in

1 effect immediately prior to the inception of the Nursing Facilities
2 Quality of Care Fee.

3 N. 1. As per any approved federal Medicaid waiver, the
4 assessment rate subject to the provision of subsection C of this
5 section is to remain the same as those rates that were in effect
6 prior to January 1, 2012, for all state-licensed continuum of care
7 facilities.

8 2. Any facilities that made application to the State Department
9 of Health to become a licensed continuum of care facility no later
10 than January 1, 2012, shall be assessed at the same rate as those
11 facilities assessed pursuant to paragraph 1 of this subsection;
12 provided, that any facility making said application shall receive
13 the license on or before September 1, 2012. Any facility that fails
14 to receive such license from the State Department of Health by
15 September 1, 2012, shall be assessed at the rate established by
16 subsection C of this section subsequent to September 1, 2012.

17 O. If any provision of this section, or the application
18 thereof, is determined by any controlling federal agency, or any
19 court of last resort to prevent the state from obtaining federal
20 financial participation in the state's Medicaid program, such
21 provision shall be deemed null and void as of the date of the
22 nonavailability of such federal funding and through and during any
23 period of nonavailability. All other provisions of the bill shall
24 remain valid and enforceable.

1 SECTION 39. REPEALER 56 O.S. 2011, Section 2002, as
2 amended by Section 241, Chapter 304, O.S.L. 2012 (56 O.S. Supp.
3 2012, Section 2002), is hereby repealed.

4 SECTION 40. AMENDATORY 57 O.S. 2011, Section 549.1, as
5 amended by Section 252, Chapter 304, O.S.L. 2012 (57 O.S. Supp.
6 2012, Section 549.1), is amended to read as follows:

7 Section 549.1. A. The Department of Corrections is authorized
8 to purchase in the manner prescribed by law, facilities, equipment,
9 raw materials and supplies, and to engage the supervisory personnel
10 necessary to establish and maintain for this state at the penal
11 institutions, now or hereafter under the control of the State Board
12 of Corrections, industries and agricultural programs for the
13 utilization of services of prisoners in the manufacture or
14 production of the articles or products as may be needed for the
15 construction, operation, maintenance or use of any office,
16 department, institution or agency supported in whole or in part by
17 this state and the political subdivisions thereof. Upon the request
18 of the Oklahoma Historical Society or the Oklahoma Tourism and
19 Recreation Department, the Department of Corrections shall provide
20 labor for and shall produce or manufacture articles, products or
21 materials needed for the repair, construction and maintenance of
22 historical sites and state parks including, but not limited to, the
23 production of materials and products needed for the reconstruction
24 of historic forts in the state.

1 B. All articles and services provided by the Department of
2 Corrections in the state correctional institutions, and not required
3 for use therein, shall be purchased as required by all offices,
4 departments, institutions, agencies, counties, schools, colleges,
5 universities, or political subdivisions or any agency thereof of
6 this state which are supported in whole or in part by this state, if
7 such article or service is the lowest and best bid, and no such
8 article or product may be purchased by any such office, department,
9 institution, agency, county, school, college, university, or
10 political subdivisions or agency thereof from any other source
11 unless excepted from the provisions as hereinafter provided.

12 Purchases made by the above-described state agencies may be made by
13 submitting the proper requisition through the Office of Management
14 and Enterprise Services or by direct order to the prison industries
15 program of the Department of Corrections.

16 C. If a requisition is received by the Office of Management and
17 Enterprise Services or a direct order is received by the Prison
18 Industries Program of the Department of Corrections from a state
19 agency for any product or service provided by the Department of
20 Corrections and such product or service is also available from a
21 severely handicapped person or a qualified nonprofit agency for the
22 severely handicapped as provided in Section 3001 et seq. of Title 74
23 of the Oklahoma Statutes at a comparable price, then the product or
24 service shall be purchased from such severely handicapped person or

1 qualified nonprofit agency for the severely handicapped. If the
2 product or service is not available within the time period required
3 by the purchasing state agency, then such product or service shall
4 be purchased from the Department of Corrections under the provisions
5 of this section.

6 D. All offices, departments, institutions, agencies, counties,
7 cities, districts or political subdivisions, schools, colleges, or
8 universities, or any agency thereof, or any agencies of the state,
9 which are supported in whole or in part by this state, may purchase
10 the goods or services produced by the prison industries of the
11 Department of Corrections through their properly authorized
12 purchasing authority, or they may place a direct order without
13 competitive bid, with the prison industries of the Department of
14 Corrections.

15 E. Not-for-profit corporations or charitable agencies chartered
16 in Oklahoma or other states may purchase such goods and services.
17 Units of the federal government and units of government in other
18 states may also purchase such goods and services. All entities
19 which contract with the state, its political units, its agencies,
20 its public institutions, not-for-profit corporations or charitable
21 agencies chartered in Oklahoma may purchase goods or services from
22 the Department of Corrections which are used in the performance of
23 such contracts. Any church located in the State of Oklahoma may
24 also purchase goods and services produced by the prison industries

1 of the Department of Corrections. Any community action agency or
2 council of governments within this state may purchase housing
3 components produced by the prison industries of the Department of
4 Corrections. Nothing shall prohibit the Department from bidding on
5 portions of a state contract which are subcontracted by the primary
6 contractor.

7 F. Others are prohibited from purchasing such goods and
8 services, with the exception that all surplus agricultural products
9 may be sold on the open market or bartered and exchanged for other
10 food, feed or seed products of comparable value. The Department of
11 Corrections shall keep complete and accurate records of any such
12 barters or exchanges in such form and manner as the Office of
13 Management and Enterprise Services may prescribe. A copy of such
14 records shall be filed with the Office of Management and Enterprise
15 Services no later than March 1 of each year for all barters or
16 exchanges occurring in the previous calendar year. When
17 practicable, the Department of Corrections may accept and process
18 agricultural products from the public and may export the resulting
19 products to foreign markets.

20 G. Products manufactured by the Department of Corrections shall
21 be of styles, patterns, designs and quantities specified by the
22 Department of Corrections except where the same have been or may be
23 specified by the Office of Management and Enterprise Services.

1 Products shall be provided at a fair market price for comparable
2 quality.

3 H. State agencies shall make maximum utilization of such
4 products and no similar products shall be purchased by state
5 agencies from any other source than the Department of Corrections
6 except as provided in subsection C of this section, unless the
7 Department of Corrections certifies to the State Purchasing Director
8 that it is not able to provide products, and no claim therefor shall
9 be paid without such certification.

10 I. Exceptions from the mandatory provisions hereof may be made
11 in any case where, in the opinion of the Office of Management and
12 Enterprise Services, the article or product does not meet the
13 reasonable requirements of or for such offices, departments,
14 institutions or agencies, or in any case where the requisitions made
15 cannot be reasonably complied with. No such offices, departments,
16 institutions or agencies, shall be allowed to evade the intent and
17 meaning of this section by slight variations from standards adopted
18 by the Office of Management and Enterprise Services, when the
19 articles, services or products produced or manufactured by the
20 Department of Corrections, in accordance with established standards,
21 are reasonably adapted to the actual needs of such offices,
22 departments, institutions or agencies.

23 J. In the event of disagreement between the Department of
24 Corrections and the State Purchasing Director on fairness of price,

1 ability to comply to specifications, reasonableness of
2 specifications and timeliness of delivery of products the matter
3 will be resolved by the Central Purchasing Director.

4 K. The Office of Management and Enterprise Services shall
5 cooperate with the Department of Corrections in seeking to promote
6 for use in state agencies and by all other eligible customers, the
7 products manufactured and services provided by the prison
8 industries.

9 L. The Department of Corrections shall prepare catalogs
10 containing the description of all goods and services provided, with
11 the pricing of each item. Copies of such catalog shall be sent by
12 the Department of Corrections to all offices, departments,
13 institutions and agencies of this state, and shall be available for
14 distribution to all other eligible customers.

15 SECTION 41. REPEALER 57 O.S. 2011, Section 549.1, as
16 amended by Section 2, Chapter 219, O.S.L. 2012 (57 O.S. Supp. 2012,
17 Section 549.1), is hereby repealed.

18 SECTION 42. AMENDATORY 59 O.S. 2011, Section 1203, as
19 amended by Section 279, Chapter 304, O.S.L. 2012 (59 O.S. Supp.
20 2012, Section 1203), is amended to read as follows:

21 Section 1203. A. A State Board of Registration for Foresters
22 is hereby created, to continue until July 1, ~~2012~~ 2016, in
23 accordance with the provisions of the Oklahoma Sunset Law, whose
24

1 duty it shall be to administer the provisions of Sections 1201
2 through 1220 of this title.

3 B. On the effective date of this act:

4 1. The persons serving on the Board on June 30, 1988, shall
5 continue to serve the full terms for which they were originally
6 appointed until their successors have been duly appointed and
7 approved with the advice and consent of the Senate. All future
8 Boards shall continue the staggered terms of office established for
9 the State Board of Registration for Foresters prior to July 1, 1988.

10 2. Any actions taken by any state agency on behalf of the State
11 Board of Registration for Foresters or in an attempt to enforce the
12 provisions of Sections 1201 through 1220 of this title shall be
13 subject to review by the Board on and after the effective date of
14 this act. Any such acts may be rescinded or modified as deemed
15 appropriate by the Board, provided that such action shall not affect
16 any accrued right, or penalty incurred, or proceeding begun between
17 July 1, 1988, and the effective date of this act.

18 3. All funds collected after June 30, 1988, equipment, files,
19 fixtures, furniture, and supplies of the Board which were
20 transferred to the Office of Management and Enterprise Services or
21 State Treasury pursuant to Section 3909 of Title 74 of the Oklahoma
22 Statutes shall be returned to the care and custody of the Board on
23 the effective date of this act.

1 4. All orders, determinations, rules, regulations, permits,
2 certificates, licenses, contracts, rates, and privileges which have
3 been issued, made, granted, or allowed by the Board and are in
4 effect on June 30, 1988, shall continue in effect according to their
5 terms until further action is taken by the Board after the effective
6 date of this act or as modified by law.

7 C. The Board shall consist of five (5) foresters who shall be
8 selected and appointed by the Governor of Oklahoma, with the advice
9 and consent of the Oklahoma State Senate, and who shall possess the
10 qualifications set forth pursuant to the provisions of Section 1204
11 of this title. Each qualified member of the Board shall receive a
12 certificate of his appointment from the Governor and before
13 beginning his term of office shall file with the Secretary of State
14 his written oath or affirmation for the faithful discharge of his
15 official duties.

16 D. The five members of the initial Board appointed after the
17 creation of the Board on May 27, 1963, shall be appointed for terms
18 of one (1), two (2), three (3), four (4) and five (5) years
19 respectively. The initial Board and all future Boards shall always
20 be composed of at least one member from each of the following
21 fields: education, industry and public agency. On the expiration of
22 the term of any member of the initial Board, the Governor shall, in
23 the manner hereinbefore provided, appoint for a term of five (5)
24 years a registered forester having the qualifications set forth in

1 Section 1204 of this title to take the place of the member whose
2 term on said Board is expiring. Each member shall hold office until
3 the expiration of the term for which such member is appointed and
4 until a successor shall have been duly appointed and qualified.

5 SECTION 43. REPEALER 59 O.S. 2011, Section 1203, as
6 amended by Section 1, Chapter 72, O.S.L. 2012 (59 O.S. Supp. 2012,
7 Section 1203), is hereby repealed.

8 SECTION 44. AMENDATORY 59 O.S. 2011, Section 1800.14, as
9 amended by Section 16, Chapter 368, O.S.L. 2012 (59 O.S. Supp. 2012,
10 Section 1800.14), is amended to read as follows:

11 Section 1800.14. There is hereby created in the State Treasury
12 a revolving fund for the Department of Labor, to be designated the
13 "Alarm and Locksmith Industry Revolving Fund". The fund shall be a
14 continuing fund, not subject to fiscal year limitations, and shall
15 consist of all monies received by the Alarm and Locksmith Industry
16 Committee or the Department of Labor pursuant to the Alarm and
17 Locksmith Industry Act. All monies accruing to the credit of the
18 fund are hereby appropriated and may be budgeted and expended by the
19 Commissioner of Labor for the purpose of administration,
20 implementing, and enforcement of the Alarm and Locksmith Industry
21 Act, including, but not limited to, office administration and
22 personnel expense, licensing and training, reimbursements in
23 accordance with the State Travel Reimbursement Act, and other
24 necessary expenses relating to the Alarm and Locksmith Industry Act.

1 The Commissioner shall not expend or transfer any monies from this
2 fund for any purpose not relating to the Alarm and Locksmith
3 Industry Act. Expenditures from the fund shall be made upon
4 warrants issued by the State Treasurer against claims filed as
5 prescribed by law with the Director of ~~State Finance~~ the Office of
6 Management and Enterprise Services for approval and payment.

7 SECTION 45. REPEALER 59 O.S. 2011, Section 1800.14, as
8 amended by Section 282, Chapter 304, O.S.L. 2012 (59 O.S. Supp.
9 2012, Section 1800.14), is hereby repealed.

10 SECTION 46. AMENDATORY 59 O.S. 2011, Section 1800.15, as
11 amended by Section 17, Chapter 368, O.S.L. 2012 (59 O.S. Supp. 2012,
12 Section 1800.15), is amended to read as follows:

13 Section 1800.15. The Commissioner of Labor shall pay all costs of
14 administration of the Alarm and Locksmith Industry Act from fees,
15 monies and other revenue collected pursuant to the provisions of the
16 Alarm and Locksmith Industry Act. At no time shall a claim for
17 payment be submitted to the Director of the Office of ~~State Finance~~
18 Management and Enterprise Services or the State Treasurer if the
19 revenue deposited in the Alarm and Locksmith Industry Revolving Fund
20 to the current date does not equal or exceed the total claims for
21 payments made to that date.

22 SECTION 47. REPEALER 59 O.S. 2011, Section 1800.15, as
23 amended by Section 283, Chapter 304, O.S.L. 2012 (59 O.S. Supp.
24 2012, Section 1800.15), is hereby repealed.

1 SECTION 48. AMENDATORY 61 O.S. 2011, Section 202, as
2 amended by Section 1, Chapter 184, O.S.L. 2012 (61 O.S. Supp. 2012,
3 Section 202), is amended to read as follows:

4 Section 202. As used in the Public Building Construction and
5 Planning Act:

6 1. "Administrator" means the State Construction Administrator
7 of the Construction and Properties Division of the ~~Department of~~
8 ~~Central Services of the Office of State Finance~~ Office of Management
9 and Enterprise Services;

10 2. "Annual capital plan" means the collective state facility
11 capital improvements and real property transactions approved by the
12 Legislature relative to state construction, maintenance, and real
13 estate services;

14 3. "Capital planning and asset management" means the processes
15 delegated to the Construction and Properties Department for real
16 property data acquisition, data analysis and determination of
17 capital construction projects, disposition of real property and
18 leasing of facility space;

19 4. "Construction" means the process of planning, acquiring,
20 designing, building, equipping, altering, repairing, improving,
21 maintaining, leasing, disposing or demolishing any structure or
22 appurtenance thereto including facilities, utilities, or other
23 improvements to any real property but not including highways,
24

1 bridges, airports, railroads, tunnels, sewers not related to a
2 structure or appurtenance thereto, or dams;

3 5. "Construction administration" means a series of actions
4 required of the State Construction Administrator, of other state
5 agency employees, or, under a construction administration contract
6 or contract provision, to ensure the full, timely, and proper
7 performance of all phases of a construction project by all
8 contractors, suppliers, and other persons having responsibility for
9 project work and any guarantees or warranties pertaining thereto;

10 6. "Construction management" means a project delivery method
11 based on an agreement whereby the owner acquires from a construction
12 entity a series of services that include, but are not necessarily
13 limited to, design review, scheduling, cost control, value
14 engineering, constructability evaluation, preparation and
15 coordination of bid packages, and construction administration;
16 "construction management" includes:

- 17 a. "agency construction management" whereby the
18 construction entity provides services to the owner
19 without taking on financial risks for the execution of
20 the actual construction, and
21 b. "at-risk construction management" whereby the
22 construction entity, after providing agency services
23 during the pre-construction period, takes on the
24

1 financial obligation to carry out construction under a
2 specified cost agreement;

3 7. "Consultant" means an individual or legal entity possessing
4 the qualifications to provide licensed architectural, registered
5 engineering, registered land surveying, certified appraisal, land
6 title, or abstract services or possessing specialized credentials
7 and qualifications as may be needed to evaluate, plan or design for
8 any construction or public work improvement project, or to lease,
9 acquire or dispose of state-owned real property;

10 8. "Design-build" means a project delivery method whereby the
11 state acquires both design and construction services in the same
12 contract from a single legal entity, referred to as the design-
13 builder, without the bid component of the traditional design-bid-
14 build process;

15 9. ~~"Department" means the Department of Central Services of the~~
16 ~~Office of State Finance;~~

17 ~~10.~~ "Director" means the Director of the Office of State
18 ~~Finance~~ Management and Enterprise Services;

19 ~~11.~~ 10. "Division" means the Construction and Properties
20 Division of the ~~Department of Central Services of the Office of~~
21 ~~State Finance~~ Office of Management and Enterprise Services;

22 ~~12.~~ 11. "Energy performance index or indices" (EPI) means a
23 number describing the energy requirements at the building boundary
24 of a structure, per square foot of floor space or per cubic foot of

1 occupied volume, as appropriate under defined internal and external
2 ambient conditions over an entire seasonal cycle. As experience
3 develops on the energy performance achieved with state construction,
4 the indices (EPI) will serve as a measure of structure performance
5 with respect to energy consumption;

6 ~~13.~~ 12. "Life cycle costs" means the cost of owning, operating,
7 and maintaining the structure over the life of the structure. This
8 may be expressed as an annual cost for each year of the facility's
9 use;

10 13. "Office" means the Office of Management and Enterprise
11 Services;

12 14. "Procurement" means buying, purchasing, renting, leasing,
13 or otherwise acquiring or disposing of supplies, services, or
14 construction;

15 15. "Public improvement" means any beneficial or valuable
16 change or addition, betterment, enhancement or amelioration of or
17 upon any real property, or interest therein, belonging to a public
18 agency, intended to enhance its value, beauty or utility or to adapt
19 it to new or further purposes. The term does not include the direct
20 purchase of materials, provided that the materials are not purchased
21 in increments for an amount of less than Twenty-five Thousand
22 Dollars (\$25,000.00) and used for the purposes of completing a
23 single project, equipment or supplies by a public agency, or any
24

1 personal property as defined in paragraphs 1 and 4 of subsection B
2 of Section 430.1 of Title 62 of the Oklahoma Statutes;

3 16. "Shared savings financing" means the financing of energy
4 conservation measures and maintenance services through a private
5 firm which may own any purchased equipment for the duration of a
6 contract. Such contract shall specify that the private firm will be
7 recompensed either out of a negotiated portion of the savings
8 resulting from the conservation measures and maintenance services
9 provided by the private firm or, in the case of a cogeneration
10 project, through the payment of a rate for energy lower than would
11 otherwise have been paid for the same energy from current sources;
12 and

13 17. "State agency" means an agency, board, commission, counsel,
14 court, office, officer, bureau, institution, unit, division, body,
15 or house of the executive or judicial branches of government of this
16 state, whether elected or appointed, excluding only political
17 subdivisions.

18 SECTION 49. REPEALER 61 O.S. 2011, Section 202, as
19 amended by Section 318, Chapter 304, O.S.L. 2012 (61 O.S. Supp.
20 2012, Section 202), is hereby repealed.

21 SECTION 50. AMENDATORY 61 O.S. 2011, Section 204, as
22 amended by Section 2, Chapter 184, O.S.L. 2012 (61 O.S. Supp. 2012,
23 Section 204), is amended to read as follows:
24

1 Section 204. A. The Construction and Properties Division of
2 the Office of Management and Enterprise Services shall:

3 1. Maintain a comprehensive master plan for utilization and
4 construction of buildings for state agencies, capital improvements,
5 and utilization of land owned by this state. Requirements of the
6 master planning process shall include:

- 7 a. reporting by each state agency concerning facility
8 needs,
- 9 b. data acquisition of condition and performance
10 benchmarking of state agency facilities,
- 11 c. analyses and audits of state agency facilities,
12 properties and leaseholds to determine critical and
13 long-range needs,
- 14 d. development of state agency long-range strategic
15 facility plans,
- 16 e. short-range project programming to identify budget
17 requests for facility capital improvements and asset
18 management decisions, and
- 19 f. an annual capital plan for all state agencies
20 submitted to the Legislature for line-item
21 appropriation requests;

22 2. Review and approve all construction plans and specifications
23 to ensure compliance with good construction practices and space
24 standards, costs of project, proposed construction timetables, and

1 agency need for the project, except as otherwise provided in
2 subsection B of this section;

3 3. Inspect prior to acceptance and final payment all completed
4 projects for which the Division issued bid solicitations to ensure
5 compliance with the plans and specifications of the project;

6 4. Provide assistance to state agencies when a state agency
7 desires to hire a consultant or construction manager for a project.
8 Except as provided by subsection B of this section, the Division
9 shall award and execute contracts to consultants and construction
10 managers that provide services to state agencies for construction
11 projects;

12 5. Develop and issue solicitations for award of state agency
13 contracts for construction. The Division shall have final approval
14 authority for contracts and contract documents. Neither the
15 Division nor any state agency shall, for performance of work that
16 requires that a contractor be licensed by this state, issue a
17 solicitation to, or make a contract with, a contractor not licensed
18 by this state;

19 6. Review inspections performed by consultants and construction
20 managers during construction, primary inspections when consultants
21 or construction managers are not used, and final inspections after
22 completion;

23 7. Recommend standards, including, but not limited to, building
24 codes, space utilization, material testing, indexes of efficiency,

economy, and effectiveness, pursuant to rules the Director promulgates;

8. Monitor construction projects to ensure maximum efficiency in the expenditure of state funds for construction;

9. Report fraud or waste in any construction project by written notification with documentation for the report to the Attorney General. The Attorney General shall take appropriate action to protect the interest of the state; and

10. Prequalify as good and sufficient insurance carriers, bonding companies and surety companies to meet provisions of Sections 1 and 134 of this title. The Director shall promulgate rules to establish criteria to determine whether a carrier or company is good and sufficient. The prequalification requirement and process shall not violate the provisions of Section 135 of this title.

B. When a state agency has a licensed architect or licensed engineer, as a full-time employee, to review construction plans and specifications, the review and approval of all construction plans and specifications required pursuant to paragraph 2 of subsection A of this section shall not apply to:

1. The common schools subject to the jurisdiction of the State Department of Education;

2. The Department of Transportation with respect to highways, bridges and dams;

- 1 3. The Oklahoma State System of Higher Education;
- 2 4. The Military Department of the State of Oklahoma;
- 3 5. The Oklahoma Tourism and Recreation Department; and
- 4 6. The Department of Human Services.

5 C. Not later than December 31, 2012, with the advice of the
6 State Construction Administrator, the Director of the Office of
7 ~~State Finance~~ Management and Enterprise Services shall provide a
8 report containing recommendations to the Legislature for the
9 streamlining, integration, and consolidation of state construction,
10 maintenance, and real property management processes to maximize
11 capital assets and achieve cost savings to the state. The report
12 shall identify the necessary planning processes for transitioning
13 from a decentralized capital budgeting process to a centralized
14 annual capital plan appropriation process, to be implemented no
15 later than January 1, 2014.

16 SECTION 51. REPEALER 61 O.S. 2011, Section 204, as
17 amended by Section 321, Chapter 304, O.S.L. 2012 (61 O.S. Supp.
18 2012, Section 204), is hereby repealed.

19 SECTION 52. AMENDATORY 61 O.S. 2011, Section 208.1, as
20 amended by Section 3, Chapter 184, O.S.L. 2012 (61 O.S. Supp. 2012,
21 Section 208.1), is amended to read as follows:

22 Section 208.1. The Construction and Properties Division of the
23 Office of Management and Enterprise Services may collect a
24 reasonable fee for the purpose of providing or contracting for

1 architectural, engineering, land surveying, planning, real estate
2 and related services to state agencies and political subdivisions of
3 the state, and from persons requesting plans and notification of
4 solicitations issued by the Division. The Division may collect a
5 reasonable fee for management services. Annual fees to the Division
6 may be calculated as a percentage of annual construction and real
7 estate services in an amount necessary to support Division operation
8 as designated in the annual capital plan. All fees collected in
9 accordance with the provisions of this section shall be deposited in
10 the "State Construction Revolving Fund" created in Section 208.2 of
11 this title.

12 SECTION 53. REPEALER 61 O.S. 2011, Section 208.1, as
13 amended by Section 325, Chapter 304, O.S.L. 2012 (61 O.S. Supp.
14 2012, Section 208.1), is hereby repealed.

15 SECTION 54. AMENDATORY 61 O.S. 2011, Section 208.2, as
16 amended by Section 4, Chapter 184, O.S.L. 2012 (61 O.S. Supp. 2012,
17 Section 208.2), is amended to read as follows:

18 Section 208.2. There is hereby created in the State Treasury a
19 revolving fund for the Construction and Properties Division of the
20 ~~Department of Central Services~~ Office of Management and Enterprise
21 Services, to be designated the "State Construction Revolving Fund".
22 The fund shall be a continuing fund, not subject to fiscal year
23 limitations, and shall consist of all funds appropriated by the
24 Legislature for projects included in the annual capital plan; funds

1 from nonappropriated sources designated for projects within a
2 capital plan; and fees collected by the Division in accordance with
3 the provisions of this section or as otherwise provided by law. All
4 monies accruing to the credit of the fund are hereby appropriated
5 and may be budgeted and expended by the Division. The fund shall be
6 used to pay expenses resulting from contracts awarded by the
7 Division and to defray Division operating costs and expenses the
8 Department incurs to support Division operations. Expenditures from
9 the fund shall be made upon warrants issued by the State Treasurer
10 against claims filed as prescribed by law with the Director of ~~State~~
11 ~~Finance~~ the Office of Management and Enterprise Services for
12 approval and payment.

13 SECTION 55. REPEALER 61 O.S. 2011, Section 208.2, as
14 amended by Section 326, Chapter 304, O.S.L. 2012 (61 O.S. Supp.
15 2012, Section 208.2), is hereby repealed.

16 SECTION 56. AMENDATORY 62 O.S. 2011, Section 34.11.1, as
17 amended by Section 342, Chapter 304, O.S.L. 2012 (62 O.S. Supp.
18 2012, Section 34.11.1), is amended to read as follows:

19 Section 34.11.1. A. There is hereby created the position of
20 Chief Information Officer who shall be appointed by the Governor.
21 The Chief Information Officer, in addition to having authority over
22 the Information Services Division of the Office of Management and
23 Enterprise Services, shall also serve as Secretary of Information
24 Technology and Telecommunications or successor cabinet position and

1 shall have jurisdictional areas of responsibility related to
2 information technology and telecommunications systems of all state
3 agencies as provided for in the Oklahoma Information Services Act.
4 The salary of the Chief Information Officer shall not be less than
5 One Hundred Thirty Thousand Dollars (\$130,000.00) or more than One
6 Hundred Sixty Thousand Dollars (\$160,000.00). The first Chief
7 Information Officer shall be appointed no later than January 1,
8 2010.

9 B. Any person appointed to the position of Chief Information
10 Officer shall meet the following eligibility requirements:

11 1. A baccalaureate degree in Computer Information Systems,
12 Information Systems or Technology Management, Business
13 Administration, Finance, or other similar degree;

14 2. A minimum of ten (10) years of professional experience with
15 responsibilities for management and support of information systems
16 and information technology, including seven (7) years of direct
17 management of a major information technology operation;

18 3. Familiarity with local and wide-area network design,
19 implementation, and operation;

20 4. Experience with data and voice convergence service
21 offerings;

22 5. Experience in developing technology budgets;

23 6. Experience in developing requests for proposal and
24 administering the bid process;

- 1 7. Experience managing professional staff, teams, and
- 2 consultants;
- 3 8. Knowledge of telecommunications operations;
- 4 9. Ability to develop and set strategic direction for
- 5 information technology and telecommunications and to manage daily
- 6 development and operations functions;
- 7 10. An effective communicator who is able to build consensus;
- 8 11. Ability to analyze and resolve complex issues, both logical
- 9 and interpersonal;
- 10 12. Effective verbal and written communications skills and
- 11 effective presentation skills, geared toward coordination and
- 12 education;
- 13 13. Ability to negotiate and defuse conflict; and
- 14 14. A self-motivator, independent, cooperative, flexible and
- 15 creative.

16 C. The salary and any other expenses for the Chief Information
17 Officer shall be budgeted as a separate line item through the Office
18 of Management and Enterprise Services. The operating expenses of
19 the Information Services Division shall be set by the Chief
20 Information Officer and shall be budgeted as a separate line item
21 through the Office of Management and Enterprise Services. The
22 Office of Management and Enterprise Services shall provide adequate
23 office space, equipment and support necessary to enable the Chief
24 Information Officer to carry out the information technology and

1 telecommunications duties and responsibilities of the Officer and
2 the Information Services Division.

3 D. 1. Within twelve (12) months of appointment, the first
4 Chief Information Officer shall complete an assessment of the
5 implementation of the transfer, coordination, and modernization of
6 all information technology and telecommunication systems of all
7 state agencies in the state as provided for in the Oklahoma
8 Information Services Act. The assessment shall include the
9 information technology and telecommunications systems of all
10 institutions within The Oklahoma State System of Higher Education,
11 the Oklahoma State Regents for Higher Education and the
12 telecommunications network known as OneNet.

13 2. Within twelve (12) months of appointment, the first Chief
14 Information Officer shall issue a report setting out a plan of
15 action which will include the following:

- 16 a. define the shared service model organization structure
17 and the reporting relationship of the recommended
18 organization,
- 19 b. the implementation of an information technology and
20 telecommunications shared services model that defines
21 the statewide infrastructure environment needed by
22 most state agencies that is not specific to individual
23 agencies and the shared applications that are utilized
24 across multiple agencies,

- c. define the services that shall be in the shared services model under the control of the Information Services Division of the Office of Management and Enterprise Services,
- d. define the roadmap to implement the proposed shared services model. The roadmap shall include recommendations on the transfer, coordination, and modernization of all information technology and telecommunication systems of all the state agencies in the state,
- e. recommendations on the reallocation of information technology and telecommunication resources and personnel,
- f. recommendations on maximizing the benefits to the state by the alignment and operation of the communications and data transfer network assets known as OneNet,
- g. a cost benefit analysis to support the recommendations on the reallocation of information technology and telecommunication resources and personnel,
- h. a calculation of the net savings realized through the reallocation and consolidation of information technology and telecommunication resources and personnel after compensating for the cost of

1 contracting with a private consultant as authorized in
2 paragraph 4 of this subsection, implementing the plan
3 of action, and ongoing costs of the Information
4 Services Division of the Office of Management and
5 Enterprise Services, and

6 i. the information required in subsection B of Section
7 35.5 of this title.

8 3. The plan of action report shall be presented to the
9 Governor, Speaker of the House of Representatives, and the President
10 Pro Tempore of the State Senate.

11 4. The Chief Information Officer may contract with a private
12 consultant or consultants to assist in the assessment and
13 development of the plan of action report as required in this
14 subsection.

15 E. Beginning on the effective date of appointment, the Chief
16 Information Officer shall be authorized to employ personnel, fix the
17 duties and compensation of the personnel, not otherwise prescribed
18 by law, and otherwise direct the work of the personnel in performing
19 the function and accomplishing the purposes of the Information
20 Services Division of the Office of Management and Enterprise
21 Services.

22 F. Beginning on the effective date of the appointment of the
23 first Chief Information Officer, the Information Services Division
24

1 of the Office of Management and Enterprise Services shall be
2 responsible for the following duties:

3 1. Formulate and implement the information technology strategy
4 for all state agencies;

5 2. Define, design, and implement a shared services statewide
6 infrastructure and application environment for information
7 technology and telecommunications for all state agencies;

8 3. Direct the development and operation of a scalable
9 telecommunications infrastructure that supports data and voice
10 communications reliability, integrity, and security;

11 4. Supervise the applications development process for those
12 applications that are utilized across multiple agencies;

13 5. Provide direction for the professional development of
14 information technology staff of state agencies and oversee the
15 professional development of the staff of the Information Services
16 Division of the Office of Management and Enterprise Services;

17 6. Evaluate all technology and telecommunication investment
18 choices for all state agencies;

19 7. Create a plan to ensure alignment of current systems, tools,
20 and processes with the strategic information technology plan for all
21 state agencies;

22 8. Set direction and provide oversight for the support and
23 continuous upgrading of the current information technology and
24

1 telecommunication infrastructure in the state in support of enhanced
2 reliability, user service levels, and security;

3 9. Direct the development, implementation, and management of
4 appropriate standards, policies and procedures to ensure the success
5 of state information technology and telecommunication initiatives;

6 10. Recruit, hire and transfer the required technical staff in
7 the Information Services Division of the Office of Management and
8 Enterprise Services to support the services provided by the Division
9 and the execution of the strategic information technology plan;

10 11. Establish, maintain, and enforce information technology and
11 telecommunication standards;

12 12. Delegate, coordinate, and review all work to ensure quality
13 and efficient operation of the Information Services Division of the
14 Office of Management and Enterprise Services;

15 13. Create and implement a communication plan that disseminates
16 pertinent information to state agencies on standards, policies,
17 procedures, service levels, project status, and other important
18 information to customers of the Information Services Division of the
19 Office of Management and Enterprise Services and provide for agency
20 feedback and performance evaluation by customers of the Division;

21 14. Develop and implement training programs for state agencies
22 using the shared services of the Information Services Division of
23 the Office of Management and Enterprise Services and recommend
24

1 training programs to state agencies on information technology and
2 telecommunication systems, products and procedures;

3 15. Provide counseling, performance evaluation, training,
4 motivation, discipline, and assign duties for employees of the
5 Information Services Division of the Office of Management and
6 Enterprise Services;

7 16. Approve the purchasing of all information technology and
8 telecommunication products and services for all state agencies;

9 17. Develop and enforce an overall infrastructure architecture
10 strategy and associated roadmaps for desktop, network, server,
11 storage, and statewide management systems for state agencies;

12 18. Effectively manage the design, implementation and support
13 of complex, highly available infrastructure to ensure optimal
14 performance, on-time delivery of features, and new products, and
15 scalable growth;

16 19. Define and implement a governance model for requesting
17 services and monitoring service level metrics for all shared
18 services; and

19 20. Create the budget for the Information Services Division of
20 the Office of Management and Enterprise Services to be submitted to
21 the Legislature each year.

22 G. Upon receiving approval of the State Governmental Technology
23 Applications Review Board, the Chief Information Officer shall
24 implement the plan of action as set forth in subsection D of this

1 section; provided, the plan of action for the Department of Human
2 Services shall not be implemented until July 1, 2011. The State
3 Governmental Technology Applications Review Board shall provide
4 ongoing oversight of the implementation of the plan of action. Any
5 proposed amendments to the plan of action shall be approved by the
6 Board prior to adoption. The net savings realized through the
7 reallocation and consolidation of information technology and
8 telecommunication resources and personnel after compensating for the
9 up-front costs and ongoing costs of the Information Services
10 Division of the Office of Management and Enterprise Services which
11 are identified and reported in the plan of action shall be realized
12 no later than July 1, 2012, and shall at a minimum be not less than
13 fifteen percent (15%) of the overall statewide information
14 technology and telecommunications expenditures made by all state
15 agencies during the fiscal year ending June 30, 2009.

16 H. 1. Beginning on the effective date of appointment, the
17 Chief Information Officer shall act as the Information Technology
18 and Telecommunications Purchasing Director for all state agencies
19 and shall be responsible for the procurement of all information
20 technology and telecommunication software, hardware, equipment,
21 peripheral devices, maintenance, consulting services, high
22 technology systems, and other related information technology, data
23 processing, telecommunication and related peripherals and services
24 for all state agencies. The Chief Information Officer shall

1 establish, implement, and enforce policies and procedures for the
2 procurement of information technology and telecommunication
3 software, hardware, equipment, peripheral devices, maintenance,
4 consulting services, high technology systems, and other related
5 information technology, data processing, telecommunication and
6 related peripherals and services by purchase, lease-purchase, lease
7 with option to purchase, lease and rental for all state agencies.
8 The procurement policies and procedures established by the Chief
9 Information Officer shall be consistent with The Oklahoma Central
10 Purchasing Act and Section 85.7h of Title 74 of the Oklahoma
11 Statutes.

12 2. The Chief Information Officer, or any employee or agent of
13 the Chief Information Officer acting within the scope of delegated
14 authority, shall have the same power and authority regarding the
15 procurement of all information and telecommunication technology,
16 equipment, software, products and related peripherals and services
17 for all state agencies as the State Purchasing Director has for all
18 acquisitions used or consumed by state agencies as established in
19 The Oklahoma Central Purchasing Act. Such authority shall,
20 consistent with the authority granted to the State Purchasing
21 Director pursuant to Section 85.10 of Title 74 of the Oklahoma
22 Statutes, include the power to designate financial or proprietary
23 information submitted by a bidder confidential and reject all
24 requests to disclose the information so designated, if the Chief

1 Information Officer requires the bidder to submit the financial or
2 proprietary information with a bid, proposal, or quotation.

3 I. The Information Services Division of the Office of
4 Management and Enterprise Services and the Chief Information Officer
5 shall be subject to The Oklahoma Central Purchasing Act for the
6 approval and purchase of equipment and products not related to
7 information and telecommunications technology, equipment, software,
8 products and related peripherals and services and shall also be
9 subject to the requirements of the Public Competitive Bidding Act of
10 1974, the Oklahoma Lighting Energy Conservation Act and the Public
11 Building Construction and Planning Act when procuring data
12 processing, information technology, telecommunication, and related
13 peripherals and services and when constructing information
14 technology and telecommunication facilities, telecommunication
15 networks and supporting infrastructure. The Chief Information
16 Officer shall be authorized to delegate all or some of the
17 procurement of information technology and telecommunication products
18 and services and construction of facilities and telecommunication
19 networks to another state entity if the Chief Information Officer
20 determines it to be cost-effective and in the best interest of the
21 state. The Chief Information Officer shall have authority to
22 designate information technology and telecommunication contracts as
23 statewide contracts and mandatory statewide contracts pursuant to
24 Section 85.5 of Title 74 of the Oklahoma Statutes. Any contract

1 entered into by a state agency for which the Chief Information
2 Officer has not acted as the Information Technology and
3 Telecommunications Purchasing Director as required in this
4 subsection or subsection H of this section, shall be deemed to be
5 unenforceable and the Office of Management and Enterprise Services
6 shall not process any claim associated with the provisions thereof.

7 J. The Chief Information Officer shall establish and implement
8 charges and a system to assess the charges to state agencies for
9 their use of shared information technology and telecommunication
10 services subject to the approval of the State Governmental
11 Technology Applications Review Board.

12 K. The Chief Information Officer shall establish, implement,
13 and enforce policies and procedure for the development and
14 procurement of an interoperable radio communications system for
15 state agencies. The Chief Information Officer shall work with local
16 governmental entities in developing the interoperable radio
17 communications system.

18 L. The Chief Information Officer shall develop and implement a
19 plan to utilize open source technology and products for the
20 information technology and telecommunication systems of all state
21 agencies.

22 M. All state agencies and authorities of this state and all
23 officers and employees of those entities shall work and cooperate
24 with and lend assistance to the Chief Information Officer and the

1 Information Services Division of the Office of Management and
2 Enterprise Services and provide any and all information requested by
3 the Chief Information Officer.

4 N. The Chief Information Officer shall prepare an annual report
5 detailing the ongoing net saving attributable to the reallocation
6 and consolidation of information technology and telecommunication
7 resources and personnel and shall submit the report to the Governor,
8 the Speaker of the House of Representatives, and the President Pro
9 Tempore of the Senate.

10 O. For purposes of the Oklahoma Information Services Act,
11 unless otherwise provided for, "state agencies" shall include any
12 office, officer, bureau, board, commission, counsel, unit, division,
13 body, authority or institution of the executive branch of state
14 government, whether elected or appointed; provided, except with
15 respect to the provisions of subsection D of this section, the term
16 "state agencies" shall not include institutions within The Oklahoma
17 State System of Higher Education, the Oklahoma State Regents for
18 Higher Education and the telecommunications network known as OneNet.

19 SECTION 57. REPEALER 62 O.S. 2011, Section 34.11.1, as
20 last amended by Section 1, Chapter 292, O.S.L. 2012 (62 O.S. Supp.
21 2012, Section 34.11.1), is hereby repealed.

22 SECTION 58. AMENDATORY 62 O.S. 2011, Section 34.12, as
23 amended by Section 2, Chapter 292, O.S.L. 2012 (62 O.S. Supp. 2012,
24 Section 34.12), is amended to read as follows:

1 Section 34.12. A. The Information Services Division of the
2 ~~Office of State Finance~~ Office of Management and Enterprise Services
3 shall:

4 1. Coordinate information technology planning through analysis
5 of the long-term information technology plans for each agency;

6 2. Develop a statewide information technology plan with annual
7 modifications to include, but not be limited to, individual agency
8 plans and information systems plans for the statewide electronic
9 information technology function;

10 3. Establish and enforce minimum mandatory standards for:

- 11 a. information systems planning,
- 12 b. systems development methodology,
- 13 c. documentation,
- 14 d. hardware requirements and compatibility,
- 15 e. operating systems compatibility,
- 16 f. acquisition of software, hardware and technology-
17 related services,
- 18 g. information security and internal controls,
- 19 h. data base compatibility,
- 20 i. contingency planning and disaster recovery, and
- 21 j. imaging systems, copiers, facsimile systems, printers,
22 scanning systems and any associated supplies.

23 The standards shall, upon adoption, be the minimum requirements
24 applicable to all agencies. These standards shall be compatible

1 with the standards established for the Oklahoma Government
2 Telecommunications Network. Individual agency standards may be more
3 specific than statewide requirements but shall in no case be less
4 than the minimum mandatory standards. Where standards required of
5 an individual agency of the state by agencies of the federal
6 government are more strict than the state minimum standards, such
7 federal requirements shall be applicable;

8 4. Develop and maintain applications for agencies not having
9 the capacity to do so;

10 5. Operate an information technology service center to provide
11 operations and hardware support for agencies requiring such services
12 and for statewide systems;

13 6. Maintain a directory of the following which have a value of
14 Five Hundred Dollars (\$500.00) or more: application systems, systems
15 software, hardware, internal and external information technology,
16 communication or telecommunication equipment owned, leased, or
17 rented for use in communication services for state government,
18 including communication services provided as part of any other total
19 system to be used by the state or any of its agencies, and studies
20 and training courses in use by all agencies of the state; and
21 facilitate the utilization of the resources by any agency having
22 requirements which are found to be available within any agency of
23 the state;

1 7. Assist agencies in the acquisition and utilization of
2 information technology systems and hardware to effectuate the
3 maximum benefit for the provision of services and accomplishment of
4 the duties and responsibilities of agencies of the state;

5 8. Coordinate for the executive branch of state government
6 agency information technology activities, encourage joint projects
7 and common systems, linking of agency systems through the review of
8 agency plans, review and approval of all statewide contracts for
9 software, hardware and information technology consulting services
10 and development of a statewide plan and its integration with the
11 budget process to ensure that developments or acquisitions are
12 consistent with statewide objectives and that proposed systems are
13 justified and cost effective;

14 9. Develop performance reporting guidelines for information
15 technology facilities and conduct an annual review to compare agency
16 plans and budgets with results and expenditures;

17 10. Establish operations review procedures for information
18 technology installations operated by agencies of the state for
19 independent assessment of productivity, efficiency, cost
20 effectiveness, and security;

21 11. Establish service center user charges for billing costs to
22 agencies based on the use of all resources;

23 12. Provide system development and consultant support to state
24 agencies on a contractual, cost reimbursement basis; and

1 13. In conjunction with the Oklahoma Office of Homeland
2 Security, enforce the minimum information security and internal
3 control standards established by the Information Services Division.
4 An enforcement team consisting of the Chief Information Officer of
5 the Information Services Division or a designee, a representative of
6 the Oklahoma Office of Homeland Security, and a representative of
7 the Oklahoma State Bureau of Investigation shall enforce the minimum
8 information security and internal control standards. If the
9 enforcement team determines that an agency is not in compliance with
10 the minimum information security and internal control standards, the
11 Chief Information Officer shall take immediate action to mitigate
12 the noncompliance, including the removal of the agency from the
13 infrastructure of the state until the agency becomes compliant,
14 taking control of the information technology function of the agency
15 until the agency is compliant, and transferring the administration
16 and management of the information technology function of the agency
17 to the Information Services Division or another state agency.

18 B. No agency of the executive branch of the state shall use
19 state funds for or enter into any agreement for the acquisition of
20 any category of computer hardware, software or any contract for
21 information technology services and equipment, service costs,
22 maintenance costs, or any other costs or fees associated with the
23 acquisition of the services or equipment, without written
24 authorization of the Chief Information Officer or a designee. If

1 written authorization is not obtained prior to incurring an
2 expenditure or entering into any agreement as required in this
3 subsection or as required in Section 35.4 of this title, the ~~Office~~
4 ~~of State Finance~~ Office of Management and Enterprise Services may
5 not process any claim associated with the expenditure and the
6 provisions of any agreement shall not be enforceable. The
7 provisions of this subsection shall not be applicable to any member
8 of The Oklahoma State System of Higher Education, any public
9 elementary or secondary schools of the state, any technology center
10 school district as defined in Section 14-108 of Title 70 of the
11 Oklahoma Statutes, or CompSource Oklahoma if CompSource Oklahoma is
12 operating pursuant to a pilot program authorized by Sections 3316
13 and 3317 of Title 74 of the Oklahoma Statutes.

14 C. The Chief Information Officer and Information Services
15 Division of the ~~Office of State Finance~~ Office of Management and
16 Enterprise Services and all agencies of the executive branch of the
17 state shall not be required to disclose, directly or indirectly, any
18 information of a state agency which is declared to be confidential
19 or privileged by state or federal statute or the disclosure of which
20 is restricted by agreement with the United States or one of its
21 agencies, nor disclose information technology system details that
22 may permit the access to confidential information or any information
23 affecting personal security, personal identity, or physical security
24 of state assets.

1 SECTION 59. REPEALER 62 O.S. 2011, Section 34.12, as
2 amended by Section 345, Chapter 304, O.S.L. 2012 (62 O.S. Supp.
3 2012, Section 34.12), is hereby repealed.

4 SECTION 60. AMENDATORY 62 O.S. 2011, Section 34.21, as
5 amended by Section 3, Chapter 292, O.S.L. 2012 (62 O.S. Supp. 2012,
6 Section 34.21), is amended to read as follows:

7 Section 34.21. A. No agency of the executive branch of the
8 state shall use state funds for or enter into any agreement for the
9 acquisition, development or enhancement of a communication or
10 telecommunication system including voice, data, radio, video,
11 Internet, eGovernment, as referenced in Sections 34.24 and 34.25 of
12 this title, printers, scanners, copiers, facsimile systems and
13 associated supplies, service costs, maintenance costs, or any other
14 costs or fees associated with the acquisition of the system or
15 equipment, without written authorization of the Chief Information
16 Officer or a designee. The Chief Information Officer or a designee
17 shall verify that any acquisition, development or enhancement is
18 compatible with the operation of the Oklahoma Government
19 Telecommunications Network.

20 B. No agency of the executive branch of the state shall enter
21 into any agreement for the acquisition, development or enhancement
22 of a communication or telecommunication system or service including
23 voice, data, radio, video, Internet, eGovernment, printers,
24 scanners, copiers, and facsimile systems, unless the cost of such

1 addition, change, improvement or development has been included in
2 the statewide communications plan of the Information Services
3 Division of the ~~Office of State Finance~~ Office of Management and
4 Enterprise Services, as said plan may have been amended or revised.

5 C. State agencies may enter into interagency contracts to share
6 communications and telecommunications resources for mutually
7 beneficial purposes. The contract shall clearly state how its
8 purpose contributes to the development or enhancement or cost
9 reduction of a state network which includes voice, data, radio,
10 video, Internet, eGovernment, or facsimile systems. The contract
11 shall be approved by the Information Services Division before any
12 payments are made.

13 D. The provisions of subsections A, B and C of this section
14 shall not apply to the telecommunications network known as OneNet
15 whether said network is governed or operated by the Oklahoma State
16 Regents for Higher Education or any other state entity assigned
17 responsibility for OneNet.

18 E. The provisions of this section shall not apply to CompSource
19 Oklahoma if CompSource Oklahoma is operating pursuant to a pilot
20 program authorized by Sections 3316 and 3317 of Title 74 of the
21 Oklahoma Statutes.

22 F. No state agency shall use state funds or enter into any
23 agreement for the acquisition, development or enhancement of a
24 public safety communication system unless the request is consistent

1 with the Statewide Communications Interoperability Plan and the
2 public safety communications standards issued by the Oklahoma Office
3 of Homeland Security. Agencies interested in acquiring, developing
4 or enhancing a public safety communications system shall submit a
5 proposal to the Oklahoma Office of Homeland Security. The Oklahoma
6 Office of Homeland Security shall issue a proposal review which
7 summarizes whether the proposal is consistent with the Statewide
8 Communications Interoperability Plan and the technology standards
9 issued. The proposal review shall be submitted to the requesting
10 agency and to the Chief Information Officer.

11 SECTION 61. REPEALER 62 O.S. 2011, Section 34.21, as
12 amended by Section 353, Chapter 304, O.S.L. 2012 (62 O.S. Supp.
13 2012, Section 34.21), is hereby repealed.

14 SECTION 62. AMENDATORY 62 O.S. 2011, Section 35.5, as
15 amended by Section 414, Chapter 304, O.S.L. 2012 (62 O.S. Supp.
16 2012, Section 35.5), is amended to read as follows:

17 Section 35.5. A. 1. Not later than thirty (30) days ~~after the~~
18 ~~effective date of this act~~ August 26, 2011, all state agencies shall
19 provide to the Chief Information Officer a list of information
20 technology assets of the agency which are integral to agency-
21 specific applications or functions and a list of information
22 technology positions which are directly associated with the assets.
23 The agency shall further provide the reference to federal or state
24

1 statutory or constitutional provisions which require it to perform
2 the applications or functions.

3 2. If the Chief Information Officer disputes the identification
4 of assets or positions provided by a state agency as being integral
5 to agency-specific applications or functions, the Director of the
6 Office of Management and Enterprise Services shall make the final
7 determination.

8 B. Not later than December 1, 2011, and not later than December
9 1 of each year thereafter, the Chief Information Officer shall
10 modify the assessment required by subsection D of Section 34.11.1 of
11 this title to include identification of:

12 1. All information technology assets of all state agencies,
13 which are not integral to agency-specific applications or functions,
14 and the transfer of which to the Information Services Division of
15 the Office of Management and Enterprise Services and the Chief
16 Information Officer would result in a cost savings to the taxpayers
17 of this state or improved efficiency of state government operations,
18 including all furniture, equipment, vehicles, supplies, records,
19 current and future liabilities, fund balances, encumbrances,
20 obligations, and indebtedness associated with the information
21 technology assets; and

22 2. All information technology positions associated with the
23 information technology assets identified pursuant to paragraph 1 of
24 this subsection. The assessment shall identify the amount of

1 compensation and related liabilities for accrued sick leave, annual
2 leave, holidays, unemployment benefits, and workers' compensation
3 benefits for the positions.

4 C. The information technology assets and positions identified
5 in the assessment pursuant to subsection B of this section of
6 appropriated state agencies shall be transferred to the Information
7 Services Division of the Office of Management and Enterprise
8 Services subject to the following provisions:

9 1. Information technology assets identified in the assessment
10 pursuant to the provisions of paragraph 1 of subsection B of this
11 section of appropriated state agencies shall be transferred
12 effective January 1, 2012. The costs of operation, maintenance,
13 licensing and service of the assets shall remain the responsibility
14 of the state agency from which they are transferred until July 1,
15 2012, unless otherwise agreed to by the state agency and the
16 Division. Appropriate conveyances and other documents shall be
17 executed to effectuate the transfer of the information technology
18 assets and positions to the Information Services Division of the
19 Office of Management and Enterprise Services; and

20 2. Information technology positions identified in the
21 assessment pursuant to the provisions of paragraph 2 of subsection B
22 of this section of appropriated state agencies shall be transferred
23 effective February 1, 2012. Each state agency shall enter into an
24 agreement with the Division not later than January 1, 2012, for the

1 remainder of fiscal year 2012, specifying the terms of the
2 transfers, including provisions for the Division to provide
3 information technology services to the agency and for the agency to
4 reimburse the Division for the cost of the services. If an
5 agreement cannot be reached, the Director of the Office of
6 Management and Enterprise Services shall be authorized to negotiate
7 the terms of the agreement, which shall then be entered into by the
8 state agency and the Division.

9 D. 1. For modifications of the assessment required by
10 subsection D of Section 34.11.1 of this title made in fiscal year
11 2013 and subsequent fiscal years, the Chief Information Officer
12 shall identify:

- 13 a. the amount of savings to the taxpayers of this state
14 resulting from the provisions of the Information
15 Technology Consolidation and Coordination Act, and
- 16 b. any changes in law required or any changes to the
17 amount of state appropriations or other state funds
18 associated with the transfer of the information
19 technology assets or positions.

20 2. The Chief Information Officer shall recommend changes to the
21 Director of the Office of Management and Enterprise Services and the
22 Governor for inclusion in the next executive budget to be submitted
23 to the Legislature.

24

1 E. For fiscal year 2013 and subsequent fiscal years, the
2 Information Services Division shall provide information technology
3 services to each state agency for shared services ~~at no~~ and shall
4 bill agencies for those services at an estimated cost to the agency.
5 ~~The Legislature shall appropriate sufficient funds to the Office of~~
6 ~~Management and Enterprise Services for the Division to provide the~~
7 ~~services. The amount of appropriations shall not exceed the amount~~
8 ~~appropriated to other state agencies for such services prior to the~~
9 ~~effective date of this act~~ provide the services. The estimated cost
10 shall include the full cost of the services, including materials,
11 depreciation related to capital costs, labor, and administrative
12 expenses of the Information Services Division of the Office of
13 Management and Enterprise Services in connection with the operation
14 of the data center and Division operations and shall include
15 expenses associated with acquiring, installing, and operating
16 information technology infrastructure, hardware and software for use
17 by state agencies. The Information Services Division shall publish
18 a schedule of costs for each information technology service provided
19 and shall enter into an agreement with each state agency for the
20 services that will be provided prior to providing the services. The
21 total amount charged to a state agency for the information
22 technology services shall not exceed the amount appropriated to that
23 agency for such services. State agencies shall process payments as
24 provided for under the agreement entered into with the Information

1 Services Division in a timely manner and when payments are deemed to
2 be delinquent, the Information Services Division may request the
3 Division of Central Accounting and Reporting of the Office of
4 Management and Enterprise Services to create vouchers and process
5 payments to the Information Services Division against the funds of
6 the delinquent agency. If the state agency for which information
7 technology services were provided disputes the provision of services
8 in accordance with its agreement with the Information Services
9 Division, no voucher shall be processed against the funds of the
10 delinquent agency until the dispute over services has been resolved,
11 at which point a voucher may be processed in accordance with the
12 terms of the dispute resolution.

13 F. The Information Services Division of the Office of
14 Management and Enterprise Services shall succeed to any contractual
15 rights, easement rights, lease rights, and responsibilities related
16 to the information technology assets that are transferred as
17 provided for in this section and incurred by an appropriated state
18 agency.

19 SECTION 63. REPEALER 62 O.S. 2011, Section 35.5, as
20 amended by Section 4, Chapter 292, O.S.L. 2012 (62 O.S. Supp. 2012,
21 Section 35.5), is hereby repealed.

22 SECTION 64. AMENDATORY 62 O.S. 2011, Section 35.8, as
23 amended by Section 5, Chapter 292, O.S.L. 2012 (62 O.S. Supp. 2012,
24 Section 35.8), is amended to read as follows:

1 Section 35.8. A. Notwithstanding any other provision of law,
2 the provisions of the Information Technology Consolidation and
3 Coordination Act shall operate to maintain or increase security
4 standards and shall not jeopardize confidentiality or compliance
5 with state or federal laws or regulations. The State Governmental
6 Technology Applications Review Board, with the advice of the
7 Oklahoma Integrated Justice Information Systems Steering Committee,
8 shall consider and approve security protocols which shall be
9 followed by the Information Services Division of the ~~Office of State~~
10 ~~Finance~~ Office of Management and Enterprise Services. The Board, in
11 conjunction with the Committee, shall make recommendations to state
12 officers and employees related to continuity of criminal justice
13 information system security protocols.

14 B. Notwithstanding the provisions of Section 35.5 of this
15 title, the transfer of information technology assets and positions
16 of the Department of Public Safety shall occur prior to the transfer
17 of assets and positions of other public safety agencies.

18 C. Unless otherwise provided for in law, the transfer of
19 information technology assets and positions of any state agency
20 pursuant to the Information Technology Consolidation and
21 Coordination Act shall not act to transfer to the Information
22 Services Division of the ~~Office of State Finance~~ Office of
23 Management and Enterprise Services or to the Chief Information
24 Officer the duties of a state agency to keep, maintain and open to

1 any person all records of the agency in compliance with the Oklahoma
2 Open Records Act. Each state agency shall continue to be
3 responsible for records created by, received by, under the authority
4 of, or coming into the custody, control or possession of the agency
5 including the duty to organize and categorize the records in a
6 retrievable form and the duty to respond to requests for records,
7 even if the records have been transmitted to or stored by the
8 Information Services Division of the ~~Office of State Finance~~ Office
9 of Management and Enterprise Services or the Chief Information
10 Officer.

11 D. State employees who are members of the Teachers' Retirement
12 System of Oklahoma and are transferred pursuant to the Information
13 Technology Consolidation and Coordination Act may elect to continue
14 their participation in the Teachers' Retirement System of Oklahoma
15 in lieu of participating in the Oklahoma Public Employees Retirement
16 System. Any transferred employee who wishes to make such election
17 shall do so in writing within thirty (30) days of the effective date
18 of this act. If any transferred employee has already started
19 participating in the Oklahoma Public Employees Retirement System,
20 the employee may make an election to return to the Teachers'
21 Retirement System of Oklahoma if the election is made in writing
22 within thirty (30) days of the effective date of this act. In the
23 event a transferred employee who has already begun participating in
24 the Oklahoma Public Employees Retirement System elects to return to

1 the Teachers' Retirement System of Oklahoma, the Oklahoma Public
2 Employees Retirement System shall transfer the service credit and
3 contributions to the Teachers' Retirement System of Oklahoma for any
4 credit that accrued after the initial transfer. The election to
5 continue or return to participation in the Teachers' Retirement
6 System of Oklahoma pursuant to this subsection shall be irrevocable
7 and shall be effective until the employment with the ~~Office of State~~
8 ~~Finance~~ Office of Management and Enterprise Services is terminated.

9 SECTION 65. REPEALER 62 O.S. 2011, Section 35.8, as
10 amended by Section 417, Chapter 304, O.S.L. 2012 (62 O.S. Supp.
11 2012, Section 35.8), is hereby repealed.

12 SECTION 66. AMENDATORY 62 O.S. 2011, Section 89.2, as
13 amended by Section 4, Chapter 131, O.S.L. 2012 (62 O.S. Supp. 2012,
14 Section 89.2), is amended to read as follows:

15 Section 89.2. A. The State Treasurer is directed to invest the
16 maximum amount of funds under control of the State Treasurer
17 consistent with good business practices. Except as otherwise
18 provided for by law, the investments shall earn not less than the
19 rate for comparable maturities on United States Treasury
20 obligations. Except as otherwise provided for by law, the State
21 Treasurer may purchase and invest only in:

22 1. Obligations of the United States Government, its agencies
23 and instrumentalities, or other obligations fully insured or
24 unconditionally guaranteed as to the payment of principal and

1 interest by the United States government or any of its agencies and
2 instrumentalities;

3 2. Collateralized or insured certificates of deposit and other
4 evidences of deposit at banks, savings banks, savings and loan
5 associations and credit unions located in this state;

6 3. Negotiable certificates of deposit issued by a nationally or
7 state-chartered bank, a savings bank, a savings and loan association
8 or a state-licensed branch of a foreign bank. Purchases of
9 negotiable certificates of deposit shall not exceed ten percent
10 (10%) of the cash available for investment which may be invested
11 pursuant to this section. Not more than one-half (1/2) of the ten
12 percent (10%) limit shall be invested in any one financial
13 institution specified in this paragraph;

14 4. Prime banker's acceptances which are eligible for purchase
15 by the Federal Reserve System and which do not exceed two hundred
16 seventy (270) days' maturity. Purchases of prime banker's
17 acceptances shall not exceed ten percent (10%) of the cash available
18 for investment which may be invested pursuant to this section. Not
19 more than three-fourths (3/4) of the ten percent (10%) limit shall
20 be invested in any one commercial bank pursuant to this paragraph;

21 5. Prime commercial paper which shall not have a maturity that
22 exceeds one hundred eighty (180) days nor represent more than ten
23 percent (10%) of the outstanding paper of an issuing corporation.
24 Purchases of prime commercial paper shall not exceed seven and one-

1 half percent (7 1/2%) of the cash available for investment which may
2 be invested pursuant to this section;

3 6. Investment grade obligations of state and local governments,
4 including obligations of Oklahoma state public trusts which possess
5 the highest rating from at least one nationally recognized rating
6 agency acceptable to the State Treasurer. Purchases of investment
7 grade obligations of state and local governments shall not exceed
8 ten percent (10%) of the cash available for investment which may be
9 invested pursuant to this section;

10 7. Repurchase agreements, provided that such agreements are
11 included within the written investment policy required by subsection
12 D of this section that have underlying collateral consisting of
13 those items and those restrictions specified in paragraphs 1 through
14 6 of this subsection;

15 8. Money market funds and short term bond funds regulated by
16 the Securities and Exchange Commission and which investments consist
17 of those items and those restrictions specified in paragraphs 1
18 through 7 of this subsection; and

19 9. Bonds, notes, debentures or other similar obligations of a
20 foreign government which the International Monetary Fund lists as an
21 industrialized country and for which the full faith and credit of
22 such nation has been pledged for the payment of principal and
23 interest; provided, that any such security shall be rated at least
24 A- or better by Standard & Poor's Corporation or A3 or better by

1 Moody's Investors Service, or an equivalent investment grade by a
2 securities ratings organization accepted by the National Association
3 of Insurance Commissioners; and provided further, that the total
4 investment in such foreign securities at any one time shall not
5 exceed five percent (5%) of the cash available for investment which
6 may be invested pursuant to this section. In no circumstance shall
7 investments be made in bonds, notes, debentures or any similar
8 obligations of a foreign government that:

9 a. is identified as a state sponsor of terrorism by the
10 United States Department of State, or

11 b. any authoritarian or totalitarian government the
12 sovereign powers of which are exercised through a
13 single person or group of persons who are not elected
14 by any form of legitimate popular voting.

15 B. Investments shall be made with judgment and care, under
16 circumstances then prevailing, which persons of prudence, discretion
17 and intelligence exercise in the management of their own affairs,
18 not for speculation, but for investment, considering the probable
19 safety of their capital as well as the probable income to be
20 derived.

21 C. The State Treasurer shall appoint an investment officer who
22 shall perform duties related to the investment of state funds in the
23 Office of the State Treasurer. The investment officer shall not
24 perform or supervise any accounting functions, data processing

1 functions or duties related to the documentation or settlement of
2 investment transactions.

3 D. Investments of public funds by the State Treasurer shall be
4 made in accordance with written policies developed by the State
5 Treasurer. The written investment policies shall address:

- 6 1. Liquidity;
- 7 2. Diversification;
- 8 3. Safety of principal;
- 9 4. Yield;
- 10 5. Maturity and quality; and
- 11 6. Capability of investment management.

12 The State Treasurer shall place primary emphasis on safety and
13 liquidity in the investment of public funds. To the extent
14 practicable taking into account the need to use sound investment
15 judgment, the written investment policies shall include provision
16 for utilization of a system of competitive bidding in the investment
17 of state funds. The written investment policies shall be designed
18 to maximize yield within each class of investment instrument,
19 consistent with the safety of the funds invested.

20 E. The State Treasurer shall select one custodial bank to
21 settle transactions involving the investment of state funds under
22 the control of the State Treasurer. The State Treasurer shall
23 review the performance of the custodial bank at least once every
24 year. The State Treasurer shall require a written competitive bid

1 every five (5) years. The custodial bank shall have a minimum of
2 Five Hundred Million Dollars (\$500,000,000.00) in assets to be
3 eligible for selection. Any out-of-state custodial bank shall have
4 a service agent in the State of Oklahoma so that service of summons
5 or legal notice may be had on such designated agent as is now or may
6 hereafter be provided by law. In order to be eligible for
7 selection, the custodial bank shall allow electronic access to all
8 transaction and portfolio reports maintained by the custodial bank
9 involving the investment of state funds under control of the State
10 Treasurer. The access shall be given to both the State Treasurer
11 and to the Cash Management and Investment Oversight Commission. The
12 requirement for electronic access shall be incorporated into any
13 contract between the State Treasurer and the custodial bank.
14 Neither the State Treasurer nor the custodial bank shall permit any
15 of the funds under the control of the State Treasurer or any of the
16 documents, instruments, securities or other evidence of a right to
17 be paid money to be located in any place other than within a
18 jurisdiction or territory under the control or regulatory power of
19 the United States Government.

20 F. The investment policy shall specify the general philosophy,
21 policies and procedures to be followed in the investment of state
22 monies by the State Treasurer. The investment policy shall include,
23 but not be limited to, the following:

- 24 1. Policy objectives;

2. Performance measure objectives;
3. Authority for investment program;
4. Possible use of an investment advisory committee;
5. Reporting and documentation of investments;
6. Authorized investment instruments;
7. Diversification of investment risk;
8. Maturity limitations;
9. Selections of financial institutions;
10. Interest controls;
11. Safekeeping of investments;
12. Investment ethics; and
13. Formal adoption of policy.

G. The State Treasurer shall provide weekly reports of all investments made by the State Treasurer if requested by the Cash Management and Investment Oversight Commission, and list any commissions, fees or payments made for services regarding such investments. The reports required by this subsection shall be delivered to the Commission within three (3) business days of the end of the applicable week.

H. Not later than July 1 of each year, the State Treasurer shall forward a copy of the written investment policy to the Governor, the Speaker of the House of Representatives, the President Pro Tempore of the Senate, the Attorney General, the Bank Commissioner, and the Director of ~~State Finance~~ the Office of

1 Management and Enterprise Services. In addition, the State
2 Treasurer shall maintain one copy of the investment policy in the
3 office of the State Treasurer for public inspection during regular
4 business hours. Copies of any modifications to the investment
5 policy shall be forwarded to the Governor, Speaker of the House of
6 Representatives, President Pro Tempore of the Senate, and each
7 member of the Cash Management and Investment Oversight Commission.

8 SECTION 67. REPEALER 62 O.S. 2011, Section 89.2, as
9 amended by Section 439, Chapter 304, O.S.L. 2012 (62 O.S. Supp.
10 2012, Section 89.2), is hereby repealed.

11 SECTION 68. AMENDATORY 62 O.S. 2011, Section 901, as
12 amended by Section 1, Chapter 288, O.S.L. 2012 (62 O.S. Supp. 2012,
13 Section 901), is amended to read as follows:

14 Section 901. A. 1. There is hereby created a Long-Range
15 Capital Planning Commission to advise and assist the Legislature in
16 providing for capital facilities in this state. The Commission
17 shall consist of nine (9) members as follows:

18 a. three members appointed by the President Pro Tempore
19 of the Senate to serve at the pleasure of the
20 appointing authority. Of these appointees two shall
21 be members of the Senate and one shall be from the
22 public at large,

23 b. three members appointed by the Speaker of the House of
24 Representatives to serve at the pleasure of the

1 appointing authority. Of these appointees two shall
2 be members of the House of Representatives and one
3 shall be from the public at large, and

4 c. three members shall be appointed by the Governor to
5 serve at the pleasure of the appointing authority.

6 These appointees shall be from the public at large.

7 2. A chairman of the Commission shall be elected from its
8 membership. Five members of the Commission shall constitute a
9 quorum. Members of the Commission shall serve without compensation,
10 but all public members shall be entitled to reimbursement, pursuant
11 to the State Travel Reimbursement Act, for expenses incurred in the
12 performance of their duties.

13 3. Initial appointments to the Commission shall be made within
14 thirty (30) days of the effective date of this act.

15 B. The Commission shall have the authority to promulgate rules
16 and regulations necessary to implement the provisions of this act.

17 C. The Office of ~~State Finance~~ Management and Enterprise
18 Services, with the advice and assistance of the Oklahoma State Bond
19 Advisor, shall provide staffing for the Commission and other such
20 assistance as the Commission may require.

21 D. 1. The Commission shall prepare each year a state capital
22 plan for addressing state capital facility needs for the next
23 ensuing five (5) years. The Oklahoma State Regents for Higher
24 Education and each state governmental entity as defined in Section

1 695.3 of this title shall cooperate with the Commission in the
2 preparation of the state plan. Each year, on or about December 1,
3 the plan shall be submitted to the Governor, Speaker of the House of
4 Representatives and President Pro Tempore of the Senate.

5 2. a. The capital plan should supplement and integrate, not
6 replace, existing capital planning processes. The
7 plan shall consider and incorporate, as appropriate,
8 the local and regional plans that may be developed.

9 b. The plan shall assess long-term needs for capital
10 facilities provided by both state and local
11 governments as determined by the Commission. The plan
12 shall include:

13 (1) an inventory of capital facilities held by the
14 state, and when available, by units of local
15 government or special districts. The inventory
16 shall include such information as is reasonably
17 available on the physical and economic condition
18 of these assets,

19 (2) a projection of economic and demographic trends
20 likely to influence the needs for new or expanded
21 capital facilities,

22 (3) an estimate of mandatory, essential, desirable
23 and deferrable repair, replacement and
24 expansions,

- 1 (4) estimates of life cycle costs for new and
2 substantially expanded or renovated facilities,
3 (5) an analysis of recent trends and projections of
4 revenues available from general obligation and
5 revenue bonds, general and dedicated taxes used
6 for capital facilities finance, user fees, the
7 federal government and other sources,
8 (6) an analysis of the capacity of the state and
9 local governments to incur debt or finance public
10 capital facilities,
11 (7) a detailed list of all capital projects of the
12 state which the Commission recommends be
13 undertaken or continued for any state agency in
14 the next two (2) fiscal years, together with
15 information as to the effect of such capital
16 projects on future operating expenses of the
17 state, and with recommendations as to the
18 priority of such capital projects and the means
19 of funding them,
20 (8) the forecasts of the Commission as to the
21 requirements for capital projects of state
22 agencies for the three (3) fiscal years next
23 following such two (2) fiscal years and for such
24 additional periods, if any, as may be necessary

1 or desirable for adequate presentation of
2 particular capital projects, and a schedule for
3 the planning and implementation or construction
4 of such capital projects,

5 (9) a schedule for the next fiscal year of
6 recommended projects,

7 (10) recommendations as to the maintenance of physical
8 properties and equipment of state agencies, and

9 (11) such other information as the Commission deems
10 relevant to the foregoing matters, and

11 (12) the inclusion of the findings of the Oklahoma
12 State Government Asset Reduction and Cost Savings
13 Program and the indexing of the most necessary
14 capital improvements to the expenditure of funds
15 from the Maintenance of State Buildings Revolving
16 Fund.

17 3. The Governor shall prepare at the same time as the state
18 budget document is prepared, a capital budget. The capital budget
19 shall be prepared and submitted by the Governor or Governor-elect in
20 accordance with the procedures for preparing the state budget
21 document. The capital budget shall embrace all expenditures of the
22 state government for facilities and equipment and all revenues to be
23 raised for purpose of meeting expenditure commitments during the
24 next ensuing fiscal year and shall include the following:

- 1 a. for each expenditure and class of expenditures, the
2 costs to be incurred during the next ensuing fiscal
3 year, plus where appropriate, the annual operating and
4 maintenance costs of such facilities and a schedule of
5 depreciation calculated in accordance with the
6 principles and standards of capital budgeting
7 authorized by paragraph 4 of this subsection,
- 8 b. the revenues and sources required to meet projected
9 expenditures. Revenue sources to be indicated
10 include, but are not limited to: the General Revenue
11 Fund, the Transportation Fund, any special funds,
12 proceeds of bond sales, federal funds, local
13 government revenue or other sources. Where additional
14 revenues in the form of additional taxes, user fees or
15 new bond issues are proposed to meet expenditure
16 requests, any funds created for such purposes shall be
17 included in this act, and
- 18 c. a statement regarding the relationship between the
19 proposals contained in the capital budget and the
20 capital plan. The capital budget shall be based upon
21 the capital plan prepared by the Commission.

22 4. The Commission, with the assistance of the Office of ~~State~~
23 ~~Finance~~ Management and Enterprise Services, shall prepare and
24 publish rules and regulations that set forth principles and

1 standards for capital planning and budgeting to be used by state
2 agencies. The rules and regulations shall set forth definitions of
3 relevant terms to be used in the capital planning and budgeting
4 processes, establish accounting standards and standards for costs
5 and benefits of public facility investments.

6 E. 1. The Commission, the Office of ~~State Finance~~ Management
7 and Enterprise Services, and the Oklahoma State Bond Advisor may
8 call to their assistance such personnel or any state agency in order
9 to perform their duties pursuant to the State Capital Improvement
10 Planning Act and such agencies shall respond and provide any such
11 assistance as may be required. The Commission may use existing
12 studies, surveys, plans, data and other materials in the possession
13 of any state agency or any municipality or political subdivision of
14 this state. Each such agency, municipality or subdivision may make
15 the same available to the Commission so that the Commission may have
16 available to it current information with respect to the capital
17 plans and programs of each such agency, municipality or subdivision.

18 2. The officers and personnel of any state agency may serve at
19 the request of the Commission upon such advisory committees as the
20 Commission may create and such officers and personnel may serve upon
21 such committees without forfeiture of office or employment and with
22 no loss or diminution of the compensation, status, rights and
23 privileges which they otherwise enjoy.

1 SECTION 69. REPEALER 62 O.S. 2011, Section 901, as last
2 amended by Section 469, Chapter 304, O.S.L. 2012 (62 O.S. Supp.
3 2012, Section 901), is hereby repealed.

4 SECTION 70. AMENDATORY 63 O.S. 2011, Section 2-103, as
5 amended by Section 1, Chapter 186, O.S.L. 2012 (63 O.S. Supp. 2012,
6 Section 2-103), is amended to read as follows:

7 Section 2-103. A. The Director shall be appointed by the
8 Oklahoma State Bureau of Narcotics and Dangerous Drugs Control
9 Commission. The Director of Narcotics and Dangerous Drugs Control
10 on January 1, 1984, shall be initially appointed as Director. The
11 succeeding Director shall, at the time of the appointment, have a
12 Bachelor's Degree from an accredited college or university and at
13 least five (5) years of experience in drug law enforcement. The
14 Director may appoint necessary assistants, agents, and other
15 personnel to perform the work of the office and may prescribe their
16 titles and duties and fix their compensation, other than the
17 salaries established in subsection A of Section 2-103a of this
18 title, pursuant to Merit System rules. The Director may appoint
19 employees to the positions of Chief of Law Enforcement Information
20 and Technology, Public Information/Education Officer, Training
21 Officer, Program Administrators, Grants Administrator, Criminal
22 Analysts, Legal Secretary, and Typist Clerk/Spanish
23 Transcriptionists. The positions shall be unclassified and exempt
24 from the rules and procedures of the ~~Office of Personnel Management~~

1 Office of Management and Enterprise Services, except leave
2 regulations. The office of the Director shall be located at a
3 suitable place in Oklahoma City, Oklahoma.

4 B. 1. Agents appointed by the Director shall have the powers
5 of peace officers generally; provided, the Director may appoint
6 special agents and reserve special agents, who shall be unclassified
7 employees of the state, to meet specific investigatory needs.
8 Special agents and reserve special agents shall not be required to
9 meet the age and educational requirements as specified in this
10 section.

11 2. Agents appointed on and after November 1, 1998, shall be at
12 least twenty-one (21) years of age and shall have a Bachelor's
13 Degree from an accredited college or university.

14 3. Each entering agent, with the exception of special agents,
15 shall be required to serve one (1) year in a probationary status as
16 a prerequisite to being placed on permanent status.

17 C. Agents appointed pursuant to the provisions of this section
18 shall have the responsibility of investigating alleged violations
19 and shall have the authority to arrest those suspected of having
20 violated the provisions of the Uniform Controlled Dangerous
21 Substances Act, as well as the crimes of money laundering and human
22 trafficking, as otherwise set forth by laws of this state.

23 D. The Director may appoint reserve special agents who shall
24 not be considered employees of the state and shall serve at the will

1 of the Director. Reserve special agents shall complete a minimum of
2 one hundred sixty (160) hours of training pursuant to Section 3311
3 of Title 70 of the Oklahoma Statutes and may not serve more than one
4 hundred forty (140) hours per calendar month. Upon completion of
5 training, reserve special agents appointed by the Director shall
6 have general peace officer powers and the authority to arrest those
7 suspected of having violated the provisions of the Uniform
8 Controlled Dangerous Substances Act. The agency may expend funds
9 related to training and special reserve agents may receive travel
10 expenses pursuant to the State Travel Reimbursement Act.

11 E. A commissioned employee of the Oklahoma State Bureau of
12 Narcotics and Dangerous Drugs Control shall be entitled to receive
13 upon retirement by reason of length of service, the continued
14 custody and possession of the sidearm and badge carried by such
15 employee immediately prior to retirement.

16 F. A commissioned employee of the Bureau may be entitled to
17 receive, upon retirement by reason of disability, the continued
18 custody and possession of the sidearm and badge carried by such
19 employee immediately prior to retirement upon written approval of
20 the Director.

21 G. Custody and possession of the sidearm and badge of a
22 commissioned employee killed in the line of duty may be awarded by
23 the Director to the spouse or next of kin of the deceased employee.
24

1 H. Custody and possession of the sidearm and badge of a
2 commissioned employee who dies while employed at the Oklahoma State
3 Bureau of Narcotics and Dangerous Drugs Control may be awarded by
4 the Director to the spouse or next of kin of the deceased employee.

5 I. Any Director appointed on or after July 1, 2003, shall be
6 eligible to participate in either the Oklahoma Public Employees
7 Retirement System or in the Oklahoma Law Enforcement Retirement
8 System and shall make an irrevocable election in writing to
9 participate in one of the two retirement systems.

10 SECTION 71. REPEALER 63 O.S. 2011, Section 2-103, as
11 amended by Section 495, Chapter 304, O.S.L. 2012 (63 O.S. Supp.
12 2012, Section 2-103), is hereby repealed.

13 SECTION 72. REPEALER 63 O.S. 2011, Section 2-309, as
14 amended by Section 5, Chapter 80, O.S.L. 2012 (63 O.S. Supp. 2012,
15 Section 2-309), is hereby repealed.

16 SECTION 73. AMENDATORY 63 O.S. 2011, Section 2-309C, as
17 last amended by Section 3, Chapter 206, O.S.L. 2012 (63 O.S. Supp.
18 2012, Section 2-309C), is amended to read as follows:

19 Section 2-309C. A. A dispenser of a Schedule II, III, IV or V
20 controlled dangerous substance dispensed pursuant to a valid
21 prescription shall transmit to a central repository designated by
22 the Oklahoma State Bureau of Narcotics and Dangerous Drugs Control
23 using the American Society for Automation in Pharmacy's (ASAP)
24 Telecommunications Format for Controlled Substances version

designated in rules by the Oklahoma State Bureau of Narcotics and Dangerous Drugs Control, the following information for each dispensation ~~to a recipient or agent of a recipient:~~

1. ~~Name~~ Recipient's and recipient's agent's name;
2. ~~Address~~ Recipient's and recipient's agent's address;
3. ~~Date of~~ Recipient's and recipient's agent's date of birth;
4. ~~Identification~~ Recipient's and recipient's agent's
identification number;
5. National Drug Code number of the substance dispensed;
6. Date of the dispensation;
7. Quantity of the substance dispensed;
8. Prescriber's United States Drug Enforcement Agency
registration number;
9. Dispenser's registration number; and
10. Other information as required by administrative rule.

B. The information required by this section shall be transmitted:

1. In a format or other media designated acceptable by the Oklahoma State Bureau of Narcotics and Dangerous Drugs Control; and
2. Within twenty-four (24) hours of the time that the substance is dispensed. Beginning January 1, 2012, all information shall be submitted on a real-time log.

C. When a prescription is written or dispensed to a resident of a nursing home or a person who is under the care of a hospice

1 program licensed pursuant to the provisions of the Oklahoma Hospice
2 Licensing Act who does not have an identification card issued by the
3 state or another form of a recipient identification number pursuant
4 to Section 2-309B of this title, a Social Security number may be
5 used for the purpose of complying with the reporting requirements
6 provided for in this section.

7 D. Willful failure to transmit accurate information as required
8 by this section shall be a misdemeanor punishable, upon conviction,
9 by not more than one (1) year in the county jail, or by a fine of
10 not more than One Thousand Dollars (\$1,000.00), or by both such
11 imprisonment and fine, or administrative action may be taken
12 pursuant to Section 2-304 of this title.

13 E. The Director of the Bureau shall have the authority to allow
14 paper submissions on a form designated by the Oklahoma State Bureau
15 of Narcotics and Dangerous Drugs Control, if the dispenser has an
16 appropriate hardship.

17 SECTION 74. REPEALER 63 O.S. 2011, Section 2-309C, as
18 amended by Section 2, Chapter 83, O.S.L. 2012 (63 O.S. Supp. 2012,
19 Section 2-309C), is hereby repealed.

20 SECTION 75. REPEALER 63 O.S. 2011, Section 2-329, as
21 amended by Section 7, Chapter 80, O.S.L. 2012 (63 O.S. Supp. 2012,
22 Section 2-329), is hereby repealed.

1 SECTION 76. AMENDATORY 63 O.S. 2011, Section 91, as
2 amended by Section 1, Chapter 119, O.S.L. 2012 (63 O.S. Supp. 2012,
3 Section 91), is amended to read as follows:

4 Section 91. A. There is hereby re-created, to continue until
5 July 1, ~~2012~~ 2016, in accordance with the provisions of the Oklahoma
6 Sunset Law, an oversight Board to be known as the State Anatomical
7 Board, to be composed of the following members:

8 1. The Deans or their designee of each accredited medical
9 school and osteopathic medical school within the State of Oklahoma;

10 2. The persons heading the Department of Anatomy, or comparable
11 department, in the medical and osteopathic medical schools or their
12 designee;

13 3. Two persons appointed jointly by the presidents of
14 institutions of higher education within the state which have
15 educational programs other than medical which require on a regular
16 basis human anatomical materials, provided that these programs have
17 been approved by the State Regents for Higher Education; and

18 4. One at-large member appointed by the Governor to represent
19 the interests of the citizens of this state.

20 B. It shall be the duty of the State Anatomical Board to
21 register all anatomical donor programs and non-transplant tissue
22 banks and to designate agents to provide for the collection,
23 preservation, storage, distribution, delivery, recovery from users,
24

1 cremation and final disposition of all dead human bodies used for
2 health science education and research in the State of Oklahoma.

3 C. The Board shall elect from its membership a chairperson who
4 shall perform such other duties as the Board may prescribe by rule.
5 The Board shall have full power to establish rules for its
6 government, to appoint and remove officers, and to appoint an
7 executive director who shall keep full and complete minutes of its
8 transactions and manage the affairs of the Board. The expenditures
9 authorized in this section shall not be a charge against the state,
10 but shall be paid by the agent designated by the Board to receive,
11 store, issue, and cremate human anatomical materials. Records shall
12 also be kept by the agent of all bodies received and distributed for
13 the period of time authorized by the Records Disposition Schedule.
14 The name of the oversight Board shall be the State Anatomical Board,
15 hereinafter called the Anatomical Board. The Anatomical Board may,
16 in its discretion, exempt any county, district, or institution from
17 the provisions of this act in any calendar year for any length of
18 time.

19 SECTION 77. REPEALER 63 O.S. 2011, Section 91, as
20 amended by Section 1, Chapter 62, O.S.L. 2012 (63 O.S. Supp. 2012,
21 Section 91), is hereby repealed.

22 SECTION 78. AMENDATORY 63 O.S. 2011, Section 2418, as
23 amended by Section 3, Chapter 357, O.S.L. 2012 (63 O.S. Supp. 2012,
24 Section 2418), is amended to read as follows:

1 Section 2418. A. There is hereby imposed a surcharge of five
2 cents (\$0.05) per local exchange telephone access line per month to
3 pay for the equipment and maintenance program provided for in
4 Section 2417 of this title and to provide for other needed services
5 for the deaf, severely hard-of-hearing, severely speech-impaired and
6 deaf-blind programs administered through the State Department of
7 Rehabilitation Services, such surcharge to be paid by each local
8 exchange subscriber to local telephone service in this state, unless
9 such subscriber is otherwise exempt from taxation.

10 B. The surcharge shall be collected on the regular monthly bill
11 by each local exchange telephone company operating in this state and
12 shall be remitted quarterly to the Oklahoma Tax Commission no later
13 than twenty (20) days following the end of each quarter.

14 C. There is hereby created in the State Treasury the
15 Telecommunications for the Deaf and Hard-of-Hearing Revolving Fund.
16 The fund shall consist of monies imposed in subsection A of this
17 section. All monies accruing to the fund are hereby appropriated
18 and may be budgeted and expended by the State Department of
19 Rehabilitation Services. The fund shall be a continuing fund not
20 subject to fiscal year limitations and expenditures from said fund
21 shall be made upon warrants issued by the State Treasurer against
22 claims submitted to the Director of ~~State Finance~~ the Office of
23 Management and Enterprise Services for the purpose of implementation
24 of this act.

1 SECTION 79. REPEALER 63 O.S. 2011, Section 2418, as
2 amended by Section 512, Chapter 304, O.S.L. 2012 (63 O.S. Supp.
3 2012, Section 2418), is hereby repealed.

4 SECTION 80. AMENDATORY 68 O.S. 2011, Section 205.2, as
5 amended by Section 1, Chapter 240, O.S.L. 2012 (68 O.S. Supp. 2012,
6 Section 205.2), is amended to read as follows:

7 Section 205.2. A. A state agency, a municipal court, a
8 district court or a public housing authority operating pursuant to
9 Section 1062 of Title 63 of the Oklahoma Statutes seeking to collect
10 a debt, unpaid fines and cost or final judgment of at least Fifty
11 Dollars (\$50.00) from an individual who has filed a state income tax
12 return may file a claim with the Oklahoma Tax Commission requesting
13 that the amount owed to the agency, a municipal court, a district
14 court or a public housing authority operating pursuant to Section
15 1062 of Title 63 of the Oklahoma Statutes be deducted from any state
16 income tax refund due to that individual. The claim shall be filed
17 electronically in a form prescribed by the Tax Commission and shall
18 contain information necessary to identify the person owing the debt,
19 including the full name and Social Security number of the debtor.

20 1. Upon receiving a claim from a state agency, the municipal
21 court, a district court or a public housing authority operating
22 pursuant to Section 1062 of Title 63 of the Oklahoma Statutes, the
23 Tax Commission shall deduct the claim amount, plus collection
24 expenses as provided in this section, from the tax refund due to the

1 debtor and transfer the amount to the municipal court, the district
2 court, the agency or the public housing authority. Provided, the
3 Tax Commission need not report available funds of less than Fifty
4 Dollars (\$50.00).

5 2. The state agency, the municipal court, a district court or a
6 public housing authority operating pursuant to Section 1062 of Title
7 63 of the Oklahoma Statutes shall send notice to the debtor by
8 regular mail at the last-known address of the debtor as shown by the
9 records of the Tax Commission when seeking to collect a debt not
10 reduced to final judgment. The state agency, the municipal court, a
11 district court or a public housing authority operating pursuant to
12 Section 1062 of Title 63 of the Oklahoma Statutes shall send notice
13 to the judgment debtor or municipal court defendant by first class
14 mail at the last-known address of the judgment debtor or municipal
15 court defendant as shown by the records of the Tax Commission when
16 seeking to collect a final judgment or unpaid municipal fines and
17 cost. The Tax Commission shall provide in an agreed electronic
18 format to the Department of Human Services the amount withheld by
19 the Tax Commission, the home address and the Social Security number
20 of the taxpayer. The notice shall state:

21 a. that a claim has been filed with the Tax Commission
22 for any portion of the tax refund due to the debtor or
23 municipal court defendant which would satisfy the
24

- 1 debt, unpaid municipal fines and cost, or final
2 judgment in full or in part,
- 3 b. the basis for the claim,
- 4 c. that the Tax Commission has deducted an amount from
5 the refund and remitted it to such state agency,
6 municipal court, district court or public housing
7 authority,
- 8 d. that the debtor or municipal court defendant has the
9 right to contest the claim by sending a written
10 request to the state agency, the municipal court, the
11 district court or the public housing authority for a
12 hearing to protest the claim, and if the debtor or
13 municipal court defendant fails to apply for a hearing
14 within sixty (60) days after the date of the mailing
15 of the notice, the debtor or municipal court defendant
16 shall be deemed to have waived his or her opportunity
17 to contest the claim. Provided, if the claim was
18 filed by the Department of Human Services, the notice
19 shall state that the debtor must contest the claim by
20 sending a written request to the Department within
21 thirty (30) days after the date of the mailing of the
22 notice, and
- 23 e. that a collection expense of five percent (5%) of the
24 gross proceeds owed to the state agency, municipal

1 court or district court has been charged to the debtor
2 or municipal court defendant and withheld from the
3 refund.

4 3. If the state agency, municipal court, district court or
5 public housing authority determines that a refund is due to the
6 taxpayer, the state agency, municipal court, district court or
7 public housing authority shall reimburse the amount claimed plus the
8 five-percent collection expense to the taxpayer. The state agency,
9 municipal court, district court or public housing authority may
10 request reimbursement of the two-percent collection expense retained
11 by the Tax Commission. Such request must be made within ninety (90)
12 days of reimbursement to the taxpayer. If timely requested, the Tax
13 Commission shall make such reimbursement to the state agency,
14 municipal court, district court or public housing authority within
15 ninety (90) days of the request.

16 4. In the case of a joint return, the notice shall state:

- 17 a. the name of any taxpayer named in the return against
18 whom no debt, no unpaid fines and cost, or final
19 judgment is claimed,
20 b. the fact that a debt, unpaid municipal fines and cost,
21 or final judgment is not claimed against the taxpayer,
22 c. the fact that the taxpayer is entitled to receive a
23 refund if it is due regardless of the debt, municipal
24

1 fines and cost, or final judgment asserted against the
2 debtor or municipal court defendant,

- 3 d. that in order to obtain the refund due, the taxpayer
4 must apply, in writing, for a hearing with the
5 municipal court, district court, the agency or the
6 public housing authority named in the notice within
7 sixty (60) days after the date of the mailing of the
8 notice. Provided, if the claim was filed by the
9 Department of Human Services, the notice shall state
10 that the taxpayer must apply, in writing, for a
11 hearing with the Department within thirty (30) days
12 after the date of the mailing of the notice, and
13 e. if the taxpayer against whom no debt, no unpaid
14 municipal fines and cost, or final judgment is claimed
15 fails to apply in writing for a hearing within sixty
16 (60) days after the mailing of the notice, the
17 taxpayer shall have waived his or her right to a
18 refund. Provided, if the claim was filed by the
19 Department of Human Services, the notice shall state
20 that if the taxpayer fails to apply in writing for a
21 hearing with the Department within thirty (30) days
22 after the date of the mailing of the notice, the
23 taxpayer shall have waived his or her right to a
24 refund.

1 B. If the municipal court, district court, agency or public
2 housing authority operating pursuant to Section 1062 of Title 63 of
3 the Oklahoma Statutes asserting the claim receives a written request
4 for a hearing from the debtor or taxpayer against whom no debt, no
5 municipal fines and cost, or final judgment is claimed, the agency,
6 the municipal court, the district court or public housing authority
7 operating pursuant to Section 1062 of Title 63 of the Oklahoma
8 Statutes shall grant a hearing according to the provisions of the
9 Administrative Procedures Act. It shall be determined at the
10 hearing whether the claimed sum is correct or whether an adjustment
11 to the claim shall be made. Pending final determination at the
12 hearing of the validity of the debt, unpaid fines and cost, or final
13 judgment asserted by the municipal court, the district court, agency
14 or public housing authority operating pursuant to Section 1062 of
15 Title 63 of the Oklahoma Statutes, no action shall be taken in
16 furtherance of the collection of the debt, unpaid fines and cost, or
17 final judgment. Appeals from actions taken at the hearing shall be
18 in accordance with the provisions of the Administrative Procedures
19 Act.

20 C. Upon final determination at a hearing, as provided for in
21 subsection B of this section, of the amount of the debt, unpaid
22 fines and cost, or final judgment, or upon failure of the debtor or
23 taxpayer against whom no debt, no unpaid fines and cost, or final
24 judgment is claimed to request such a hearing, the municipal court,

1 the district court, agency or public housing authority operating
2 pursuant to Section 1062 of Title 63 of the Oklahoma Statutes shall
3 apply the amount of the claim to the debt owed. Any amounts held by
4 the municipal court, district court, agency or public housing
5 authority operating pursuant to Section 1062 of Title 63 of the
6 Oklahoma Statutes in excess of the final determination of the debt
7 and collection expense shall be refunded by the municipal court,
8 district court, agency or public housing authority operating
9 pursuant to Section 1062 of Title 63 of the Oklahoma Statutes to the
10 taxpayer. However, if the tax refund due is inadequate to pay the
11 collection expense and debt, unpaid fines and cost, or final
12 judgment, the balance due the state agency, the municipal court, the
13 district court or public housing authority operating pursuant to
14 Section 1062 of Title 63 of the Oklahoma Statutes shall be a
15 continuing debt or final judgment until paid in full.

16 D. Upon receipt of a claim as provided in subsection A of this
17 section, the Tax Commission shall:

18 1. Deduct from the refund five percent (5%) of the gross
19 proceeds owed to the state agency, the municipal court, district
20 court or public housing authority operating pursuant to Section 1062
21 of Title 63 of the Oklahoma Statutes, and distribute it by retaining
22 two percent (2%) and transferring three percent (3%) to the
23 municipal court, the district court, the state agency or public
24 housing authority operating pursuant to Section 1062 of Title 63 of

1 the Oklahoma Statutes, as an expense of collection. The two percent
2 (2%) retained by the Tax Commission shall be deposited in the
3 Oklahoma Tax Commission Fund;

4 2. Transfer the amount of the claimed debt, unpaid fines and
5 cost, or final judgment or so much thereof as is available to the
6 state agency, municipal court, the district court or public housing
7 authority operating pursuant to Section 1062 of Title 63 of the
8 Oklahoma Statutes;

9 3. Notify the debtor in writing as to how the refund was
10 applied; and

11 4. Refund to the debtor any balance remaining after deducting
12 the collection expense and debt, unpaid fines and cost, or final
13 judgment.

14 E. The Tax Commission shall deduct from any state tax refund
15 due to a taxpayer the amount of delinquent state tax and penalty and
16 interest thereon, which such taxpayer owes pursuant to any state tax
17 law prior to payment of such refund.

18 F. The Tax Commission shall have first priority over all other
19 agencies, municipal courts, district courts or public housing
20 authorities operating pursuant to Section 1062 of Title 63 of the
21 Oklahoma Statutes, when the Tax Commission is collecting a debt,
22 municipal court fines and cost, or final judgment pursuant to the
23 provisions of this section. Subsequent to the Tax Commission
24 priority, a claim filed by the Department of Human Services for the

1 collection of child support and spousal support shall have priority
2 over all other claims filed pursuant to this section. Priority in
3 multiple claims by other agencies, authorities, municipal courts or
4 district courts pursuant to the provisions of this section shall be
5 in the order in time, in which the Tax Commission receives the claim
6 from the agencies, authorities, municipal courts and district courts
7 required by the provisions of subsection A of this section.

8 G. The Tax Commission shall prescribe or approve forms and
9 promulgate rules and regulations for implementing the provisions of
10 this section.

11 H. The information obtained by an agency, authority, municipal
12 court or by the district court from the Tax Commission pursuant to
13 the provisions of this section shall be used only to aid in
14 collection of the debt, unpaid fines and cost, or final judgment
15 owed to the agency, authority, municipal court or a district court.
16 Disclosure of the information for any other purpose shall constitute
17 a misdemeanor. Any agency, authority or court employee or person
18 convicted of violating this provision shall be subject to a fine not
19 exceeding One Thousand Dollars (\$1,000.00) or imprisonment in the
20 county jail for a term not exceeding one (1) year, or both fine and
21 imprisonment and, if still employed by the agency, authority or the
22 courts, shall be dismissed from employment.

23 I. The Tax Commission may employ the procedures provided by
24 this section in order to collect a debt owed to the Internal Revenue

1 Service if the Internal Revenue Service requires such procedure as a
2 condition to providing information to the Commission concerning
3 federal income tax.

4 J. The provisions of this section shall not apply to claims
5 filed under the provisions of Section 2906 or Section 5011 of this
6 title or to any debt owed to a state agency for health care or
7 medical services.

8 SECTION 81. REPEALER 68 O.S. 2011, Section 205.2, as
9 amended by Section 1, Chapter 256, O.S.L. 2012 (68 O.S. Supp. 2012,
10 Section 205.2), is hereby repealed.

11 SECTION 82. AMENDATORY 68 O.S. 2011, Section 1357, as
12 amended by Section 2, Chapter 230, O.S.L. 2012 (68 O.S. Supp. 2012,
13 Section 1357), is amended to read as follows:

14 Section 1357. Exemptions - General. There are hereby
15 specifically exempted from the tax levied by the Oklahoma Sales Tax
16 Code:

17 1. Transportation of school pupils to and from elementary
18 schools or high schools in motor or other vehicles;

19 2. Transportation of persons where the fare of each person does
20 not exceed One Dollar (\$1.00), or local transportation of persons
21 within the corporate limits of a municipality except by taxicabs;

22 3. Sales for resale to persons engaged in the business of
23 reselling the articles purchased, whether within or without the
24 state, provided that such sales to residents of this state are made

1 to persons to whom sales tax permits have been issued as provided in
2 the Oklahoma Sales Tax Code. This exemption shall not apply to the
3 sales of articles made to persons holding permits when such persons
4 purchase items for their use and which they are not regularly
5 engaged in the business of reselling; neither shall this exemption
6 apply to sales of tangible personal property to peddlers, solicitors
7 and other salespersons who do not have an established place of
8 business and a sales tax permit. The exemption provided by this
9 paragraph shall apply to sales of motor fuel or diesel fuel to a
10 Group Five vendor, but the use of such motor fuel or diesel fuel by
11 the Group Five vendor shall not be exempt from the tax levied by the
12 Oklahoma Sales Tax Code. The purchase of motor fuel or diesel fuel
13 is exempt from sales tax when the motor fuel is for shipment outside
14 this state and consumed by a common carrier by rail in the conduct
15 of its business. The sales tax shall apply to the purchase of motor
16 fuel or diesel fuel in Oklahoma by a common carrier by rail when
17 such motor fuel is purchased for fueling, within this state, of any
18 locomotive or other motorized flanged wheel equipment;

19 4. Sales of advertising space in newspapers and periodicals;

20 5. Sales of programs relating to sporting and entertainment
21 events, and sales of advertising on billboards (including signage,
22 posters, panels, marquees, or on other similar surfaces, whether
23 indoors or outdoors) or in programs relating to sporting and
24 entertainment events, and sales of any advertising, to be displayed

1 at or in connection with a sporting event, via the Internet,
2 electronic display devices, or through public address or broadcast
3 systems. The exemption authorized by this paragraph shall be
4 effective for all sales made on or after January 1, 2001;

5 6. Sales of any advertising, other than the advertising
6 described by paragraph 5 of this section, via the Internet,
7 electronic display devices, or through the electronic media,
8 including radio, public address or broadcast systems, television
9 (whether through closed circuit broadcasting systems or otherwise),
10 and cable and satellite television, and the servicing of any
11 advertising devices;

12 7. Eggs, feed, supplies, machinery and equipment purchased by
13 persons regularly engaged in the business of raising worms, fish,
14 any insect or any other form of terrestrial or aquatic animal life
15 and used for the purpose of raising same for marketing. This
16 exemption shall only be granted and extended to the purchaser when
17 the items are to be used and in fact are used in the raising of
18 animal life as set out above. Each purchaser shall certify, in
19 writing, on the invoice or sales ticket retained by the vendor that
20 the purchaser is regularly engaged in the business of raising such
21 animal life and that the items purchased will be used only in such
22 business. The vendor shall certify to the Oklahoma Tax Commission
23 that the price of the items has been reduced to grant the full
24

1 benefit of the exemption. Violation hereof by the purchaser or
2 vendor shall be a misdemeanor;

3 8. Sale of natural or artificial gas and electricity, and
4 associated delivery or transmission services, when sold exclusively
5 for residential use. Provided, this exemption shall not apply to
6 any sales tax levied by a city or town, or a county, or any other
7 jurisdiction in this state;

8 9. In addition to the exemptions authorized by Section 1357.6
9 of this title, sales of drugs sold pursuant to a prescription
10 written for the treatment of human beings by a person licensed to
11 prescribe the drugs, and sales of insulin and medical oxygen.
12 Provided, this exemption shall not apply to over-the-counter drugs;

13 10. Transfers of title or possession of empty, partially
14 filled, or filled returnable oil and chemical drums to any person
15 who is not regularly engaged in the business of selling, reselling
16 or otherwise transferring empty, partially filled, or filled
17 returnable oil drums;

18 11. Sales of one-way utensils, paper napkins, paper cups,
19 disposable hot containers and other one-way carry out materials to a
20 vendor of meals or beverages;

21 12. Sales of food or food products for home consumption which
22 are purchased in whole or in part with coupons issued pursuant to
23 the federal food stamp program as authorized by Sections 2011
24 through 2029 of Title 7 of the United States Code, as to that

1 portion purchased with such coupons. The exemption provided for
2 such sales shall be inapplicable to such sales upon the effective
3 date of any federal law that removes the requirement of the
4 exemption as a condition for participation by the state in the
5 federal food stamp program;

6 13. Sales of food or food products, or any equipment or
7 supplies used in the preparation of the food or food products to or
8 by an organization which:

9 a. is exempt from taxation pursuant to the provisions of
10 Section 501(c)(3) of the Internal Revenue Code, 26
11 U.S.C., Section 501(c)(3), and which provides and
12 delivers prepared meals for home consumption to
13 elderly or homebound persons as part of a program
14 commonly known as "Meals on Wheels" or "Mobile Meals",
15 or

16 b. is exempt from taxation pursuant to the provisions of
17 Section 501(c)(3) of the Internal Revenue Code, 26
18 U.S.C., Section 501(c)(3), and which receives federal
19 funding pursuant to the Older Americans Act of 1965,
20 as amended, for the purpose of providing nutrition
21 programs for the care and benefit of elderly persons;

22 14. a. Sales of tangible personal property or services to or
23 by organizations which are exempt from taxation
24 pursuant to the provisions of Section 501(c)(3) of the

1 Internal Revenue Code, 26 U.S.C., Section 501(c)(3),
2 and:

- 3 (1) are primarily involved in the collection and
4 distribution of food and other household products
5 to other organizations that facilitate the
6 distribution of such products to the needy and
7 such distributee organizations are exempt from
8 taxation pursuant to the provisions of Section
9 501(c)(3) of the Internal Revenue Code, 26
10 U.S.C., Section 501(c)(3), or
11 (2) facilitate the distribution of such products to
12 the needy.

- 13 b. Sales made in the course of business for profit or
14 savings, competing with other persons engaged in the
15 same or similar business shall not be exempt under
16 this paragraph;

17 15. Sales of tangible personal property or services to
18 children's homes which are located on church-owned property and are
19 operated by organizations exempt from taxation pursuant to the
20 provisions of the Internal Revenue Code, 26 U.S.C., Section
21 501(c)(3);

22 16. Sales of computers, data processing equipment, related
23 peripherals and telephone, telegraph or telecommunications service
24 and equipment for use in a qualified aircraft maintenance or

1 manufacturing facility. For purposes of this paragraph, "qualified
2 aircraft maintenance or manufacturing facility" means a new or
3 expanding facility primarily engaged in aircraft repair, building or
4 rebuilding whether or not on a factory basis, whose total cost of
5 construction exceeds the sum of Five Million Dollars (\$5,000,000.00)
6 and which employs at least two hundred fifty (250) new full-time-
7 equivalent employees, as certified by the Oklahoma Employment
8 Security Commission, upon completion of the facility. In order to
9 qualify for the exemption provided for by this paragraph, the cost
10 of the items purchased by the qualified aircraft maintenance or
11 manufacturing facility shall equal or exceed the sum of Two Million
12 Dollars (\$2,000,000.00);

13 17. Sales of tangible personal property consumed or
14 incorporated in the construction or expansion of a qualified
15 aircraft maintenance or manufacturing facility as defined in
16 paragraph 16 of this section. For purposes of this paragraph, sales
17 made to a contractor or subcontractor that has previously entered
18 into a contractual relationship with a qualified aircraft
19 maintenance or manufacturing facility for construction or expansion
20 of such a facility shall be considered sales made to a qualified
21 aircraft maintenance or manufacturing facility;

22 18. Sales of the following telecommunications services:

23 a. Interstate and International "800 service". "800
24 service" means a "telecommunications service" that

1 allows a caller to dial a toll-free number without
2 incurring a charge for the call. The service is
3 typically marketed under the name "800", "855", "866",
4 "877", and "888" toll-free calling, and any subsequent
5 numbers designated by the Federal Communications
6 Commission, or

7 b. Interstate and International "900 service". "900
8 service" means an inbound toll "telecommunications
9 service" purchased by a subscriber that allows the
10 subscriber's customers to call in to the subscriber's
11 prerecorded announcement or live service. "900
12 service" does not include the charge for: collection
13 services provided by the seller of the
14 "telecommunications services" to the subscriber, or
15 service or product sold by the subscriber to the
16 subscriber's customer. The service is typically
17 marketed under the name "900" service, and any
18 subsequent numbers designated by the Federal
19 Communications Commission,

20 c. Interstate and International "private communications
21 service". "Private communications service" means a
22 "telecommunications service" that entitles the
23 customer to exclusive or priority use of a
24 communications channel or group of channels between or

1 among termination points, regardless of the manner in
2 which such channel or channels are connected, and
3 includes switching capacity, extension lines,
4 stations, and any other associated services that are
5 provided in connection with the use of such channel or
6 channels,

7 d. "Value-added nonvoice data service". "Value-added
8 nonvoice data service" means a service that otherwise
9 meets the definition of "telecommunications services"
10 in which computer processing applications are used to
11 act on the form, content, code, or protocol of the
12 information or data primarily for a purpose other than
13 transmission, conveyance or routing,

14 e. Interstate and International telecommunications
15 service which is:

16 (1) rendered by a company for private use within its
17 organization, or

18 (2) used, allocated, or distributed by a company to
19 its affiliated group,

20 f. Regulatory assessments and charges, including charges
21 to fund the Oklahoma Universal Service Fund, the
22 Oklahoma Lifeline Fund and the Oklahoma High Cost
23 Fund, and
24

1 g. Telecommunications nonrecurring charges, including but
2 not limited to the installation, connection, change or
3 initiation of telecommunications services which are
4 not associated with a retail consumer sale;

5 19. Sales of railroad track spikes manufactured and sold for
6 use in this state in the construction or repair of railroad tracks,
7 switches, sidings and turnouts;

8 20. Sales of aircraft and aircraft parts provided such sales
9 occur at a qualified aircraft maintenance facility. As used in this
10 paragraph, "qualified aircraft maintenance facility" means a
11 facility operated by an air common carrier, including one or more
12 component overhaul support buildings or structures in an area owned,
13 leased or controlled by the air common carrier, at which there were
14 employed at least two thousand (2,000) full-time-equivalent
15 employees in the preceding year as certified by the Oklahoma
16 Employment Security Commission and which is primarily related to the
17 fabrication, repair, alteration, modification, refurbishing,
18 maintenance, building or rebuilding of commercial aircraft or
19 aircraft parts used in air common carriage. For purposes of this
20 paragraph, "air common carrier" shall also include members of an
21 affiliated group as defined by Section 1504 of the Internal Revenue
22 Code, 26 U.S.C., Section 1504. Beginning July 1, 2012, sales of
23 machinery, tools, supplies, equipment and related tangible personal
24 property and services used or consumed in the repair, remodeling or

1 maintenance of aircraft, aircraft engines, or aircraft component
2 parts which occur at a qualified aircraft maintenance facility;

3 21. Sales of machinery and equipment purchased and used by
4 persons and establishments primarily engaged in computer services
5 and data processing:

6 a. as defined under Industrial Group Numbers 7372 and
7 7373 of the Standard Industrial Classification (SIC)
8 Manual, latest version, which derive at least fifty
9 percent (50%) of their annual gross revenues from the
10 sale of a product or service to an out-of-state buyer
11 or consumer, and

12 b. as defined under Industrial Group Number 7374 of the
13 SIC Manual, latest version, which derive at least
14 eighty percent (80%) of their annual gross revenues
15 from the sale of a product or service to an out-of-
16 state buyer or consumer.

17 Eligibility for the exemption set out in this paragraph shall be
18 established, subject to review by the Tax Commission, by annually
19 filing an affidavit with the Tax Commission stating that the
20 facility so qualifies and such information as required by the Tax
21 Commission. For purposes of determining whether annual gross
22 revenues are derived from sales to out-of-state buyers or consumers,
23 all sales to the federal government shall be considered to be to an
24 out-of-state buyer or consumer;

1 22. Sales of prosthetic devices to an individual for use by
2 such individual. For purposes of this paragraph, "prosthetic
3 device" shall have the same meaning as provided in Section 1357.6 of
4 this title, but shall not include corrective eye glasses, contact
5 lenses or hearing aids;

6 23. Sales of tangible personal property or services to a motion
7 picture or television production company to be used or consumed in
8 connection with an eligible production. For purposes of this
9 paragraph, "eligible production" means a documentary, special, music
10 video, or a television commercial or television program that will
11 serve as a pilot for or be a segment of an ongoing dramatic or
12 situation comedy series filmed or taped for network or national or
13 regional syndication or a feature-length motion picture intended for
14 theatrical release or for network or national or regional
15 syndication or broadcast. The provisions of this paragraph shall
16 apply to sales occurring on or after July 1, 1996. In order to
17 qualify for the exemption, the motion picture or television
18 production company shall file any documentation and information
19 required to be submitted pursuant to rules promulgated by the Tax
20 Commission;

21 24. Sales of diesel fuel sold for consumption by commercial
22 vessels, barges and other commercial watercraft;

23 25. Sales of tangible personal property or services to tax-
24 exempt independent nonprofit biomedical research foundations that

1 provide educational programs for Oklahoma science students and
2 teachers and to tax-exempt independent nonprofit community blood
3 banks headquartered in this state;

4 26. Effective May 6, 1992, sales of wireless telecommunications
5 equipment to a vendor who subsequently transfers the equipment at no
6 charge or for a discounted charge to a consumer as part of a
7 promotional package or as an inducement to commence or continue a
8 contract for wireless telecommunications services;

9 27. Effective January 1, 1991, leases of rail transportation
10 cars to haul coal to coal-fired plants located in this state which
11 generate electric power;

12 28. Beginning July 1, 2005, sales of aircraft engine repairs,
13 modification, and replacement parts, sales of aircraft frame repairs
14 and modification, aircraft interior modification, and paint, and
15 sales of services employed in the repair, modification and
16 replacement of parts of aircraft engines, aircraft frame and
17 interior repair and modification, and paint;

18 29. Sales of materials and supplies to the owner or operator of
19 a ship, motor vessel or barge that is used in interstate or
20 international commerce if the materials and supplies:

- 21 a. are loaded on the ship, motor vessel or barge and used
22 in the maintenance and operation of the ship, motor
23 vessel or barge, or
24

1 b. enter into and become component parts of the ship,
2 motor vessel or barge;

3 30. Sales of tangible personal property made at estate sales at
4 which such property is offered for sale on the premises of the
5 former residence of the decedent by a person who is not required to
6 be licensed pursuant to the Transient Merchant Licensing Act, or who
7 is not otherwise required to obtain a sales tax permit for the sale
8 of such property pursuant to the provisions of Section 1364 of this
9 title; provided:

10 a. such sale or event may not be held for a period
11 exceeding three (3) consecutive days,

12 b. the sale must be conducted within six (6) months of
13 the date of death of the decedent, and

14 c. the exemption allowed by this paragraph shall not be
15 allowed for property that was not part of the
16 decedent's estate;

17 31. Beginning January 1, 2004, sales of electricity and
18 associated delivery and transmission services, when sold exclusively
19 for use by an oil and gas operator for reservoir dewatering projects
20 and associated operations commencing on or after July 1, 2003, in
21 which the initial water-to-oil ratio is greater than or equal to
22 five-to-one water-to-oil, and such oil and gas development projects
23 have been classified by the Corporation Commission as a reservoir
24 dewatering unit;

1 32. Sales of prewritten computer software that is delivered
2 electronically. For purposes of this paragraph, "delivered
3 electronically" means delivered to the purchaser by means other than
4 tangible storage media;

5 33. Sales of modular dwelling units when built at a production
6 facility and moved in whole or in parts, to be assembled on-site,
7 and permanently affixed to the real property and used for
8 residential or commercial purposes. The exemption provided by this
9 paragraph shall equal forty-five percent (45%) of the total sales
10 price of the modular dwelling unit. For purposes of this paragraph,
11 "modular dwelling unit" means a structure that is not subject to the
12 motor vehicle excise tax imposed pursuant to Section 2103 of this
13 title;

14 34. Sales of tangible personal property or services to persons
15 who are residents of Oklahoma and have been honorably discharged
16 from active service in any branch of the Armed Forces of the United
17 States or Oklahoma National Guard and who have been certified by the
18 United States Department of Veterans Affairs or its successor to be
19 in receipt of disability compensation at the one-hundred-percent
20 rate and the disability shall be permanent and have been sustained
21 through military action or accident or resulting from disease
22 contracted while in such active service or the surviving spouse of
23 such person if the person is deceased and the spouse has not
24 remarried; provided, sales for the benefit of the person to a spouse

1 of the eligible person or to a member of the household in which the
2 eligible person resides and who is authorized to make purchases on
3 the person's behalf, when such eligible person is not present at the
4 sale, shall also be exempt for purposes of this paragraph. Sales
5 qualifying for the exemption authorized by this paragraph shall not
6 exceed Twenty-five Thousand Dollars (\$25,000.00) per year per
7 individual while the disabled veteran is living. Sales qualifying
8 for the exemption authorized by this paragraph shall not exceed One
9 Thousand Dollars (\$1,000.00) per year for an unremarried surviving
10 spouse. Upon request of the Tax Commission, a person asserting or
11 claiming the exemption authorized by this paragraph shall provide a
12 statement, executed under oath, that the total sales amounts for
13 which the exemption is applicable have not exceeded Twenty-five
14 Thousand Dollars (\$25,000.00) per year per living disabled veteran
15 or One Thousand Dollars (\$1,000.00) per year for an unremarried
16 surviving spouse. If the amount of such exempt sales exceeds such
17 amount, the sales tax in excess of the authorized amount shall be
18 treated as a direct sales tax liability and may be recovered by the
19 Tax Commission in the same manner provided by law for other taxes,
20 including penalty and interest;

21 35. Sales of electricity to the operator, specifically
22 designated by the Corporation Commission, of a spacing unit or lease
23 from which oil is produced or attempted to be produced using
24 enhanced recovery methods, including, but not limited to, increased

1 pressure in a producing formation through the use of water or
2 saltwater if the electrical usage is associated with and necessary
3 for the operation of equipment required to inject or circulate
4 fluids in a producing formation for the purpose of forcing oil or
5 petroleum into a wellbore for eventual recovery and production from
6 the wellhead. In order to be eligible for the sales tax exemption
7 authorized by this paragraph, the total content of oil recovered
8 after the use of enhanced recovery methods shall not exceed one
9 percent (1%) by volume. The exemption authorized by this paragraph
10 shall be applicable only to the state sales tax rate and shall not
11 be applicable to any county or municipal sales tax rate;

12 36. Sales of intrastate charter and tour bus transportation.
13 As used in this paragraph, "intrastate charter and tour bus
14 transportation" means the transportation of persons from one
15 location in this state to another location in this state in a motor
16 vehicle which has been constructed in such a manner that it may
17 lawfully carry more than eighteen persons, and which is ordinarily
18 used or rented to carry persons for compensation. Provided, this
19 exemption shall not apply to regularly scheduled bus transportation
20 for the general public;

21 37. Sales of vitamins, minerals and dietary supplements by a
22 licensed chiropractor to a person who is the patient of such
23 chiropractor at the physical location where the chiropractor
24 provides chiropractic care or services to such patient. The

1 provisions of this paragraph shall not be applicable to any drug,
2 medicine or substance for which a prescription by a licensed
3 physician is required;

4 38. Sales of goods, wares, merchandise, tangible personal
5 property, machinery and equipment to a web search portal located in
6 this state which derives at least eighty percent (80%) of its annual
7 gross revenue from the sale of a product or service to an out-of-
8 state buyer or consumer. For purposes of this paragraph, "web
9 search portal" means an establishment classified under NAICS code
10 519130 which operates web sites that use a search engine to generate
11 and maintain extensive databases of Internet addresses and content
12 in an easily searchable format;

13 39. Sales of tangible personal property consumed or
14 incorporated in the construction or expansion of a facility for a
15 corporation organized under Section 437 et seq. of Title 18 of the
16 Oklahoma Statutes as a rural electric cooperative. For purposes of
17 this paragraph, sales made to a contractor or subcontractor that has
18 previously entered into a contractual relationship with a rural
19 electric cooperative for construction or expansion of a facility
20 shall be considered sales made to a rural electric cooperative;

21 40. Sales of tangible personal property or services to a
22 business primarily engaged in the repair of consumer electronic
23 goods, including, but not limited to, cell phones, compact disc
24 players, personal computers, MP3 players, digital devices for the

1 storage and retrieval of information through hard-wired or wireless
2 computer or Internet connections, if the devices are sold to the
3 business by the original manufacturer of such devices and the
4 devices are repaired, refitted or refurbished for sale by the entity
5 qualifying for the exemption authorized by this paragraph directly
6 to retail consumers or if the devices are sold to another business
7 entity for sale to retail consumers;

8 41. Before July 1, 2014, sales of rolling stock when sold or
9 leased by the manufacturer, regardless of whether the purchaser is a
10 public services corporation engaged in business as a common carrier
11 of property or passengers by railway, for use or consumption by a
12 common carrier directly in the rendition of public service. For
13 purposes of this paragraph, "rolling stock" means locomotives,
14 autocars and railroad cars; and

15 42. Sales of gold, silver, platinum, palladium or other bullion
16 items such as coins and bars and legal tender of any nation, which
17 legal tender is sold according to its value as precious metal or as
18 an investment. To qualify for the exemption, the gold, silver,
19 platinum, palladium or other bullion items must be stored within a
20 recognized depository facility. As used in the paragraph, "bullion"
21 means any precious metal, including, but not limited to, gold,
22 silver, platinum and palladium, that is in such a state or condition
23 that its value depends upon its precious metal content and not its
24 form. As used in this paragraph, "depository facility" means an

1 institution that accepts delivery of precious metals on behalf of
2 the purchaser and provides storage of such precious metals, but
3 shall not include financial institutions as defined in subsection E
4 of Section 71 of Title 62 of the Oklahoma Statutes. The exemption
5 authorized by this paragraph shall not apply to fabricated metals
6 that have been processed or manufactured for artistic use or as
7 jewelry.

8 SECTION 83. REPEALER 68 O.S. 2011, Section 1357, as
9 amended by Section 1, Chapter 233, O.S.L. 2012 (68 O.S. Supp. 2012,
10 Section 1357), is hereby repealed.

11 SECTION 84. AMENDATORY 68 O.S. 2011, Section 2368.14, as
12 amended by Section 2, Chapter 209, O.S.L. 2012 (68 O.S. Supp. 2012,
13 Section 2368.14), is amended to read as follows:

14 Section 2368.14. A. Each state individual income tax return
15 form for tax years which begin after December 31, 2004, and each
16 state corporate tax return form for tax years beginning after
17 December 31, 2004, shall contain a provision to allow a donation
18 from a tax refund for the benefit of providing financial relief to
19 qualified members of the Oklahoma National Guard, as follows:

20 Support of the Oklahoma National Guard Relief Program. Check if
21 you wish to donate from your tax refund: () \$2, () \$5, or ()
22 \$____.

23 B. Except as otherwise provided for in this section, all monies
24 generated pursuant to subsection A of this section shall be paid to

1 the State Treasurer by the Oklahoma Tax Commission and placed to the
2 credit of the Income Tax Checkoff Revolving Fund for the Support of
3 the Oklahoma National Guard Relief Program created in subsection C
4 of this section.

5 C. There is hereby created in the State Treasury a revolving
6 fund for the Military Department of the State of Oklahoma to be
7 designated the "Income Tax Checkoff Revolving Fund for the Support
8 of the Oklahoma National Guard Relief Program". The fund shall be a
9 continuing fund, not subject to fiscal year limitations, and shall
10 consist of all monies apportioned to the fund pursuant to the
11 provisions of this section. All monies accruing to the credit of
12 the fund are hereby appropriated and may be budgeted and expended by
13 the Military Department for the purpose of funding qualified
14 National Guard members to assist with approved expenses. Such
15 monies shall be apportioned as and in a manner specified by the
16 Military Department. Expenditures from the fund shall be made upon
17 warrants issued by the State Treasurer against claims filed as
18 prescribed by law with the Director of ~~State Finance~~ the Office of
19 Management and Enterprise Services for approval and payment.

20 D. If a taxpayer makes a donation pursuant to subsection A of
21 this section in error, such taxpayer may file a claim for refund at
22 any time within three (3) years from the due date of the tax return.
23 Such claims shall be filed pursuant to the provisions of Section
24 2373 of ~~Title 68 of the Oklahoma Statutes~~ this title. Prior to the

1 apportionment set forth in this section, an amount equal to the
2 total amount of refunds made pursuant to this subsection during any
3 one (1) year shall be deducted from the total donations received
4 pursuant to this section during the following year and such amount
5 deducted shall be paid to the State Treasurer and placed to the
6 credit of the Income Tax Withholding Refund Account.

7 E. Pursuant to Section 2368.18 of this title, the income tax
8 checkoff contained in this section is hereby reauthorized effective
9 January 1, 2014.

10 SECTION 85. REPEALER 68 O.S. 2011, Section 2368.14, as
11 amended by Section 555, Chapter 304, O.S.L. 2012 (68 O.S. Supp.
12 2012, Section 2368.14), is hereby repealed.

13 SECTION 86. AMENDATORY 68 O.S. 2011, Section 2368.16, as
14 amended by Section 3, Chapter 209, O.S.L. 2012 (68 O.S. Supp. 2012,
15 Section 2368.16), is amended to read as follows:

16 Section 2368.16. A. Each state individual income tax return
17 form for tax years which begin after December 31, 2007, and each
18 state corporate tax return form for tax years beginning after
19 December 31, 2007, shall contain a provision to allow a donation
20 from a tax refund for the benefit of any regional food bank in this
21 state. For purposes of this section, "regional food bank" means a
22 nonprofit charitable organization exempt from taxation pursuant to
23 the provisions of the Internal Revenue Code, 26 U.S.C., Section
24 501(c)(3), which as a part of a food bank network, maintains a food

1 distribution operation providing food to other nonprofit entities
2 that offer groceries or meals to people in need of food assistance.
3 The provision to allow donation shall read as follows:

4 Support of programs for regional food banks in this state.

5 Check if you wish to donate from your tax refund: () \$2, () \$5,
6 or () \$____.

7 B. Except as otherwise provided for in this section, all monies
8 generated pursuant to subsection A of this section shall be paid to
9 the State Treasurer by the Oklahoma Tax Commission and placed to the
10 credit of the Income Tax Checkoff Revolving Fund for Oklahoma
11 Regional Food Banks created in subsection C of this section.

12 C. There is hereby created in the State Treasury a revolving
13 fund for the Department of Human Services to be designated the
14 "Income Tax Checkoff Revolving Fund for Oklahoma Regional Food
15 Banks". The fund shall be a continuing fund, not subject to fiscal
16 year limitations, and shall consist of all monies apportioned to the
17 fund pursuant to the provisions of this section. All monies
18 accruing to the credit of the fund are hereby appropriated and may
19 be budgeted and expended by the Department of Human Services for the
20 purpose of providing funding for all regional food banks in this
21 state. Expenditures from the fund shall be made upon warrants
22 issued by the State Treasurer against claims filed as prescribed by
23 law with the Director of ~~State Finance~~ the Office of Management and
24 Enterprise Services for approval and payment.

1 D. If a taxpayer makes a donation pursuant to subsection A of
2 this section in error, such taxpayer may file a claim for refund at
3 any time within three (3) years from the due date of the tax return.
4 Such claims shall be filed pursuant to the provisions of Section
5 2373 of ~~Title 68 of the Oklahoma Statutes~~ this title. Prior to the
6 apportionment set forth in this section, an amount equal to the
7 total amount of refunds made pursuant to this subsection during any
8 one (1) year shall be deducted from the total donations received
9 pursuant to this section during the following year and such amount
10 deducted shall be paid to the State Treasurer and placed to the
11 credit of the Income Tax Withholding Refund Account.

12 E. Pursuant to Section 2368.18 of this title, the income tax
13 checkoff contained in this section is hereby reauthorized effective
14 January 1, 2014.

15 SECTION 87. REPEALER 68 O.S. 2011, Section 2368.16, as
16 amended by Section 557, Chapter 304, O.S.L. 2012 (68 O.S. Supp.
17 2012, Section 2368.16), is hereby repealed.

18 SECTION 88. AMENDATORY 68 O.S. 2011, Section 3603, as
19 amended by Section 1, Chapter 308, O.S.L. 2012 (68 O.S. Supp. 2012,
20 Section 3603), is amended to read as follows:

21 Section 3603. A. As used in Section 3601 et seq. of this
22 title:

23 1. a. "Basic industry" means:
24

- 1 (1) those manufacturing activities defined or
2 classified in the NAICS Manual under Industry
3 Sector Nos. 31, 32 and 33, Industry Group No.
4 5111 or Industry No. 11331,
- 5 (2) those electric power generation, transmission and
6 distribution activities defined or classified in
7 the NAICS Manual under U.S. Industry Nos. 221111
8 through 221122, if:
- 9 (a) an establishment engaged therein qualifies
10 as an exempt wholesale generator as defined
11 by 15 U.S.C., Section 79z-5a,
- 12 (b) the exempt wholesale generator facility
13 consumes from sources located within the
14 state at least ninety percent (90%) of the
15 total energy used to produce the electrical
16 output which qualifies for the specialized
17 treatment provided by the Energy Policy Act
18 of 1992, P.L. 102-486, 106 Stat. 2776, as
19 amended, and federal regulations adopted
20 pursuant thereto,
- 21 (c) the exempt wholesale generator facility
22 sells to purchasers located outside the
23 state for consumption in activities located
24 outside the state at least ninety percent

(90%) of the total electrical energy output which qualifies for the specialized treatment provided by the Energy Policy Act of 1992, P.L. 102-486, 106 Stat. 2776, as amended, and federal regulations adopted pursuant thereto, and

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

(3) those administrative and facilities support service activities defined or classified in the NAICS Manual under Industry Group Nos. 5611 and 5612, Industry Nos. 51821, 519130, 52232 and 56142 or U.S. Industry Nos. 524291 and 551114, those other support activities for air transportation defined or classified in the NAICS Manual under Industry Group No. 488190, and those support, repair, and maintenance service activities for the wind industry defined or classified in the NAICS Manual under Industry Group No. 811310,

(4) those professional, scientific and technical service activities defined or classified in the NAICS Manual under U.S. Industry Nos. 541710 and 541380,

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

1 employees of an entity with whom the
2 establishment has contracted for the
3 performance of such services; provided,
4 this provision shall not disqualify an
5 establishment which uses an out-of-
6 state entity or employees for some
7 reservations services, or

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

22 (8) flight training services activities defined or
23 classified in the NAICS Manual under U.S.
24 Industry Group No. 611512, which for purposes of

1 Section 3601 et seq. of this title shall include
2 new direct jobs for which gross payroll existed
3 on or after January 1, 2003, as identified in the
4 NAICS Manual,

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

15 (a) those transportation and warehousing
16 activities defined or classified in the
17 NAICS Manual under Industry Subsector No.
18 493, if not otherwise listed in this
19 paragraph, Industry Subsector No. 484 and
20 Industry Group Nos. 4884 through 4889,

21 (b) those passenger transportation activities
22 defined or classified in the NAICS Manual
23 under Industry Nos. 561510 and 561599,
24

- (c) those freight or cargo transportation activities defined or classified in the NAICS Manual under Industry No. 541614,
- (d) those insurance activities defined or classified in the NAICS Manual under Industry Group No. 5241,
- (e) those services to dwellings and other buildings, as defined or classified in the NAICS Manual under Industry Group No. 5617, excluding U.S. Industry Nos. 561730, 56171, 56172, 56174 and 56179,
- (f) those equipment rental and leasing activities defined or classified in the NAICS Manual under Industry Group No. 5324,
- (g) those information technology and other computer-related service activities defined or classified in the NAICS Manual under Industry Group Nos. 5112, 5182, 5191 and 5415,
- (h) those business support service activities defined or classified in the NAICS Manual under U.S. Industry Nos. 561410 through 561430, excluding 56143, and Industry No. 51911,

- (i) those medical and diagnostic laboratory activities defined or classified in the NAICS Manual under Industry Group No. 6215,
- (j) those professional, scientific and technical service activities defined or classified in the NAICS Manual under Industry Group Nos. 5412, 5414, 5415, 5416 and 5417, Industry Nos. 54131, 54133, 54136 and 54137, and U.S. Industry No. 541990, if not otherwise listed in this paragraph,
- (k) those communication service activities defined or classified in the NAICS Manual under Industry Nos. 51741 and 51791,
- (l) those refuse systems activities defined or classified in the NAICS Manual under Industry Group No. 5622, provided that the establishment is primarily engaged in the capture and distribution of methane gas produced within a landfill,
- (m) general wholesale distribution of groceries, defined or classified in the NAICS Manual under Industry Group Nos. 4244 and 4245,
- (n) those activities relating to processing of insurance claims, defined or classified in

the NAICS Manual under U.S. Industry Nos.
524210 and 524292; provided, activities
described in U.S. Industry Nos. 524210 and
524292 in the NAICS Manual other than
processing of insurance claims shall not be
included for purposes of this subdivision,
(o) those agricultural activities classified in
the NAICS Manual under U.S. Industry No.
112120 ,
(p) those professional organization activities
classified in the NAICS Manual under U.S.
Industry No. 813920,
(q) alternative energy structure construction
classified in the NAICS Manual under U.S.
Industry No. 237130,
(r) solar reflective coating application
classified in the NAICS Manual under U.S.
Industry No. 238160, and
(s) solar heating equipment installation
classified in the NAICS Manual under U.S.
Industry No. 238220;
(10) those activities related to extraction of crude
petroleum and natural gas defined or classified
in the NAICS Manual under Industry Group No. 2111

1 or 213111, subject to the limitations provided in
2 paragraph 3 of this subsection and paragraph 3 of
3 subsection B of this section,

4 (11) those activities performed by the federal
5 civilian workforce at a facility of the Federal
6 Aviation Administration located in this state if
7 the Director of the Department of Commerce
8 determines or is notified that the federal
9 government is soliciting proposals or otherwise
10 inviting states to compete for additional federal
11 civilian employment or expansion of federal
12 civilian employment at such facilities,

13 (12) those activities defined or classified in the
14 NAICS Manual under U.S. Industry No. 711211 (2007
15 version),

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

1 (14) those support activities for rail transportation
2 and those support activities for water
3 transportation defined or classified in the NAICS
4 Manual under U.S. Industry Nos. 4882 and 4883.

5 b. An establishment described in subparagraph a of this
6 paragraph shall not be considered to be engaged in a
7 basic industry unless it offers, or will offer within
8 one hundred eighty (180) days of employment, a basic
9 health benefits plan to the individuals it employs in
10 new direct jobs in this state which is determined by
11 the Oklahoma Department of Commerce to consist of the
12 following elements or elements substantially
13 equivalent thereto:

- 14 (1) not more than fifty percent (50%) of the premium
15 shall be paid by the employee,
16 (2) coverage for basic hospital care,
17 (3) coverage for physician care,
18 (4) coverage for mental health care,
19 (5) coverage for substance abuse treatment,
20 (6) coverage for prescription drugs, and
21 (7) coverage for prenatal care;

22 2. "Change_in_control event" means the transfer to one or more
23 unrelated establishments or unrelated persons, of either:
24

- 1 a. beneficial ownership of more than fifty percent (50%)
2 in value and more than fifty percent (50%) in voting
3 power of the outstanding equity securities of the
4 transferred establishment, or
5 b. more than fifty percent (50%) in value of the assets
6 of an establishment.

7 A transferor shall be treated as related to a transferee if more
8 than fifty percent (50%) of the voting interests of the transferor
9 and transferee are owned, directly or indirectly, by the other or
10 are owned, directly or indirectly, by the same person or persons,
11 unless such transferred establishment has an outstanding class of
12 equity securities registered under Sections 12(b) or 15(d) of the
13 Securities Exchange Act of 1934, as amended, in which event the
14 transferor and transferee will be treated as unrelated; provided, an
15 establishment applying for the Oklahoma Quality Jobs Program Act as
16 a result of a ~~change-of-control~~ change-in-control event is required
17 to apply within one hundred eighty (180) days of the ~~change-in~~
18 ~~control~~ change-in-control event to qualify for consideration. An
19 establishment entering the Oklahoma Quality Jobs Program Act as the
20 result of a ~~change-of-control~~ change-in-control event shall be
21 required to maintain a level of new direct jobs as agreed to in its
22 contract with the Department of Commerce and to pay new direct jobs
23 an average annualized wage which equals or exceeds one hundred
24 twenty-five percent (125%) of the average county wage as that

percentage is determined by the Oklahoma State Data Center based upon the most recent U.S. Department of Commerce data for the county in which the new jobs are located. For purposes of this paragraph, healthcare premiums paid by the applicant for individuals in new direct jobs shall not be included in the annualized wage. Such establishment entering the Quality Jobs Program Act as the result of a ~~change-of-control~~ change-in-control event shall be required to retain the contracted average annualized wage and maintain the contracted maintenance level of new direct jobs numbers as certified by the Tax Commission. If the required average annualized wage or the required new direct jobs numbers do not equal or exceed such contracted level during any quarter, the quarterly incentive payments shall not be made and shall not be resumed until such time as such requirements are met. An establishment described in this paragraph shall be required to repay all incentive payments received under the Quality Jobs Program Act if the establishment is determined by the Oklahoma Tax Commission to no longer have business operations in the state within three (3) years from the beginning of the calendar quarter for which the first incentive payment claim is filed.

3. "New direct job":

- a. means full-time-equivalent employment in this state in an establishment which has qualified to receive an incentive payment pursuant to the provisions of

1 Section 3601 et seq. of this title which employment
2 did not exist in this state prior to the date of
3 approval by the Department of the application of the
4 establishment pursuant to the provisions of Section
5 3604 of this title and with respect to an
6 establishment qualifying for incentive payments
7 pursuant to division (12) of subparagraph a of
8 paragraph 1 of this subsection shall not include
9 compensation paid to an employee or independent
10 contractor for an athletic contest conducted in the
11 state if the compensation is paid by an entity that
12 does not have its principal place of business in the
13 state or that does not own real or personal property
14 having a market value of at least One Million Dollars
15 (\$1,000,000.00) located in the state, and the
16 employees or independent contractors of such entity
17 are compensated to compete against the employees or
18 independent contractors of an establishment that
19 qualifies for incentive payments pursuant to division
20 (12) of subparagraph a of paragraph 1 of this
21 subsection and which is organized under Oklahoma law
22 or that is lawfully registered to do business in the
23 state and which does have its principal place of
24 business located in the state and owns real or

1 personal property having a market value of at least
2 One Million Dollars (\$1,000,000.00) located in the
3 state; provided, that if an application of an
4 establishment is approved by the Department of
5 Commerce after a change_in_control event and the
6 Director of the Department of Commerce determines that
7 the jobs located at such establishment are likely to
8 leave the state, "new direct job" shall include
9 employment that existed in this state prior to the
10 date of application which is retained in this state by
11 the new establishment following a change in control
12 event, if such job otherwise qualifies as a new direct
13 job, and

14 b. shall include full-time-equivalent employment in this
15 state of employees who are employed by an employment
16 agency or similar entity other than the establishment
17 which has qualified to receive an incentive payment
18 and who are leased or otherwise provided under
19 contract to the qualified establishment, if such job
20 did not exist in this state prior to the date of
21 approval by the Department of the application of the
22 establishment or the job otherwise qualifies as a new
23 direct job following a change_in_control event. A job
24 shall be deemed to exist in this state prior to

1 approval of an application if the activities and
2 functions for which the particular job exists have
3 been ongoing at any time within six (6) months prior
4 to such approval. With respect to establishments
5 defined in division (10) of subparagraph a of
6 paragraph 1 of this subsection, new direct jobs shall
7 be limited to those jobs directly comprising the
8 corporate headquarters of or directly relating to
9 manufacturing, maintenance, administrative, financial,
10 engineering, surveying, geological or geophysical
11 services performed by the establishment. Under no
12 circumstances shall employment relating to ~~drilling or~~
13 field services be considered new direct jobs;

14 4. "Estimated direct state benefits" means the tax revenues
15 projected by the Department to accrue to the state as a result of
16 new direct jobs;

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

- 20 a. the costs of education of new state resident children,
- 21 b. the costs of public health, public safety and
- 22 transportation services to be provided to new state
- 23 residents,
- 24

1 c. the costs of other state services to be provided to
2 new state residents, and

3 d. the costs of other state services;

4 6. "Estimated net direct state benefits" means the estimated
5 direct state benefits less the estimated direct state costs;

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

8 a. except as otherwise provided in this paragraph, the
9 net benefit rate may be variable and shall not exceed
10 five percent (5%),

11 b. the net benefit rate shall not exceed six percent (6%)
12 in connection with an establishment which is owned and
13 operated by an entity which has been awarded a United
14 States Department of Defense contract for which:

15 (1) bids were solicited and accepted by the United
16 States Department of Defense from facilities
17 located outside this state,

18 (2) the term is or is renewable for not less than
19 twenty (20) years, and

20 (3) the average annual salary, excluding benefits
21 which are not subject to Oklahoma income taxes,
22 for new direct jobs created as a direct result of
23 the awarding of the contract is projected by the
24 Department of Commerce to equal or exceed Forty

1 Thousand Dollars (\$40,000.00) within three (3)
2 years of the date of the first incentive payment,
3 c. except as otherwise provided in subparagraph d of this
4 paragraph, in no event shall incentive payments,
5 cumulatively, exceed the estimated net direct state
6 benefits,
7 d. the net benefit rate shall be five percent (5%) for an
8 establishment locating:
9 (1) in an opportunity zone located in a high-
10 employment county, as such terms are defined in
11 subsection G of Section 3604 of this title, or
12 (2) in a county in which:
13 (a) the per capita personal income, as
14 determined by the Department, is eighty-five
15 percent (85%) or less of the statewide
16 average per capita personal income,
17 (b) the population has decreased over the
18 previous ten (10) years, as determined by
19 the State Data Center based on the most
20 recent U.S. Department of Commerce data, or
21 (c) the unemployment rate exceeds the lesser of
22 five percent (5%) or two percentage points
23 above the state average unemployment rate as
24

certified by the Oklahoma Employment
Security Commission,

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

(1) is, as of the date of application, receiving
incentive payments pursuant to the Oklahoma
Quality Jobs Program Act and has been receiving
such payments for at least one (1) year prior to
the date of application, and

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

f. with respect to an establishment defined or classified
in the NAICS Manual under U.S. Industry No. 711211
(2007 version) or any establishment defined or
classified in the NAICS Manual as a U.S. Industry
Number which is not included within the definition of
"basic industry" as such term is defined in this
section on April 17, 2008, the net benefit rate shall
not exceed the highest rate of income tax imposed upon

1 the Oklahoma taxable income of individuals pursuant to
2 subparagraph (g) or subparagraph (h), as applicable,
3 of paragraph 1 and paragraph 2 of subsection B of
4 Section 2355 of this title. Any change in such
5 highest rate of individual income tax imposed pursuant
6 to the provisions of Section 2355 of this title shall
7 be applicable to the computation of incentive payments
8 to an establishment as described by this subparagraph
9 and shall be effective for purposes of incentive
10 payments based on payroll paid by such establishment
11 on or after January 1 of any applicable year for which
12 the net benefit rate is modified as required by this
13 subparagraph.

14 Incentive payments made pursuant to the provisions of this
15 subparagraph shall be based upon payroll associated with such new
16 direct jobs. For purposes of this subparagraph, the amount of
17 health insurance premiums or other benefits paid by the
18 establishment shall not be included for purposes of computation of
19 the average annualized wage;

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

22 9. a. "Establishment" means any business or governmental
23 entity, no matter what legal form, including, but not
24 limited to, a sole proprietorship; partnership;

1 limited liability company; corporation or combination
2 of corporations which have a central parent
3 corporation which makes corporate management decisions
4 such as those involving consolidation, acquisition,
5 merger or expansion; federal agency; political
6 subdivision of the State of Oklahoma; or trust
7 authority; provided, distinct, identifiable subunits
8 of such entities may be determined to be an
9 establishment, for all purposes of Section 3601 et
10 seq. of this title, by the Department subject to the
11 following conditions:

12 (1) within three (3) years of the first complete
13 calendar quarter following the start date, the
14 entity must have a minimum payroll of Two Million
15 Five Hundred Thousand Dollars (\$2,500,000.00) and
16 the subunit must also have or will have a minimum
17 payroll of Two Million Five Hundred Thousand
18 Dollars (\$2,500,000.00),

19 (2) the subunit is engaged in an activity or service
20 or produces a product which is demonstratively
21 independent and separate from the entity's other
22 activities, services or products and could be
23 conducted or produced in the absence of any other
24 activity, service or production of the entity,

1 (3) has an accounting system capable of tracking or
2 facilitating an audit of the subunit's payroll,
3 expenses, revenue and production. Limited
4 interunit overlap of administrative and
5 purchasing functions shall not disqualify a
6 subunit from consideration as an establishment by
7 the Department,

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

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

18 b. The Department may promulgate rules to further limit
19 the circumstances under which a subunit may be
20 considered an establishment. The Department shall
21 promulgate rules to determine whether a subunit of an
22 entity achieves a net gain in total employment. The
23 Department shall establish criteria for determining
24 the period of time within which such gain must be

1 demonstrated and a method for determining net gain in
2 total employment;

3 10. "NAICS Manual" means any manual, book or other publication
4 containing the North American Industry Classification System, United
5 States, 1997, promulgated by the Office of Management and Budget of
6 the United States of America, or the latest revised edition;

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

1 employees of a lawfully recognized business entity that is a
2 subcontractor of the business entity with which the prime contract
3 has been formed. A qualified federal contract described in this
4 paragraph shall not qualify unless both the qualified federal
5 contractor and any subcontractors originally involved in the work or
6 added subsequently during the period of performance verify to the
7 qualified federal contractor verifier that it offers, or will offer
8 within one hundred eighty (180) days of employment of its respective
9 employees, a basic health benefits plan as described in subparagraph
10 b of paragraph 1 of this subsection to individuals who perform
11 qualified labor hours in this state;

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

- 17 a. established multiyear classified and unclassified
18 indefinite-delivery/indefinite-quantity federal
19 contract vehicles in excess of Fifty Million Dollars
20 (\$50,000,000.00),
- 21 b. current capability to sponsor and maintain personnel
22 security clearances and authorized by the federal
23 government to handle and perform classified work up to
24

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

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

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

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

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

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

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

20 a. maintaining a prime contract with the federal
21 government as defined in paragraph 11 of this
22 subsection,

23 b. providing notice of intent to apply to the Department
24 within one hundred eighty (180) days of July 1, 2010,

1 or one hundred eighty (180) days of the date of the
2 award of a qualified federal contract or award of a
3 new qualified subcontract under an existing qualified
4 federal contract, and

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

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

22 B. The Incentive Approval Committee is hereby created and shall
23 consist of the Director of the Office of ~~State Finance~~ Management
24 and Enterprise Services, the Director of the Department and one

1 member of the Oklahoma Tax Commission appointed by the Tax
2 Commission, or a designee from each agency approved by such member.
3 It shall be the duty of the Committee to determine:

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

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

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

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

1 Technology, or a designee from the Center appointed by the Executive
2 Director.

3 SECTION 89. REPEALER 68 O.S. 2011, Section 3603, as
4 amended by Section 567, Chapter 304, O.S.L. 2012 (68 O.S. Supp.
5 2012, Section 3603), is hereby repealed.

6 SECTION 90. REPEALER 68 O.S. 2011, Section 3603, as
7 amended by Section 1, Chapter 310, O.S.L. 2012 (68 O.S. Supp. 2012,
8 Section 3603), is hereby repealed.

9 SECTION 91. AMENDATORY 69 O.S. 2011, Section 404, as
10 amended by Section 3, Chapter 356, O.S.L. 2012 (69 O.S. Supp. 2012,
11 Section 404), is amended to read as follows:

12 Section 404. A. There is hereby created in the State Treasury
13 a revolving fund for the Department of Transportation to be
14 designated the "State Infrastructure Bank Revolving Fund". The fund
15 shall be a continuing fund, not subject to fiscal year limitations,
16 and shall consist of the following:

17 1. All monies received by the Department of Transportation as
18 provided in Section 403 of this title;

19 2. All monies received pursuant and subject to the provisions
20 of the National Highway System Designation Act of 1995 and the
21 Transportation Infrastructure Finance and Innovation Act of 1998
22 which are eligible for use in state revolving loan funds established
23 to meet the requirements of that act;

24 3. All monies appropriated to this fund;

1 4. Payments of principal and interest and penalty payments on
2 loans made directly from federal monies and appropriated monies in
3 this fund;

4 5. Annual state administration fees of one-half percent (1/2%)
5 on the outstanding loan balance; and

6 6. Any other sums designated for deposit to this fund from any
7 source, public or private.

8 All monies accruing to the credit of the fund are hereby
9 appropriated and may be budgeted and expended by the Department of
10 Transportation for the purposes of effectuating the provisions of
11 this act. Expenditures from the fund shall be made upon warrants
12 issued by the State Treasurer against claims filed as prescribed by
13 law with the Director of the Office of ~~State Finance~~ Management and
14 Enterprise Services for approval and payment.

15 B. The monies placed in the State Infrastructure Bank Revolving
16 Fund shall be invested by the State Treasurer as prescribed by
17 Section 89.2 of Title 62 of the Oklahoma Statutes. Any interest
18 earned by the State Treasurer shall be deposited to the credit of
19 the State Infrastructure Bank Revolving Fund. Monies invested by
20 the State Treasurer shall be available to meet the program funding
21 needs established by the Department of Transportation pursuant to
22 this act.

1 SECTION 92. REPEALER 69 O.S. 2011, Section 404, as
2 amended by Section 572, Chapter 304, O.S.L. 2012 (69 O.S. Supp.
3 2012, Section 404), is hereby repealed.

4 SECTION 93. AMENDATORY 69 O.S. 2011, Section 1521, as
5 amended by Section 1, Chapter 346, O.S.L. 2012 (69 O.S. Supp. 2012,
6 Section 1521), is amended to read as follows:

7 Section 1521. A. There is hereby created in the State Treasury
8 a fund to be known as the "Rebuilding Oklahoma Access and Driver
9 Safety Fund". The fund shall be a continuing fund, not subject to
10 fiscal year limitations, and shall consist of all appropriations and
11 transfers made by the Legislature. All monies accruing to the
12 credit of the fund are hereby appropriated and may be budgeted and
13 expended each fiscal year by the Department of Transportation for
14 the purposes authorized by subsection G of this section.
15 Expenditures from the fund shall be made upon warrants issued by the
16 State Treasurer against claims filed as prescribed by law with the
17 Director of the Office of ~~State Finance~~ Management and Enterprise
18 Services for approval and payment.

19 B. There shall be apportioned to the funds specified in this
20 subsection from the monies that would otherwise be apportioned to
21 the General Revenue Fund by Section 2352 of Title 68 of the Oklahoma
22 Statutes from the revenues derived pursuant to subsections A, B and
23 E of Section 2355 of Title 68 of the Oklahoma Statutes amounts as
24 follows:

1 1. For each fiscal year, subject to the provisions of paragraph
2 3 of this subsection, and, except for the amount prescribed by
3 subparagraph a of this paragraph, subject to any reductions required
4 by subsection F of this section, there shall be apportioned to the
5 Rebuilding Oklahoma Access and Driver Safety Fund:

6 a. for the fiscal year beginning July 1, 2011, the first
7 Thirty-five Million Seven Hundred Thousand Dollars
8 (\$35,700,000.00), for the fiscal year beginning July
9 1, 2012, the first Forty-one Million Seven Hundred
10 Thousand Dollars (\$41,700,000.00) and for the fiscal
11 year beginning July 1, 2013, and for each fiscal year
12 thereafter, Fifty-nine Million Seven Hundred Thousand
13 Dollars (\$59,700,000.00), which shall be allocated and
14 used by the Department of Transportation first for the
15 purpose of making any required payments for principal,
16 interest or other costs of borrowing with respect to
17 the obligations issued pursuant to Section 341 of
18 Title 73 of the Oklahoma Statutes and after any such
19 required payment has been made then for the purposes
20 otherwise authorized by this section, plus

21 b. the total amount apportioned to the Rebuilding
22 Oklahoma Access and Driver Safety Fund for the
23 preceding fiscal year which, except for the amount
24 prescribed by subparagraph a of this paragraph, shall

1 be apportioned before any other amount is apportioned
2 pursuant to Section 2352 of Title 68 of the Oklahoma
3 Statutes, plus

4 c. an additional incremental amount which shall not be in
5 excess of the amount prescribed by subparagraph a of
6 this paragraph and that is required in order for the
7 total apportionment for such fiscal year to equal Five
8 Hundred Seventy-five Million Dollars
9 (\$575,000,000.00) .

10 All amounts apportioned pursuant to this paragraph shall be
11 divided into twelve equal amounts to be apportioned each month
12 during the fiscal year except the amount specified in subparagraph a
13 of this paragraph which amount shall be allocated in its full amount
14 in cash not later than July 30 each year or such later date as may
15 be required in order for the amount to be allocated in cash;

16 2. For each fiscal year after the apportionments required by
17 paragraph 1 of this subsection have been made:

18 a. the next Two Million Dollars (\$2,000,000.00) shall be
19 apportioned to the Oklahoma Tourism and Passenger Rail
20 Revolving Fund created pursuant to Section 325 of
21 Title 66 of the Oklahoma Statutes to be used for
22 capital and operating costs for the "Heartland Flyer"
23 rail project, and
24

1 b. the next Three Million Dollars (\$3,000,000.00) shall
2 be apportioned to the Public Transit Revolving Fund
3 created pursuant to Section 4031 of this title to be
4 used for purposes authorized by law other than the
5 purpose described by subparagraph a of this paragraph.

6 All amounts apportioned pursuant to this paragraph shall be
7 divided into twelve equal amounts to be apportioned each month
8 during the fiscal year; and

9 3. For each fiscal year after the first fiscal year in which
10 the total apportionment to the Rebuilding Oklahoma Access and Driver
11 Safety Fund as provided by paragraph 1 of this subsection equals
12 Five Hundred Seventy-five Million Dollars (\$575,000,000.00), the
13 first Five Hundred Seventy-five Million Dollars (\$575,000,000.00)
14 collected pursuant to subsections A, B and E of Section 2355 of
15 Title 68 of the Oklahoma Statutes and apportioned pursuant to
16 Section 2352 of Title 68 of the Oklahoma Statutes that would
17 otherwise be apportioned to the General Revenue Fund shall be
18 apportioned to the Rebuilding Oklahoma Access and Driver Safety
19 Fund. With the exception of the amount prescribed by subparagraph a
20 of paragraph 1 of this subsection, all amounts apportioned pursuant
21 to this paragraph shall be divided into twelve equal amounts to be
22 apportioned each month during the fiscal year.

23 C. The apportionments of revenues required by subparagraphs a,
24 b and c of paragraph 1 of subsection B of this section shall be made

1 until the total annual apportionment to the Rebuilding Oklahoma
2 Access and Driver Safety Fund equals Five Hundred Seventy-five
3 Million Dollars (\$575,000,000.00). After such annual apportionment
4 level is reached, the apportionment to the fund shall be governed by
5 the provisions of paragraph 3 of subsection B of this section.

6 D. The monies apportioned to the Rebuilding Oklahoma Access and
7 Driver Safety Fund shall not be used to supplant or replace existing
8 state funds used for transportation purposes.

9 E. In order to ensure that the funds from the ROADS Fund are
10 used to enhance and not supplant state funding for the Department of
11 Transportation, the State Board of Equalization shall examine and
12 investigate expenditures from the fund each year. For purposes of
13 this examination, monies used to retire outstanding debt obligations
14 for which the Department of Transportation is responsible shall be
15 excluded. At the meeting of the State Board of Equalization held
16 within five (5) days after the monthly apportionment in February of
17 each year, the State Board of Equalization shall issue a finding and
18 report which shall state whether expenditures from the ROADS Fund
19 were used to enhance or supplant state funding for the Department of
20 Transportation. If the State Board of Equalization finds that state
21 funding for the Department of Transportation was supplanted by funds
22 from the ROADS Fund, the Board shall specify the amount by which
23 such funding was supplanted. In this event, the Legislature shall
24 not make any appropriations for the ensuing fiscal year until an

1 appropriation in that amount is made to replenish state funding for
2 the Department of Transportation.

3 F. In the event that the Director of the Office of ~~State~~
4 ~~Finance~~ Management and Enterprise Services declares a General
5 Revenue Fund revenue failure pursuant to Section 34.49 of Title 62
6 of the Oklahoma Statutes, and agency allocations are reduced
7 pursuant to the provisions of Section 34.49 of Title 62 of the
8 Oklahoma Statutes, the amounts that would otherwise be apportioned
9 to the ROADS Fund by:

10 1. Subparagraph a of paragraph 1 of subsection B of this
11 section, only to the extent that the amount is not required for debt
12 service related to the obligations authorized pursuant to Section
13 341 of Title 73 of the Oklahoma Statutes;

14 2. Subparagraphs b and c of paragraph 1 of subsection B of this
15 section; and

16 3. Subparagraphs a and b of paragraph 2 of subsection B of this
17 section,
18 shall be reduced by a percentage equal to that required of the
19 General Revenue Fund appropriations to state agencies and such
20 reductions shall occur during the entire fiscal year and for any
21 month during which such reductions are required by the Office of
22 ~~State Finance~~ Management and Enterprise Services and by the same
23 percentage as that required of the agencies for such General Revenue
24 Fund appropriations.

1 G. The Department of Transportation shall use the monies in the
2 Rebuilding Oklahoma Access and Driver Safety Fund for:

3 1. The construction and maintenance of state roads, bridges and
4 highways;

5 2. The direct expenses of operating and maintaining the state
6 highway system, including bridges;

7 3. Direct expenses incurred in constructing, repairing, and
8 maintaining state highways, farm-to-market roads, county highways
9 and bridges as authorized by law;

10 4. Matching federal funds;

11 5. The purchase of materials, tools, machinery, motor vehicles,
12 and equipment necessary or convenient for the construction and
13 maintenance of the state highway system and bridges;

14 6. Debt service incurred prior to January 1, 2006, for Capital
15 Improvement Program bonds sold pursuant to Section 2001 of this
16 title; and

17 7. Debt service incurred on or after July 1, 2009, with respect
18 to obligations authorized to be issued pursuant to Section 341 of
19 Title 73 of the Oklahoma Statutes.

20 H. From the monies allocated pursuant to the provisions of
21 subparagraph a of paragraph 1 of subsection B of this section each
22 fiscal year, the Department of Transportation shall make payments
23 required for the payment of principal, interest and other costs
24 related to the obligations issued by the Oklahoma Capitol

1 Improvement Authority as authorized by Section 341 of Title 73 of
2 the Oklahoma Statutes and such payments shall be made by the
3 Department each fiscal year before such monies are used for any
4 other purpose.

5 SECTION 94. REPEALER 69 O.S. 2011, Section 1521, as
6 amended by Section 583, Chapter 304, O.S.L. 2012 (69 O.S. Supp.
7 2012, Section 1521), is hereby repealed.

8 SECTION 95. REPEALER 70 O.S. 2011, Section 3-117, as
9 amended by Section 590, Chapter 304, O.S.L. 2012 (70 O.S. Supp.
10 2012, Section 3-117), is hereby repealed.

11 SECTION 96. AMENDATORY 70 O.S. 2011, Section 1210.508C,
12 as last amended by Section 1, Chapter 250, O.S.L. 2012 (70 O.S.
13 Supp. 2012, Section 1210.508C), is amended to read as follows:

14 Section 1210.508C. A. 1. Each student enrolled in
15 kindergarten in a public school in this state shall be screened for
16 reading skills including, but not limited to, phonological
17 awareness, letter recognition, and oral language skills as
18 identified in the Priority Academic Student Skills (PASS) adopted by
19 the State Board of Education. A screening instrument approved by
20 the State Board shall be utilized for the purposes of this section.

21 2. For those kindergarten children at risk for reading
22 difficulties, teachers shall emphasize reading skills as identified
23 in the PASS, monitor progress throughout the year and measure year-
24 end reading progress.

1 3. Classroom assistants, which may include parents,
2 grandparents, or other volunteers, shall be provided in kindergarten
3 classes to assist with the screening of students if a teacher aide
4 is not already employed to assist in a kindergarten classroom.

5 B. 1. Each student enrolled in kindergarten, first, second and
6 third grade of the public schools of this state shall be assessed at
7 the beginning of each school year using a screening instrument
8 approved by the State Board of Education for the acquisition of
9 reading skills including, but not limited to, phonological
10 awareness, phonics, spelling, reading fluency, vocabulary, and
11 comprehension.

12 2. Any student who is assessed and found not to be reading at
13 the appropriate grade level shall be provided a program of reading
14 instruction designed to enable the student to acquire the
15 appropriate grade level reading skills. Beginning with students
16 entering the first grade in the 2011-2012 school year, the program
17 of reading instruction shall include provisions of the READ
18 Initiative adopted by the school district as provided for in
19 subsection O of this section.

20 3. Throughout the year progress monitoring shall continue, and
21 diagnostic assessment, if determined appropriate, shall be provided.
22 Year-end reading skills shall be measured to determine reading
23 success.
24

1 C. The State Board of Education shall approve screening
2 instruments for use at the beginning of the school year, for
3 monitoring of progress, and for measurement of reading skills at the
4 end of the school year as required in subsections A and B of this
5 section; provided, at least one of the screening instruments shall
6 meet the following criteria:

7 1. Assess for phonological awareness, phonics, reading fluency,
8 and comprehension;

9 2. Document the validity and reliability of each assessment;

10 3. Can be used for diagnosis and progress monitoring;

11 4. Can be used to assess special education and limited-English-
12 proficient students;

13 5. Accompanied by a data management system that provides
14 profiles for students, class, grade level and school building. The
15 profiles shall identify each student's instructional point of need
16 and reading achievement level. The State Board shall also determine
17 other comparable reading assessments for diagnostic purposes and for
18 periodic and post assessments to be used for students at risk of
19 reading failure. The State Board shall ensure that any assessments
20 approved are in alignment with the PASS.

21 D. The program of reading instruction required in subsection B
22 of this section shall align with the PASS, shall include provisions
23 of the READ Initiative adopted by the school district as provided
24 for in subsection O of this section beginning with students entering

1 the first grade in the 2011-2012 school year and may include, but is
2 not limited to:

3 1. Sufficient additional in-school instructional time for the
4 acquisition of phonological awareness, phonics, spelling, reading
5 fluency, vocabulary, and comprehension;

6 2. If necessary, tutorial instruction after regular school
7 hours, on Saturdays and during summer; however, such instruction may
8 not be counted toward the one-hundred-eighty-day or one-thousand-
9 eighty-hour school year required in Section 1-109 of this title; and

10 3. Assessments identified for diagnostic purposes and periodic
11 monitoring to measure the acquisition of reading skills including,
12 but not limited to, phonological awareness, phonics, spelling,
13 reading fluency, vocabulary, and comprehension, as identified in the
14 student's program of reading instruction.

15 E. The program of reading instruction shall continue until the
16 student is determined by the results of approved reading assessments
17 to be reading on grade level.

18 F. 1. Every school district shall adopt, and implement, ~~and~~
19 ~~annually update~~ a district reading sufficiency plan which has had
20 input from school administrators, teachers, and parents and if
21 possible a reading specialist, and which shall be submitted
22 electronically to and approved by the State Board of Education. The
23 plan shall be updated annually. School districts shall not be
24 required to electronically submit the annual updates to the Board if

1 the last plan submitted to the Board was approved and expenditures
2 for the program include only expenses relating to individual and
3 small group tutoring, purchase of and training in the use of
4 screening and assessment measures, summer school programs and
5 Saturday school programs. If any expenditure for the program is
6 deleted or changed or any other type of expenditure for the program
7 is implemented, the school district shall be required to submit the
8 latest annual update to the Board for approval. The district
9 reading sufficiency plan shall include a plan for each site which
10 includes an analysis of the data provided by the Oklahoma School
11 Testing Program and other reading assessments utilized as required
12 in this section, and which outlines how each school site will comply
13 with the provisions of the Reading Sufficiency Act.

14 2. Each school site shall establish a committee, composed of
15 educators, which if possible shall include a certified reading
16 specialist, to develop the required programs of reading instruction.
17 A parent or guardian of the student shall be included in the
18 development of the program of reading instruction for that student.

19 3. The State Board of Education shall adopt rules for the
20 implementation and evaluation of the provisions of the Reading
21 Sufficiency Act. The evaluation shall include, but not be limited
22 to, an analysis of the data required in subsection S of this
23 section.
24

1 G. For any third-grade student found not to be reading at grade
2 level as determined by reading assessments administered pursuant to
3 this section, a new program of reading instruction, including
4 provisions of the READ Initiative adopted by the school district as
5 provided for in subsection O of this section, shall be developed and
6 implemented as specified in this section. If possible, a fourth-
7 grade teacher shall be involved in the development of the program of
8 reading instruction. In addition to other requirements of the
9 Reading Sufficiency Act, the plan may include specialized tutoring.

10 H. Beginning with students entering the first grade in the
11 2011-2012 school year, if the reading deficiency of a student, as
12 identified based on assessments administered as provided for in
13 subsection B of this section, is not remedied by the end of third
14 grade, as demonstrated by scoring at the unsatisfactory level on the
15 reading portion of the statewide third-grade criterion-referenced
16 test, the student shall be retained in the third grade.

17 I. The parent of any student who is found to have a reading
18 deficiency and is not reading at the appropriate grade level and has
19 been provided a program of reading instruction as provided for in
20 subsection B of this section shall be notified in writing of the
21 following:

22 1. That the student has been identified as having a substantial
23 deficiency in reading;

1 2. A description of the current services that are provided to
2 the student;

3 3. A description of the proposed supplemental instructional
4 services and supports that will be provided to the student that are
5 designed to remediate the identified area of reading deficiency;

6 4. That the student will not be promoted to the fourth grade if
7 the reading deficiency is not remediated by the end of the third
8 grade, unless the student is exempt for good cause as set forth in
9 subsection K of this section;

10 5. Strategies for parents to use in helping their child succeed
11 in reading proficiency;

12 6. That while the results of the statewide criterion-referenced
13 tests administered pursuant to Section 1210.508 of this title are
14 the initial determinant, it is not the sole determiner of promotion
15 and that portfolio reviews and assessments are available; and

16 7. The specific criteria and policies of the school district
17 for midyear promotion implemented as provided for in paragraph 4 of
18 subsection N of this section.

19 J. No student may be assigned to a grade level based solely on
20 age or other factors that constitute social promotion.

21 K. For those students who do not meet the academic requirements
22 for promotion, a school district may promote the student for good
23 cause only. Good-cause exemptions for promotion shall be limited to
24 the following:

- 1 1. Limited-English-proficient students who have had less than
2 two (2) years of instruction in an English language learner program;
- 3 2. Students with disabilities whose individualized education
4 program (IEP), consistent with state law, indicates that the student
5 is to be assessed with alternate achievement standards through the
6 Oklahoma Alternate Assessment Program (OAAP);
- 7 3. Students who demonstrate an acceptable level of performance
8 on an alternative standardized reading assessment approved by the
9 State Board of Education;
- 10 4. Students who demonstrate, through a student portfolio, that
11 the student is reading on grade level as evidenced by demonstration
12 of mastery of the state standards beyond the retention level;
- 13 5. Students with disabilities who participate in the statewide
14 criterion-referenced tests and who have an individualized education
15 program that reflects that the student has received intensive
16 remediation in reading for more than two (2) years but still
17 demonstrates a deficiency in reading and was previously retained in
18 kindergarten, first grade, second grade, or third grade; and
- 19 6. Students who have received intensive remediation in reading
20 through a program of reading instruction for two (2) or more years
21 but still demonstrate a deficiency in reading and who were
22 previously retained in kindergarten, first grade, second grade, or
23 third grade for a total of two (2) years.

1 L. A student who is promoted for good cause as provided for in
2 subsection K of this section shall be provided intensive reading
3 instruction during an altered instructional day that includes
4 specialized diagnostic information and specific reading strategies
5 for each student. The school district shall assist schools and
6 teachers to implement reading strategies for the promoted students
7 that research has shown to be successful in improving reading among
8 low-performing readers.

9 M. Requests to exempt students from the mandatory retention
10 requirements based on one of the good-cause exemptions as described
11 in subsection K of this section shall be made using the following
12 process:

13 1. Documentation submitted from the teacher of the student to
14 the school principal that indicates the student meets one of the
15 good-cause exemptions and promotion of the student is appropriate.
16 In order to minimize paperwork requirements, the documentation shall
17 consist only of the alternative assessment results or student
18 portfolio work and the individual education plan (IEP), as
19 applicable;

20 2. The principal of the school shall review and discuss the
21 documentation with the teacher. If the principal determines that
22 the student meets one of the good-cause exemptions and should be
23 promoted based on the documentation provided, the principal shall
24

1 make a recommendation in writing to the school district
2 superintendent; and

3 3. After review, the school district superintendent shall
4 accept or reject the recommendation of the principal in writing.

5 N. Beginning with the 2011-2012 school year, each school
6 district shall:

7 1. Conduct a review of the program of reading instruction for
8 all students who score at the unsatisfactory level on the reading
9 portion of the statewide criterion-referenced test administered
10 pursuant to Section 1210.508 of this title and did not meet the
11 criteria for one of the good-cause exemptions as set forth in
12 subsection K of this section. The review shall address additional
13 supports and services, as described in this subsection, needed to
14 remediate the identified areas of reading deficiency. The school
15 district shall require a student portfolio to be completed for each
16 retained student;

17 2. Provide to students who have been retained as set forth in
18 subsection H of this section with intensive interventions in
19 reading, intensive instructional services and supports to remediate
20 the identified areas of reading deficiency, including a minimum of
21 ninety (90) minutes of daily, uninterrupted, scientific-research-
22 based reading instruction. Retained students shall be provided
23 other strategies prescribed by the school district, which may
24 include, but are not limited to:

- a. small group instruction,
- b. reduced teacher-student ratios,
- c. more frequent progress monitoring,
- d. tutoring or mentoring,
- e. transition classes containing third- and fourth-grade students,
- f. extended school day, week, or year, and
- g. summer reading academies as provided for in Section 1210.508E of this title, if available;

3. Provide written notification to the parent or guardian of any student who is to be retained as set forth in subsection H of this section that the student has not met the proficiency level required for promotion and the reasons the student is not eligible for a good-cause exemption. The notification shall include a description of proposed interventions and intensive instructional supports that will be provided to the student to remediate the identified areas of reading deficiency;

4. Implement a policy for the midyear promotion of a retained student who can demonstrate that the student is a successful and independent reader, is reading at or above grade level, and is ready to be promoted to the fourth grade. Tools that school districts may use in reevaluating any retained student may include subsequent assessments, alternative assessments, and portfolio reviews, in accordance with rules of the State Board of Education. Retained

1 students may only be promoted midyear prior to November 1 and only
2 upon demonstrating a level of proficiency required to score above
3 the unsatisfactory level on the statewide third-grade criterion-
4 referenced test and upon showing progress sufficient to master
5 appropriate fourth-grade-level skills, as determined by the school.
6 A midyear promotion shall be made only upon agreement of the parent
7 or guardian of the student and the school principal;

8 5. Provide students who are retained with a high-performing
9 teacher who can address the needs of the student, based on student
10 performance data and above-satisfactory performance appraisals; and

11 6. In addition to required reading enhancement and acceleration
12 strategies, provide students who are retained with at least one of
13 the following instructional options:

- 14 a. supplemental tutoring in scientific-research-based
15 reading services in addition to the regular reading
16 block, including tutoring before or after school,
- 17 b. a parent-guided "Read at Home" assistance plan, as
18 developed by the State Department of Education, the
19 purpose of which is to encourage regular parent-guided
20 home reading, or
- 21 c. a mentor or tutor with specialized reading training.

22 O. Beginning with the 2011-2012 school year, each school
23 district shall establish a Reading Enhancement and Acceleration
24 Development (READ) Initiative. The focus of the READ Initiative

1 shall be to prevent the retention of third-grade students by
2 offering intensive accelerated reading instruction to third-grade
3 students who failed to meet standards for promotion to fourth grade
4 and to kindergarten through third-grade students who are exhibiting
5 a reading deficiency. The READ Initiative shall:

6 1. Be provided to all kindergarten through third-grade students
7 at risk of retention as identified by the assessments administered
8 pursuant to the Reading Sufficiency Act. The assessment used shall
9 measure phonemic awareness, phonics, fluency, vocabulary, and
10 comprehension;

11 2. Be provided during regular school hours in addition to the
12 regular reading instruction; and

13 3. Provide a state-approved reading curriculum that, at a
14 minimum, meets the following specifications:

- 15 a. assists students assessed as exhibiting a reading
16 deficiency in developing the ability to read at grade
17 level,
- 18 b. provides skill development in phonemic awareness,
19 phonics, fluency, vocabulary, and comprehension,
- 20 c. provides a scientific-research-based and reliable
21 assessment,
- 22 d. provides initial and ongoing analysis of the reading
23 progress of each student,
- 24 e. is implemented during regular school hours,

1 f. provides a curriculum in core academic subjects to
2 assist the student in maintaining or meeting
3 proficiency levels for the appropriate grade in all
4 academic subjects,

5 g. establishes at each school, where applicable, an
6 Intensive Acceleration Class for retained third-grade
7 students who subsequently score at the unsatisfactory
8 level on the reading portion of the statewide
9 criterion-referenced tests. The focus of the
10 Intensive Acceleration Class shall be to increase the
11 reading level of a child at least two grade levels in
12 one (1) school year. The Intensive Acceleration Class
13 shall:

14 (1) be provided to any student in the third grade who
15 scores at the unsatisfactory level on the reading
16 portion of the statewide criterion-referenced
17 tests and who was retained in the third grade the
18 prior year because of scoring at the
19 unsatisfactory level on the reading portion of
20 the statewide criterion-referenced tests,

21 (2) have a reduced teacher-student ratio,

22 (3) provide uninterrupted reading instruction for the
23 majority of student contact time each day and
24 incorporate opportunities to master the fourth-

grade state standards in other core subject areas,

(4) use a reading program that is scientific-research-based and has proven results in accelerating student reading achievement within the same school year,

(5) provide intensive language and vocabulary instruction using a scientific-research-based program, including use of a speech-language therapist,

(6) include weekly progress monitoring measures to ensure progress is being made, and

(7) provide reports to the State Department of Education, in the manner described by the Department, outlining the progress of students in the class at the end of the first semester,

h. provide reports to the State Board of Education, upon request, on the specific intensive reading interventions and supports implemented by the school district. The State Superintendent of Public Instruction shall annually prescribe the required components of the reports, and

i. provide to a student who has been retained in the third grade and has received intensive instructional

1 services but is still not ready for grade promotion,
2 as determined by the school district, the option of
3 being placed in a transitional instructional setting.
4 A transitional setting shall specifically be designed
5 to produce learning gains sufficient to meet fourth-
6 grade performance standards while continuing to
7 remediate the areas of reading deficiency.

8 P. In addition to the requirements set forth in this section,
9 each school district board of education shall annually report to the
10 parent or guardian of each student in the district the progress of
11 the student toward achieving state and district expectations for
12 proficiency in reading, writing, science, and mathematics. The
13 school district board of education shall report to the parent or
14 guardian of each student the results on statewide criterion-
15 referenced tests. The evaluation of the progress of each student
16 shall be based upon classroom work, observations, tests, district
17 and state assessments, and other relevant information. Progress
18 reporting shall be provided to the parent or guardian in writing.

19 Q. 1. Each school district board of education shall annually
20 publish on the school website, and report in writing to the State
21 Board of Education by September 1 of each year, the following
22 information on the prior school year:

- 23 a. the provisions of this section relating to public
24 school student progression and the policies and

1 procedures of the school district on student retention
2 and promotion,

3 b. by grade, the number and percentage of all students in
4 grades three through ten performing at the
5 unsatisfactory level on the reading portion of the
6 statewide criterion-referenced tests,

7 c. by grade, the number and percentage of all students
8 retained in grades three through ten,

9 d. information on the total number and percentage of
10 students who were promoted for good cause, by each
11 category of good cause as specified above, and

12 e. any revisions to the policies of the school district
13 on student retention and promotion from the prior
14 year.

15 2. The State Department of Education shall establish a uniform
16 format for school districts to report the information required in
17 this subsection. The format shall be developed with input from
18 school districts and shall be provided not later than ninety (90)
19 days prior to the annual due date. The Department shall annually
20 compile the information required along with state-level summary
21 information, and report the information to the public, the Governor,
22 the President Pro Tempore of the Senate, and the Speaker of the
23 House of Representatives.
24

1 R. The State Department of Education shall provide technical
2 assistance as needed to aid school districts in administering the
3 provision of the Reading Sufficiency Act.

4 S. On or before December 1 of each year, the State Department
5 of Education shall issue to the Governor and members of the Senate
6 and House of Representatives Education Committees a Reading Report
7 Card for the state and each school district and elementary site
8 which shall include, but is not limited to, trend data detailing
9 three (3) years of data, disaggregated by student subgroups to
10 include economically disadvantaged, major racial or ethnic groups,
11 students with disabilities, and English language learners, as
12 appropriate for the following:

13 1. The number and percentage of students in kindergarten
14 through third grade determined to be at risk for reading
15 difficulties compared to the total number of students enrolled in
16 each grade;

17 2. The number and percentage of students in kindergarten who
18 continue to be at risk for reading difficulties as determined by the
19 year-end measurement of reading progress;

20 3. The number and percentage of students in kindergarten
21 through third grade who have successfully completed their program of
22 reading instruction and are reading on grade level as determined by
23 the results of approved reading assessments;

1 4. The number and percentage of students scoring at each
2 performance level on the reading portion of the statewide third-
3 grade criterion-referenced test;

4 5. The amount of funds for reading remediation received by each
5 district;

6 6. An evaluation and narrative interpretation of the report
7 data analyzing the impact of the Reading Sufficiency Act on
8 students' ability to read at grade level; and

9 7. Any recommendations for improvements or amendments to the
10 Reading Sufficiency Act.

11 The State Department of Education may contract with an
12 independent entity for the reporting and analysis requirements of
13 this subsection.

14 T. Copies of the results of the assessments administered shall
15 be made a part of the permanent record of each student.

16 SECTION 97. REPEALER 70 O.S. 2011, Section 1210.508C, as
17 last amended by Section 9, Chapter 354, O.S.L. 2012 (70 O.S. Supp.
18 2012, Section 1210.508C), is hereby repealed.

19 SECTION 98. AMENDATORY 70 O.S. 2011, Section 21-116, as
20 amended by Section 1, Chapter 277, O.S.L. 2012 (70 O.S. Supp. 2012,
21 Section 21-116), is amended to read as follows:

22 Section 21-116. A. There is hereby created in the State
23 Treasury a revolving fund for the Oklahoma Board of Private
24 Vocational Schools to be designated the "Oklahoma Board of Private

Vocational Schools Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies received by the Oklahoma Board of Private Vocational Schools from all fees and penalties collected by the Board pursuant to Sections 21-103, 21-106, and 21-111 of this title or rules promulgated and any other funds obtained or received by the Board. All monies in the fund shall be used exclusively for the purpose of operations and functions of the Oklahoma Board of Private Vocational Schools. All monies accruing to the credit of the fund are hereby appropriated and may be budgeted and expended by the Oklahoma Board of Private Vocational Schools. Expenditures from the fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of the Office of ~~State~~ Finance Management and Enterprise Services for approval and payment.

B. Any balance remaining to the credit of the Private Vocational Student Tuition Recovery Fund which accrued prior to the repeal of the fund shall be transferred to the Oklahoma Board of Private Vocational Schools Revolving Fund created in this section.

SECTION 99. REPEALER 70 O.S. 2011, Section 21-116, as amended by Section 612, Chapter 304, O.S.L. 2012 (70 O.S. Supp. 2012, Section 21-116), is hereby repealed.

SECTION 100. REPEALER 74 O.S. 2011, Section 10.3, as amended by Section 694, Chapter 304, O.S.L. 2012 (74 O.S. Supp. 2012, Section 10.3), is hereby repealed.

1 SECTION 101. AMENDATORY 74 O.S. 2011, Section 85.45k, as
2 amended by Section 4, Chapter 106, O.S.L. 2012 (74 O.S. Supp. 2012,
3 Section 85.45k), is amended to read as follows:

4 Section 85.45k. A. There is hereby created the State Travel
5 Office within the Purchasing Division of the ~~Department of Central~~
6 ~~Services~~ Office of Management and Enterprise Services.

7 B. All state agencies and departments of this state shall make
8 arrangements for all air travel on scheduled commercial airlines for
9 state employees required to travel in the course of their official
10 duties and for all other persons traveling at state expense through
11 the State Travel Office, except when the state agency determines
12 that:

13 1. The air travel services can be secured at a cost less than
14 that which can be secured by the State Travel Office; or

15 2. The air travel originates from a location outside the state
16 and it would be impractical to arrange for the air travel through
17 the State Travel Office; or

18 3. The air travel is necessitated by an emergency and time does
19 not permit utilization of the State Travel Office's services; or

20 4. The air travel is part of a package arrangement made by the
21 organization scheduling the meeting or conference.

22 C. All claims made for reimbursement shall contain a statement
23 showing the reason for the exemption.
24

1 D. The State Travel Office shall promulgate rules and contract
2 specifications to which the contract travel agencies shall be
3 subject. The rules and specifications shall be drawn with the
4 intent of obtaining the lowest available fares for scheduled
5 commercial air travel.

6 E. At the end of each month the contract travel agencies shall
7 furnish a statement, in a form approved by the State Travel Office,
8 showing certain details of all travel arrangements handled to each
9 state agency for which the contract travel agencies have furnished
10 their services and shall also furnish copies of said statements to
11 the State Travel Office.

12 SECTION 102. REPEALER 74 O.S. 2011, Section 85.45k, as
13 amended by Section 764, Chapter 304, O.S.L. 2012 (74 O.S. Supp.
14 2012, Section 85.45k), is hereby repealed.

15 SECTION 103. AMENDATORY 74 O.S. 2011, Section 85.45l, as
16 amended by Section 6, Chapter 316, O.S.L. 2012 (74 O.S. Supp. 2012,
17 Section 85.45l), is amended to read as follows:

18 Section 85.45l. A. Each state agency, board, commission or
19 other entity organized within the executive department of state
20 government shall use the Trip Optimizer system of the ~~Department of~~
21 ~~Central Services~~ Office of Management and Enterprise Services in
22 computing the optimum method and cost for travel by state employees
23 using a motor vehicle where the travel will exceed one hundred (100)
24 miles per day and the employee is not driving a state-owned or -

1 leased dedicated vehicle. For purposes of this section, "dedicated
2 vehicle" means a vehicle that has been assigned to the employee.

3 B. The provisions of this section shall be used to determine
4 the most cost-effective method of travel by motor vehicles, whether
5 such vehicles are owned by the agency, leased by the agency or by
6 the employee, and shall be applicable for purposes of determining
7 the maximum authorized amount of any travel reimbursement for
8 employees of such agencies related to vehicle usage.

9 C. A nonappropriated state agency, that employs persons who use
10 personal vehicles as part of their regular duties and who are
11 reimbursed for travel expenses by the agency shall not be required
12 to utilize the Trip Optimizer system with regard to the travel
13 expenses of such employees. As used in this section,
14 "nonappropriated state agency" means an entity within the executive
15 branch of government that does not receive any of its funding
16 through the annual legislative appropriations process.

17 D. The maximum authorized amount of travel reimbursement
18 related to vehicle usage shall be the lowest cost option as
19 determined by the Trip Optimizer system. All travel claims
20 submitted for reimbursement shall include the results of the Trip
21 Optimizer system indicating the lowest cost option for travel by the
22 state employee.

23 E. State employees may be exempt from the reimbursement
24 requirements of the Trip Optimizer system, provided the state

1 employees utilize a personally owned vehicle and seek reimbursement
2 according to the schedule referenced in subsection F of this
3 section.

4 F. The Office of ~~State Finance~~ Management and Enterprise
5 Services may publish a schedule of reimbursement rates for state
6 employee travel. The schedule may apply to exemptions claimed under
7 subsection E of this section. The schedule may categorize
8 reimbursement rates by type of vehicle and shall not exceed standard
9 mileage reimbursement rates as established by the Internal Revenue
10 Service.

11 G. In providing a calculation of rates, the Trip Optimizer
12 system shall account for the distance that an employee must travel
13 to pick up a rental or state fleet vehicle.

14 H. In providing a calculation of rates, the Trip Optimizer
15 system shall account for the long-term rate discounts offered
16 through the state's purchasing contract for vehicle rentals.

17 SECTION 104. REPEALER 74 O.S. 2011, Section 85.451, as
18 amended by Section 765, Chapter 304, O.S.L. 2012 (74 O.S. Supp.
19 2012, Section 85.451), is hereby repealed.

20 SECTION 105. AMENDATORY 74 O.S. 2011, Section 110.3, as
21 amended by Section 809, Chapter 304, O.S.L. 2012 (74 O.S. Supp.
22 2012, Section 110.3), is amended to read as follows:

23 Section 110.3. A. All state agencies shall maintain inventory
24 records of its motor vehicles. The records shall include:

- 1 1. A detailed description of each vehicle, including its
- 2 original cost;
- 3 2. The vehicle identification number;
- 4 3. The license tag number;
- 5 4. The make, model, and year of the vehicle; and
- 6 5. A designation of loaned or leased vehicles and the name of
- 7 the vendor.

8 B. Each state agency regardless of the exceptions granted in
9 Section 78 of this title shall provide motor vehicle inventory
10 records to the Office of Management and Enterprise Services at such
11 times as may be requested by the Fleet Management Division of the
12 Office of Management and Enterprise Services.

13 SECTION 106. REPEALER 74 O.S. 2011, Section 110.3, as
14 amended by Section 7, Chapter 316, O.S.L. 2012 (74 O.S. Supp. 2012,
15 Section 110.3), is hereby repealed.

16 SECTION 107. AMENDATORY 74 O.S. 2011, Section 500.2, as
17 amended by Section 5, Chapter 106, O.S.L. 2012 (74 O.S. Supp. 2012,
18 Section 500.2), is amended to read as follows:

19 Section 500.2. A. Officials and employees of the state,
20 traveling on authorized state business, may be reimbursed for
21 expenses incurred in such travel in accordance with the provisions
22 of the State Travel Reimbursement Act and existing statutes relating
23 to state travel. Persons who are not state employees, but who are
24 performing substantial and necessary services to the state which

1 have been directed or approved by the appropriate department
2 official shall enjoy the protection of the sovereign immunity of the
3 state to the same extent as a paid employee. Such persons may be
4 reimbursed for expenses incurred during authorized official travel
5 under these same statutory provisions, provided it is indicated on
6 the claim the person is not a state employee, a description of
7 services performed is entered, and the agency head by approval of
8 the claim certifies such services were substantial and necessary,
9 and germane to the duties and functions of the reimbursing agency.
10 Travel expenses incurred by a person during the course of seeking
11 employment with a state agency, unless such travel is performed at
12 the request of the employing agency, shall not be considered
13 expenses incurred in performing substantial and necessary services
14 to the state and shall not be reimbursed under the provisions of the
15 State Travel Reimbursement Act.

16 B. The chief administrative officer of the Department of Public
17 Safety, the Oklahoma State Bureau of Investigation, the Oklahoma
18 State Bureau of Narcotics and Dangerous Drugs Control, the Military
19 Department of the State of Oklahoma, the Department of Corrections,
20 the ~~Department of Central Services~~ Office of Management and
21 Enterprise Services, the Alcoholic Beverage Laws Enforcement
22 Commission, the Oklahoma Department of Agriculture, Food, and
23 Forestry, the Oklahoma Department of Emergency Management, the State
24 Fire Marshal, and the State Department of Health may arrange for and

1 charge meals and lodging for a contingent of state personnel moved
2 into an area for the purpose of preserving the public health,
3 safety, or welfare or for the protection of life or property. The
4 cost for meals or lodging so charged shall not exceed the amount
5 authorized in the State Travel Reimbursement Act. The chief
6 administrative officer of each agency involved in such an operation
7 shall require the vendor furnishing meals, lodging, or both meals
8 and lodging to submit an itemized statement for payment. When a
9 claim for lodging is made for a contingent of state personnel,
10 individual members of the contingent may not submit a claim for
11 lodging. When a claim for meals is made for a contingent of state
12 personnel, individual members of the contingent may not submit a
13 claim for meals.

14 C. The Oklahoma Department of Commerce, the Oklahoma Center for
15 the Advancement of Science and Technology, and the Oklahoma
16 Department of Agriculture, Food, and Forestry are hereby authorized
17 to enter into contracts and agreements for the payment of food,
18 lodging, meeting facility and beverage expenses as may be necessary
19 for sponsoring seminars and receptions relating to economic
20 development and science and technology issues. Such expenses may be
21 paid directly to the contracting agency or business establishment.
22 The Director of the Oklahoma Department of Commerce, the President
23 of the Oklahoma Center for the Advancement of Science and
24 Technology, and the Commissioner of Agriculture shall each provide a

1 quarterly report of such expenditures to the Governor, the Speaker
2 of the House of Representatives and the President Pro Tempore of the
3 Senate.

4 D. The Native American Cultural and Educational Authority is
5 hereby authorized to enter into contracts and agreements for the
6 payment of food, lodging, and meeting facility as may be necessary
7 to pursue the promotion of fund-raising, marketing, and development
8 of Native American educational programs and cultural projects, or to
9 sponsor luncheons, seminars, and receptions relating to Native
10 American educational, cultural, museum, and economic development
11 issues. Such expenses may be paid directly to the contracting
12 agency or business establishment. The Executive Director shall
13 provide a monthly report of expenditures to the Board.

14 E. For purposes of this section:

15 1. "State agency" means any constitutionally or statutorily
16 created state board, commission, or department, including the
17 Legislature and the Courts;

18 2. State agencies are authorized to enter into contracts and
19 agreements for the payment of food and lodging expenses as may be
20 necessary for employees or other persons who are performing
21 substantial and necessary services to the state by attending
22 official conferences, meetings, seminars, workshops, or training
23 sessions or in the performance of their duties. Such expenses may
24 be paid directly to the contracting agency or business

1 establishment, provided the meeting qualifies for overnight travel
2 for the employees and the cost for food and lodging for each
3 employee shall not exceed the total daily rate as provided in the
4 State Travel Reimbursement Act;

5 3. State agencies are authorized to enter into contracts and
6 agreements for the payment of conference registration expenses as
7 may be necessary for employees or other persons who are performing
8 substantial and necessary services to the state by attending
9 official conferences, meetings, seminars, workshops, or training
10 sessions. Such expenses may be paid directly to the contracting
11 agency or business establishment; and

12 4. State agencies are authorized to enter into contracts and
13 agreements for the payment of food and lodging expenses as may be
14 necessary for employees attending an official course of instruction
15 or training conducted or sponsored by any state agency. Expenses
16 may be paid directly to the contracting agency or business
17 establishment. The cost for food and lodging for each employee
18 shall not exceed the total daily rate as provided in the State
19 Travel Reimbursement Act.

20 F. State agencies are authorized to make direct purchases of
21 commercial airline tickets for use by employees in approved out-of-
22 state travel. Each claim or invoice submitted to the Director of
23 ~~State Finance~~ the Office of Management and Enterprise Services for
24 the payment of the purchase shall bear the airline identifying

1 ticket number, the name of the airline, total cost of each ticket
2 purchased, class of accommodation, social security number, and name
3 of the employee for whom the ticket was purchased, and shall be
4 filed on claim forms as prescribed by the Director of ~~State Finance~~
5 the Office of Management and Enterprise Services. The employee
6 shall sign an affidavit stating that the employee did use any direct
7 purchase commercial airline ticket received for his or her approved
8 out-of-state travel.

9 G. 1. The ~~Administrator of the Office of Personnel Management~~
10 Director of the Office of Management and Enterprise Services is
11 hereby authorized to enter into contracts and agreements for the
12 payment of food, lodging, and other authorized expenses as may be
13 necessary to host, conduct, sponsor, or participate in conferences,
14 meetings, or training sessions. The ~~Administrator~~ Director may
15 establish accounts as necessary for the collection and distribution
16 of funds, including funds of sponsors and registration fees, related
17 to such conferences, meetings, and training sessions. Expenses
18 incurred may be paid directly to the contracting agency or business
19 establishment.

20 2. The cost of food for persons attending any conferences,
21 meetings, and training sessions that do not require overnight travel
22 shall not exceed the total daily rate as provided in the State
23 Travel Reimbursement Act.
24

1 H. 1. The Commissioner of the Department of Mental Health and
2 Substance Abuse Services is hereby authorized to enter into
3 contracts and agreements for the payment of food, lodging, and other
4 authorized expenses as may be necessary to host, conduct, sponsor,
5 or participate in conferences, meetings, or training sessions. The
6 Commissioner may establish accounts as necessary for the collection
7 and distribution of funds, including funds of sponsors and
8 registration fees, related to such conferences, meetings, and
9 training sessions. Any expenses incurred may be paid directly to
10 the contracting agency or business establishment.

11 2. The cost of food for persons attending any conferences,
12 meetings, and training sessions that do not require overnight travel
13 shall not exceed the total daily rate as provided in the State
14 Travel Reimbursement Act.

15 I. The Oklahoma Indigent Defense System is hereby authorized to
16 enter into contracts and agreements for the payment of lodging as
17 necessary for employees to carry out their duties in representing
18 any client whom the System has been properly appointed to represent.
19 Such expenses may be paid directly to the contracting agency or
20 business establishment. The cost for lodging for each employee
21 shall not exceed the daily rate as provided in the State Travel
22 Reimbursement Act.

23 J. The Oklahoma Tourism and Recreation Department is hereby
24 authorized to enter into contracts and agreements for the payment of

1 food, lodging, and meeting facility and beverage expenses as may be
2 necessary for seminars and receptions relating to familiarization
3 tours and tourism development. The expenses may be paid directly to
4 the contracting agency or business establishment. The Executive
5 Director of Oklahoma Tourism and Recreation Department shall provide
6 a monthly report of any such expenditures to the Oklahoma Tourism
7 and Recreation Commission.

8 K. The Oklahoma Tourism and Recreation Department is hereby
9 authorized to enter into contracts and agreements for the payment of
10 exhibitor fees and display space charges at expositions to promote
11 the Department's recreational facilities and the tourism and
12 recreation industry. The expenses may be paid directly to the
13 contracting agency or business establishment; provided that no
14 payment shall be made prior to the event unless it conveys a
15 property right to the state for future availability and use.

16 L. 1. The Oklahoma Highway Safety Office of the Department of
17 Public Safety is hereby authorized to enter into contracts and
18 agreements for the payment of food, lodging, and other authorized
19 expenses as may be necessary, to host, conduct, sponsor, or
20 participate in highway-safety-related conferences, workshops,
21 seminars, meetings, or training sessions. The payments shall be for
22 all persons in attendance, including, but not limited to, employees
23 of political subdivisions or employees of the state or federal
24 government. For purposes specified in this paragraph, only federal

1 highway safety funds may be used in accordance with federal
2 guidelines and regulations, and no appropriated state funds shall be
3 used.

4 2. The cost of food for persons attending any highway safety
5 conferences, workshops, seminars, meetings, and training sessions
6 that do not require overnight travel shall not exceed the total
7 daily rate as provided in the State Travel Reimbursement Act.

8 M. 1. The Director of the Oklahoma State Bureau of
9 Investigation is hereby authorized to enter into contracts and
10 agreements for the payment of food, lodging and other authorized
11 expenses as may be necessary to host, conduct, sponsor or
12 participate in any conference, meeting, training session or
13 initiative to promote the mission and purposes of the Bureau. The
14 payments may be for all persons in attendance, including, but not
15 limited to, employees of political subdivisions or employees of the
16 state or federal government.

17 2. The cost of food for persons that do not require overnight
18 travel shall not exceed the total daily rate as provided in the
19 State Travel Reimbursement Act.

20 N. The Oklahoma Homeland Security Director is hereby authorized
21 to enter into contracts and agreements for the payment of food,
22 lodging and other authorized expenses as may be necessary to host,
23 conduct, sponsor, or participate in homeland security related
24 conferences, meetings, workshops, seminars, exercises or training

1 sessions. The expenses may be paid directly to the contracting
2 agency or business establishment.

3 O. 1. The Insurance Commissioner of the Insurance Department
4 of the State of Oklahoma is hereby authorized to enter into
5 contracts and agreements for the payment of food, lodging, and other
6 authorized expenses as may be necessary to host, conduct, sponsor,
7 or participate in conferences, meetings, or training sessions. The
8 Commissioner may establish accounts as necessary for the collection
9 and distribution of funds, including funds of sponsors and
10 registration fees, related to such conferences, meetings, and
11 training sessions. Any expenses incurred may be paid directly to
12 the contracting agency or business establishment.

13 2. The cost of food for persons attending any conferences,
14 meetings, and training sessions that do not require overnight travel
15 shall not exceed the total daily rate as provided in the State
16 Travel Reimbursement Act.

17 P. 1. The State Regents for Higher Education is hereby
18 authorized to enter into contracts and agreements for the payment of
19 food, lodging, and other authorized expenses as may be necessary to
20 host, conduct, sponsor, or participate in conferences, meetings, or
21 training sessions. The State Regents for Higher Education may
22 establish accounts as necessary for the collection and distribution
23 of funds, including funds of sponsors and registration fees, related
24 to such conferences, meetings, and training sessions. Any expenses

1 incurred may be paid directly to the contracting agency or business
2 establishment.

3 2. The cost of food for persons attending any conferences,
4 meetings, and training sessions that do not require overnight travel
5 shall not exceed the total daily rate as provided in the State
6 Travel Reimbursement Act.

7 Q. Whenever possible it shall be the policy of each state
8 agency to prepay airline fares and lodging expenses using a purchase
9 card issued to the agency. This policy shall apply to instances
10 where employees of the agency are traveling on behalf of state
11 government.

12 SECTION 108. REPEALER 74 O.S. 2011, Section 500.2, as
13 amended by Section 853, Chapter 304, O.S.L. 2012 (74 O.S. Supp.
14 2012, Section 500.2), is hereby repealed.

15 SECTION 109. AMENDATORY 74 O.S. 2011, Section 840-4.14,
16 as amended by Section 1, Chapter 285, O.S.L. 2012 (74 O.S. Supp.
17 2012, Section 840-4.14), is amended to read as follows:

18 Section 840-4.14. A. In establishing employment lists of
19 eligible persons for competitive and noncompetitive appointment,
20 certain preferences shall be allowed for honorably discharged
21 veterans as defined by Section 67.13a and Section 67.13b of Title 72
22 of the Oklahoma Statutes. In determination of the register rank:
23
24

1 1. Five points shall be added to the final grade of any person
2 who has passed the examination and has submitted proof of having
3 status as a veteran or unremarried surviving spouse of a veteran;

4 2. Five points shall be added to the final grade of any person
5 who has passed the examination and has submitted proof of having
6 status as a spouse of a veteran who is unemployable due to a
7 service-connected disability as certified by the Department of
8 Veterans Affairs or agency of the Defense Department within six (6)
9 months of date of application; and

10 3. Ten points shall be added to the final grade of any veteran
11 who has passed the examination and has submitted proof of having a
12 service-connected disability as certified by the Department of
13 Veterans Affairs or agency of the Defense Department within six (6)
14 months of date of application. Such veterans' names shall be placed
15 at the top of the register in accordance with their numerical rating
16 if in receipt of benefits payable at the rate of thirty percent
17 (30%) or more and such veterans shall not be denied employment and
18 passed over for other veterans or nonveterans, without showing
19 cause. Acceptable cause shall include a reasonable expectation of
20 the inability of the preferenced applicant to satisfactorily perform
21 at the required level of the position and shall be reviewed in each
22 instance by the ~~Administrator~~ Director of the Office of ~~Personnel~~
23 Management and Enterprise Services. If the ~~Administrator~~ Director
24 finds that acceptable cause for the denial of employment to the

1 preferred applicant does not exist, the appointing authority shall
2 be required to hire the preferred applicant. The position shall
3 not be permanently filled until the ~~Administrator~~ Director has
4 issued his findings.

5 B. War veterans, as defined by Section 67.13a of Title 72 of
6 the Oklahoma Statutes, who have been awarded the Purple Heart or
7 have a service-incurred disability rated by the Department of
8 Veterans Affairs or a branch of the Armed Forces of the United
9 States and who have been a resident of Oklahoma for at least one (1)
10 year prior to the date of the examination, shall be authorized to
11 open any closed register established by the Merit System of
12 Personnel Administration.

13 C. Subsection A of this section shall not apply to special
14 disabled veterans who are considered for employment under the
15 provisions of Sections 401 through 404 of Title 72 of the Oklahoma
16 Statutes. Provided, said veterans may elect instead to be
17 considered for employment according to the procedures set out in
18 this section.

19 D. In addition to the points added to the final grade of any
20 eligible veteran pursuant to subsection A of this section, any
21 veteran who meets the basic qualifications for a position shall be
22 interviewed in person in order to allow the veteran to demonstrate
23 any transferable skills acquired in military service.
24

1 SECTION 110. REPEALER 74 O.S. 2011, Section 840-4.14, as
2 amended by Section 909, Chapter 304, O.S.L. 2012 (74 O.S. Supp.
3 2012, Section 840-4.14), is hereby repealed.

4 SECTION 111. AMENDATORY 74 O.S. 2011, Section 913, as
5 amended by Section 1, Chapter 155, O.S.L. 2012 (74 O.S. Supp. 2012,
6 Section 913), is amended to read as follows:

7 Section 913. A. Prior service shall be credited as follows:

8 1. A member shall receive full credit for employment with any
9 participating employer prior to the entry date of his or her
10 employer whether or not continuous and whether or not he or she was
11 employed with a participating employer on such entry date, provided
12 that any member who has retired before the passage of Section 901 et
13 seq. of this title, shall not receive retirement benefits
14 retroactively for such prior service. Provided, that at such time
15 that an employer becomes a participating employer on or after
16 January 1, 1965, and before January 1, 1975, each member and each
17 retirant, upon making proper written application therefor, shall
18 receive prior service credit for service with such employer in the
19 same manner as if such participating employer had been a
20 participating employer on the date first eligible to become a
21 participating employer; and increased benefits attributable to such
22 increased prior service credit shall commence with the next monthly
23 benefit payment due following receipt and approval of such
24 application by the Board of Trustees. No prior service shall be

1 granted, however, for periods of service in which the employee made
2 contributions which he or she subsequently withdrew, unless he or
3 she has complied with the provisions of subsection (5) of Section
4 917 of this title. The burden of proof regarding prior service
5 shall be with the member and shall be documented in such manner as
6 the Board may direct;

7 2. Any member who was employed in an institution of higher
8 learning by a State Board of Regents or who was employed by an
9 Oklahoma school district prior to July 1, 1943, may receive prior
10 service credit under this act for the period of time they were so
11 employed;

12 3. Any member who served in the Armed Forces of the United
13 States, as defined in paragraph (23) of Section 902 of this title,
14 prior to membership in the Oklahoma Public Employees Retirement
15 System shall be granted prior service credit, not to exceed five (5)
16 years, for those periods of active military service during which he
17 or she was a war veteran. For a member of the System hired on or
18 after July 1, 2003, if the military service credit authorized by
19 this paragraph is used to compute the retirement benefit of the
20 member and the member retires from the System, such military service
21 credit shall not be used to compute the retirement benefit in any
22 other retirement system created pursuant to the Oklahoma Statutes
23 and the member may receive credit for such service only in the
24 retirement system from which the member first retires;

1 4. An elective state, county, city or town official who is
2 ineligible for membership as a result of any applicable state law or
3 constitutional provision making him or her ineligible solely because
4 of his or her being such an official at the time of his or her
5 eligibility for membership at the time his or her employer becomes a
6 participating employer shall nevertheless not forfeit the prior
7 service credit to which he or she would be entitled except for such
8 ineligibility, provided that he or she either:

9 a. becomes an employee of a participating employer within
10 four (4) calendar months of the expiration of his or
11 her term of office current at the time of his or her
12 eligibility except for his or her being an elective
13 state or county official, or

14 b. within a period of four (4) years after the expiration
15 of his or her term of office current at the time of
16 his or her eligibility except for his or her being an
17 elective state or county official, is elected as a
18 state or county official and thereupon becomes a
19 member of the System, or

20 c. has completed ten (10) years of credited service as of
21 the date of his or her eligibility for membership
22 except for his or her being an elective state or
23 county official;
24

1 5. Beginning July 1, 1965, all employees of the Department of
2 Human Services shall participate in the Oklahoma Public Employees
3 Retirement System to the same extent as other employees of
4 participating employers in such System. Provided, that any employee
5 performing teaching services in the Oklahoma School for the Deaf or
6 the Oklahoma School for the Blind may elect to participate in the
7 Teachers' Retirement System of Oklahoma in lieu of the Oklahoma
8 Public Employees Retirement System; and any other employee at each
9 such institution or any other institution under the jurisdiction of
10 the Department of Human Services, participating in the Teachers'
11 Retirement System of Oklahoma, may elect to continue to participate
12 in such system in lieu of the Oklahoma Public Employees Retirement
13 System. All employees who shall have participated in the Teachers'
14 Retirement System of Oklahoma and not continuing therein shall have
15 the right to withdraw their membership from the Teachers' Retirement
16 System of Oklahoma on the same terms as other members withdrawing
17 from such System before retirement. Provided, all persons employed
18 at the Oklahoma School for the Blind and Oklahoma School for the
19 Deaf on June 30, 1965, who became subject to the Oklahoma Public
20 Employees Retirement System, on July 1, 1965, shall receive credit
21 for prior service and be eligible for participation, regardless of
22 age;

23 6. A member employed as a temporary employee by the Legislative
24 Service Bureau or its predecessors, the State Senate or the House of

1 Representatives for the full duration of a regular legislative
2 session prior to the member's eligibility for membership in the
3 System shall receive six (6) months of prior service credit for each
4 such full regular legislative session if the employee is employed by
5 the Legislative Service Bureau or its predecessors, the State Senate
6 or the House of Representatives as either a full-time or temporary
7 employee for a minimum of six (6) full regular legislative sessions
8 beginning January 1, 1983. For purposes of this subsection, the
9 determination of whether an employee is employed for the full
10 duration of a regular legislative session shall be made by the
11 Legislative Service Bureau if such employee is employed by the
12 Legislative Service Bureau, the State Senate if such employee is
13 employed by the State Senate, or by the House of Representatives if
14 such employee is employed by the House of Representatives;

15 7. A member of the System shall receive prior service credit
16 for any years of service after January 1, 1975, the member had with
17 a participating employer if the member is not receiving or eligible
18 to receive such prior service credit for the same time in any other
19 state or county retirement system authorized by law. To receive the
20 service credit, the member shall pay the amount determined by the
21 Board pursuant to Section 913.5 of this title; and

22 8. Any member who is a state employee and receives temporary
23 total disability benefits during the period of absence with a
24 participating employer due to a work-related injury or illness

1 incurred while engaged in a governmental function for said
2 participating employer pursuant to the Workers' Compensation Act
3 shall receive credit for participating service during said period of
4 absence subject to the following requirements:

- 5 a. the member was employed by the participating employer
6 immediately prior to and during the period of absence,
- 7 b. the member must notify the System in writing not later
8 than four (4) months after the member's return to his
9 or her job duties with the participating employer, or
10 termination of employment with the participating
11 employer, or termination of the temporary total
12 disability benefits, whichever is earlier, of the
13 member's desire to receive participating service
14 credit for the period of absence,
- 15 c. the participating employer must certify to the System
16 in writing the dates during which temporary total
17 disability benefits payments were paid to the member,
18 and
- 19 d. the member and the participating employer shall each
20 pay their respective contributions required for the
21 period of absence without interest within sixty (60)
22 days of invoicing by the System, or with interest of
23 seven and one-half percent (7 1/2%) compounded
24 annually if paid after said sixty (60) days.

1 B. Participating service shall be credited as follows:

2 1. A member shall receive credit for participating service with
3 a participating employer in accordance with the rules and
4 regulations established by the Board; provided, however, that a
5 member who is not a full-time employee shall receive prorated credit
6 for actual hours worked;

7 2. Leaves of absence shall not count as a break in continuous
8 employment provided the member leaves his or her accumulated
9 contribution on deposit with the fund; however, the leaves of
10 absence shall not be credited except that involuntary furloughs
11 established by Office of ~~Personnel~~ Management and Enterprise
12 Services rules, involuntary furloughs of employees of a district
13 attorney conducted in substantial compliance with the rules of the
14 Office of ~~Personnel~~ Management and Enterprise Services as certified
15 by the District Attorneys Council, involuntary furloughs of
16 employees pursuant to a furlough plan adopted by the President Pro
17 Tempore of the Senate or the Speaker of the House of Representatives
18 as authorized in Section 840-5.1 of this title and involuntary
19 furloughs of employees authorized by the Oklahoma Supreme Court
20 shall be credited;

21 3. Any member who has served in the Armed Forces of the United
22 States, as defined in paragraph (23) of Section 902 of this title,
23 shall be granted participating service for those periods of active
24 military service during which he or she was a war veteran provided

1 this service is immediately preceded by a period of employment with
2 a participating employer and is followed by return to employment as
3 an employee with the same or another participating employer within
4 ninety (90) days immediately following discharge from such military
5 service provided the member leaves his or her accumulated
6 contributions on deposit with the fund;

7 4. A period of total disability under the System immediately
8 followed by employment with a participating employer, shall not
9 count as a break in continuous employment; provided, that such
10 periods while not employed shall not be credited except that
11 involuntary furloughs established by Office of ~~Personnel~~ Management
12 and Enterprise Services Rule 6.13, shall be credited;

13 5. Termination of employment with a participating employer
14 followed by employment with the same or another participating
15 employer within four (4) calendar months shall not constitute a
16 break in continuous employment; provided, that such period while not
17 employed shall not be credited as participating service;

18 6. Provided, however, that all employee contributions required
19 by this act made by employees prior to June 30, 1977, will entitle
20 the employee to additional years of participating service in
21 accordance with the following schedule.

22 Employee accumulated contributions:

23 More than \$1.00 up to \$500 = 1 year participating service

24 More than \$500 up to \$1,000 = 2 years participating service

1 More than \$1,000 up to \$1,500 = 3 years participating service

2 More than \$1,500 up to \$2,000 = 4 years participating service

3 More than \$2,000 = 5 years participating service

4 In no event shall the employee be entitled to more than five (5)
5 additional years of participating service as provided hereunder.

6 Provided further, that upon termination of employment prior to
7 retirement, the accumulated contributions will be credited as above
8 indicated to establish a vested benefit if so elected by any such
9 employee; and

10 7. a. The total participating service credit of a member who
11 retires or terminates employment and elects a vested
12 benefit shall include not to exceed one hundred thirty
13 (130) days of unused sick leave accumulated subsequent
14 to August 1, 1959, during the member's employment with
15 any participating employer. Such credit shall be
16 added in terms of whole months. Twenty (20) days of
17 unused sick leave shall equal one (1) month for
18 purposes of participating service credit. If unused
19 sick leave entitles a member to an additional year of
20 service credit, the member's employer shall reimburse
21 the System for the cost of funding the additional
22 reserve. Each participating employer shall provide
23 the System with adequate and timely information
24 necessary to determine additional benefits and its

1 cost under this paragraph. This subparagraph shall
2 apply to members retiring or vesting on or after July
3 1, 1984.

4 b. For members who join the System on or after November
5 1, 2012, unused sick leave as set forth in
6 subparagraph a of this paragraph shall be credited at
7 the same rate but not used to round up to another
8 year. Instead, any additional months of unused sick
9 leave credit shall be added to other service credit
10 without rounding.

11 C. In determining the number of years of credited service, a
12 fractional year of six (6) months or more shall be considered as one
13 (1) year, and less than six (6) months shall be disregarded. For
14 members who join the System on or after November 1, 2012, the number
15 of years of credited service shall be based on actual years and
16 months of credited service without rounding up or down.

17 D. A member may receive credit for those years of credited
18 service accumulated by the member while a member of the Oklahoma
19 Firefighters Pension and Retirement System, the Oklahoma Police
20 Pension and Retirement System, the Uniform Retirement System for
21 Justices and Judges, the Oklahoma Law Enforcement Retirement System,
22 or the Teachers' Retirement System of Oklahoma, if the member is not
23 receiving or eligible to receive retirement credit or benefits from
24 said service in any other public retirement system. To receive the

1 service credit, the member shall pay the amount determined by the
2 Board pursuant to Section 913.5 of this title.

3 E. A member may receive credit for those years of service
4 accumulated by the member as an elected official if the member is
5 not receiving or eligible to receive retirement credit or benefits
6 from said service in any public retirement system. Prior to January
7 1, 1991, to receive the service credit, the member shall pay to the
8 Board for each year of service purchased pursuant to this subsection
9 a sum equal to the employee and employer contribution rate that
10 would have been applicable to the member as determined by the Board
11 and interest of not to exceed five percent (5%), and effective
12 January 1, 1991, to receive the service credit, the member shall pay
13 the amount determined by the Board pursuant to Section 913.5 of this
14 title.

15 F. Effective December 12, 1994, and thereafter, a leave of
16 absence on account of a period of qualified military service in the
17 uniformed services of the United States within the meaning of
18 Section 414(u)(5) of the federal Internal Revenue Code, followed by
19 a return to employment with the participating employer within ninety
20 (90) days after completion of the period of service may be eligible
21 for credited service under this System. Notwithstanding any
22 provision of this plan to the contrary, contributions, benefits and
23 service credit with respect to qualified military service will be
24

1 allowed in accordance with Section 414(u) of the federal Internal
2 Revenue Code.

3 G. 1. An active member of the Oklahoma Public Employees
4 Retirement System may receive credit for those years of service
5 accumulated by the member while a member of the Teachers' Retirement
6 System of Oklahoma if:

7 a. the member is an active member of the Oklahoma Public
8 Employees Retirement System, and

9 b. the member provides notice to the Teachers' Retirement
10 System of Oklahoma and the Oklahoma Public Employees
11 Retirement System of the member's election to transfer
12 said retirement credit. The notice shall include a
13 list of the years to be transferred, and

14 c. the member is not receiving or eligible to receive
15 retirement credit or benefits from said service in any
16 other public retirement system, notwithstanding the
17 years of service sought to be transferred under this
18 subsection.

19 Members electing to take advantage of the transfer authorized by
20 this subsection who are receiving or eligible to receive retirement
21 credit or benefits from said service in any other public retirement
22 system shall have all service credit with the Teachers' Retirement
23 System of Oklahoma canceled which is not transferred to the Oklahoma
24 Public Employees Retirement System or used as a cash offset in such

1 a transfer pursuant to subparagraph d of paragraph 2 of this
2 subsection. Service credit transferred to the Teachers' Retirement
3 System of Oklahoma under this subsection shall also be canceled with
4 the Oklahoma Public Employees Retirement System.

5 2. For purposes of this subsection, the "sending system" shall
6 mean the Teachers' Retirement System of Oklahoma. The "receiving
7 system" shall mean the Oklahoma Public Employees Retirement System.

8 a. Within thirty (30) days notification of an intent to
9 transfer is received by the sending system, the
10 sending system shall, according to its own rules and
11 regulations:

12 (1) for members who have vested with the sending
13 system, determine the present value of the
14 member's earned benefits attributable to the
15 years of service sought to be transferred,
16 discounted according to the member's age at the
17 time of transfer and computed as of the earliest
18 age at which the member would be able to retire.
19 Said computation shall assume an unreduced
20 benefit and be computed using interest and
21 mortality assumptions consistent with the
22 actuarial assumptions adopted by the Board of
23 Trustees for purposes of preparing the annual
24 actuarial evaluation but shall not make any

1 projections regarding future salary. For vested
2 employees the sending system shall use the
3 product of this calculation for purposes of
4 determining the transfer fee to be paid by the
5 employee under subparagraph c of this paragraph
6 so long as it is greater than the product of the
7 calculation in this division, and

8 (2) determine the sum of the employee and employer
9 contributions applicable to the years of service
10 sought to be transferred plus interest consistent
11 with the actuarial assumptions adopted by the
12 Board of Trustees for purposes of preparing the
13 annual actuarial evaluation. For all nonvested
14 members, and for vested members if the product of
15 this calculation is greater than the product of
16 the calculation in division (1) of this
17 subparagraph, the sending system shall use the
18 product of this calculation for purposes of
19 determining the amount to be transferred by the
20 sending system under subparagraph c of this
21 paragraph and any transfer fee to be paid by the
22 members under subparagraph d of this paragraph.

23 b. Within thirty (30) days after notification of an
24 intent to transfer is received by the receiving

1 system, the receiving system shall determine,
2 according to the system's own rules and regulations,
3 the present value of the member's incremental
4 projected benefits discounted according to the
5 member's age at the time of the transfer. Incremental
6 projected benefits shall be the difference between the
7 projected benefit said member would receive without
8 transferring the service credit and the projected
9 benefit after transfer of service credit computed as
10 of the earliest age at which the member would be able
11 to retire. Said computation shall assume an unreduced
12 benefit and be computed using interest, salary
13 projections and mortality assumptions consistent with
14 the actuarial assumptions adopted by the Board of
15 Trustees for purposes of preparing the annual
16 actuarial evaluation.

- 17 c. The sending system shall, within sixty (60) days from
18 the date notification of an intent to transfer is
19 received by the sending system, transfer to the
20 receiving system the amount determined in subparagraph
21 a of this paragraph. Except, if the cost under
22 subparagraph a of this paragraph for the same years of
23 service to the sending system is greater than the
24 actuarial value of the incremental benefit in the

1 receiving system, as established in subparagraph b of
2 this paragraph, the sending system shall send the
3 receiving system an amount equal to the actuarial
4 value of the incremental projected benefit in the
5 receiving system.

6 d. In order to receive the credit provided for in
7 paragraph 1 of this subsection, if the cost of the
8 actuarial value of the incremental benefit to the
9 receiving system is greater than the cost as
10 calculated under subparagraph a of this paragraph for
11 the same years of service to the sending system as
12 established in subparagraphs a and b of this
13 paragraph, the employee shall elect to:

- 14 (1) pay any difference to receive full credit for the
15 years sought to be transferred, or
16 (2) receive prorated service credit for only the
17 amount received from the Teachers' Retirement
18 System of Oklahoma pursuant to this subsection.

19 Such an election shall be made in writing, filed with
20 the System prior to receiving the credit provided for
21 in paragraph 1 of this subsection, and shall be
22 irrevocable.

23 3. Within sixty (60) days of successfully completing all of the
24 requirements for transfer under this subsection, the sending system

1 shall pay the receiving system any amount due under this subsection.
2 Within sixty (60) days of successfully completing all of the
3 requirements for transfer under this subsection, the member shall
4 pay the receiving system any amount due under this subsection. In
5 the event that the member is unable to pay the transfer fee provided
6 for in this subsection by the due date, the Board of Trustees of the
7 receiving system shall permit the member to amortize the transfer
8 fee over a period not to exceed sixty (60) months. Said payments
9 shall be made by payroll deductions unless the Board of Trustees
10 permits an alternate payment source. The amortization shall include
11 interest in an amount not to exceed the actuarially assumed interest
12 rate adopted by the Board of Trustees for investment earnings each
13 year. Any member who ceases to make payment, terminates, retires or
14 dies before completing the payments provided for in this section
15 shall receive prorated service credit for only those payments made,
16 unless the unpaid balance is paid by said member, his or her estate
17 or successor in interest within six (6) months after said member's
18 death, termination of employment or retirement, provided no
19 retirement benefits shall be payable until the unpaid balance is
20 paid, unless said member or beneficiary affirmatively waives the
21 additional six-month period in which to pay the unpaid balance.

22 4. Years of service transferred pursuant to this subsection
23 shall be used both in determining the member's retirement benefit
24 and in determining the years of service for retirement and/or

1 vesting purposes. Years of service rendered as a member of the
2 Teachers' Retirement System of Oklahoma prior to July 1, 1992, if
3 any, shall be deemed to be years of service rendered as a member of
4 the Oklahoma Public Employees Retirement System prior to July 1,
5 1992, and shall qualify such person as a member of the Oklahoma
6 Public Employees Retirement System before July 1, 1992.

7 5. Notwithstanding the requirements of Section 17-104 of Title
8 70 of the Oklahoma Statutes, members electing to take advantage of
9 the transfer authorized by this subsection who have withdrawn their
10 contributions from the sending system shall remit to the sending
11 system the amount of the accumulated contributions the member has
12 withdrawn plus simple interest of ten percent (10%) per annum prior
13 to making said election or the election shall be deemed invalid and
14 the transfer shall be canceled. If such an election is deemed
15 invalid and the transfer is canceled, the accumulated contribution
16 remitted to the sending system by the member who originally withdrew
17 their contributions shall be returned to the member. The member's
18 rights and obligations regarding any service credit reestablished in
19 the sending system due to a failure to satisfy the requirements of
20 this subsection shall be determined by the sending system in
21 accordance with Section 17-101 et seq. of Title 70 of the Oklahoma
22 Statutes.

23 6. If any member fails for any reason to satisfy the
24 requirements of this subsection, the election to transfer retirement

1 credit shall be void and of no effect, and any retirement credited
2 as a result of this transfer shall be canceled. If such retirement
3 credit is canceled, the years of canceled retirement credit which
4 were unsuccessfully transferred to the receiving system from the
5 sending system shall be reestablished in the sending system. The
6 member's rights and obligations regarding any retirement credit
7 reestablished in the sending system due to a failure to satisfy the
8 requirements of this subsection shall be determined by the sending
9 system in accordance with Section 17-101 et seq. of Title 70 of the
10 Oklahoma Statutes.

11 7. The Board of Trustees shall promulgate such rules as are
12 necessary to implement the provisions of this subsection.

13 H. 1. A member of the Teachers' Retirement System of Oklahoma
14 whose last service with the Teachers' Retirement System of Oklahoma
15 was with an entity or institution within The Oklahoma State System
16 of Higher Education, State Board of Education, State Board of Career
17 and Technology Education, Oklahoma Department of Career and
18 Technology Education, Oklahoma School of Science and Mathematics,
19 Oklahoma Center for the Advancement of Science and Technology, State
20 Department of Rehabilitation Services, Oklahoma State Regents for
21 Higher Education, Department of Corrections, State Department of
22 Education, Oklahoma Board of Private Vocational Schools, Board of
23 Regents of Oklahoma Colleges, Oklahoma Student Loan Authority, or
24 the Teachers' Retirement System of Oklahoma, may elect to receive

1 credit for those years of service accumulated by the member in the
2 Teachers' Retirement System of Oklahoma, pursuant to this
3 subsection. A member shall be eligible to elect to transfer credit
4 for such years of service from the Teachers' Retirement System of
5 Oklahoma to the Oklahoma Public Employees Retirement System if:

- 6 a. the member is an active member of the Oklahoma Public
7 Employees Retirement System,
- 8 b. the member provides notice to the Teachers' Retirement
9 System of Oklahoma and the Oklahoma Public Employees
10 Retirement System of the member's election to transfer
11 such retirement credit. The notice shall include a
12 list of the years to be transferred, and
- 13 c. the member is not receiving or eligible to receive
14 retirement credit or benefits from such service in any
15 other public retirement system, notwithstanding the
16 years of service sought to be transferred under this
17 subsection.

18 Members electing to take advantage of the transfer authorized by
19 this subsection shall have all service credit with the Teachers'
20 Retirement System of Oklahoma canceled which is transferred to the
21 Oklahoma Public Employees Retirement System.

22 2. For purposes of this subsection, the "sending system" shall
23 mean the Teachers' Retirement System of Oklahoma. The "receiving
24 system" shall mean the Oklahoma Public Employees Retirement System.

1 Within thirty (30) days after notification of an intent to transfer
2 is received by the sending system, the sending system shall,
3 according to its own rules, send to the receiving system all
4 employer and employee contributions made on behalf of the member
5 which were made to the sending system plus an additional amount of
6 earnings based on the actuarial assumed rate of the sending system.
7 Upon receipt of these contributions by the receiving system, the
8 receiving system shall give credit to the transferring member in an
9 amount equal to the years of service accrued in the sending system.

10 3. If the transferring member's normal retirement date
11 calculation is based upon the sum of the member's age and number of
12 years of credited service totaling eighty (80) in the sending
13 system, then the member shall retain such calculation in the
14 receiving system.

15 4. The Board of Trustees shall promulgate such rules as are
16 necessary to implement the provisions of this subsection.

17 I. A member of the System in the employment of the Governor,
18 the State Senate or the House of Representatives, on or after July
19 1, 1999, may make an election prior to December 31, 2000, which
20 shall be irrevocable and on a form prescribed for such purpose by
21 the System, to continue participation in the System upon becoming
22 employed by a participating employer of the Teachers' Retirement
23 System of Oklahoma. The Board shall promulgate all rules necessary
24 to implement the provisions of this subsection.

1 SECTION 112. REPEALER 74 O.S. 2011, Section 913, as
2 amended by Section 928, Chapter 304, O.S.L. 2012 (74 O.S. Supp.
3 2012, Section 913), is hereby repealed.

4 SECTION 113. AMENDATORY 74 O.S. 2011, Section 913.4, as
5 amended by Section 2, Chapter 109, O.S.L. 2012 (74 O.S. Supp. 2012,
6 Section 913.4), is amended to read as follows:

7 Section 913.4. A. 1. Except as otherwise provided in this
8 subsection, an elected official may elect to participate in the
9 System and if he or she elects to do so shall have the option of
10 participating at any one of the computation factors set forth in
11 ~~paragraphs~~ paragraph 3 or 4 of this subsection and will receive
12 retirement benefits in accordance with the computation factor
13 chosen. The election on participation in the System must be in
14 writing, must specify the computation factor chosen, and must be
15 filed with the System within ninety (90) days after the elected
16 official takes office. The election to participate and the election
17 of a computation factor shall be irrevocable. Reelection to the
18 same office will not permit new elections. Failure of an elected
19 official to file such election form within the ninety-day period
20 shall be deemed an irrevocable election to participate in the System
21 at the maximum computation factor.

22 2. Contributions and benefits will be based upon the elected
23 official's annual compensation as defined in Section 902 of this
24 title. Employer and elected official contributions shall be

1 remitted at least monthly, or as the Board may otherwise provide, to
2 the System for deposit in the Oklahoma Public Employees Retirement
3 Fund. Effective July 1, 1994, and thereafter, the participating
4 employer shall contribute as provided in Section 920 of this title.

5 3. Except as provided in paragraph 4 of this subsection,
6 effective July 1, 1994, the computation factor selected and the
7 corresponding elected official contribution rate shall be as
8 follows:

9	Elected official	Computation	Alternate
10	Contribution Rate	Factor	Formula
11	4.5%	1.9%	\$12.50
12	6%	2.5%	\$20.00
13	7.5%	3.0%	\$25.00
14	8.5%	3.4%	\$27.50
15	9%	3.6%	\$30.00
16	10%	4.0%	\$40.00

17 4. Elected officials who are first elected or appointed to an
18 elected office on or after November 1, 2010, shall elect a
19 computation factor of either 1.9% or 4%. The elected official
20 contribution rate for the 1.9% computation factor is currently 4.5%
21 and the contribution rate for the 4% computation factor is currently
22 10%. All other computation factors and contribution rates set forth
23 in paragraph 3 of this subsection shall not be available to any
24

1 person first elected or appointed to an elected office on or after
2 November 1, 2010.

3 5. The contribution rate for elected officials who are first
4 elected or appointed to an elected office on or after November 1,
5 2011, shall be in the amount specified in paragraph (a) of
6 subsection (1) of Section 919.1 of this title. The amount of the
7 retirement benefit for elected officials who are first elected or
8 appointed to an elected office on or after November 1, 2011, shall
9 be based on the provisions of paragraph (1) of subsection A of
10 Section 915 of this title.

11 6. The computation factors and corresponding elected official
12 contribution rates provided for in paragraphs 3 and 4 of this
13 subsection shall be based on the entire compensation as an elected
14 official subject to the definition and maximum compensation levels
15 as set forth in paragraph (9) of Section 902 of this title.

16 7. Elected officials who are first elected or appointed on or
17 after November 1, 2011, shall also be eligible to make the election
18 of an alternate multiplier and contribution rate pursuant to
19 paragraph 2 of subsection A of Section 915 of this title.

20 B. The normal retirement date for an elected official shall be
21 the first day of the month coinciding with or following the
22 official's sixtieth birthday or the first day of the month
23 coinciding with or following the date at which the sum of the
24 elected official's age and number of years of credited service total

1 eighty (80). The normal retirement date for an elected official
2 first elected or appointed to an elected office on or after November
3 1, 2011, shall be the first day of the month coinciding with or
4 following the official's sixty-fifth birthday or the date upon which
5 the elected or appointed official attains the age of sixty-two (62)
6 and who has at least ten (10) years of elected or appointed service.
7 Any elected official first elected or appointed to an elected office
8 before November 1, 2011, who has a minimum of ten (10) years'
9 participating service may retire under the early retirement
10 provisions of this act, including those electing a vested benefit
11 and shall receive an adjustment of annual benefits in accordance
12 with the following percentage schedule:

		Percentage of Normal
	Age	Retirement Benefits
15	60	100%
16	59	94%
17	58	88%
18	57	82%
19	56	76%
20	55	70%

21 Any elected official first elected or appointed to an elected
22 office on or after November 1, 2011, who has a minimum of ten (10)
23 years' participating service may retire under the early retirement
24 provisions of this act, including those electing a vested benefit

1 and shall receive an adjustment of annual benefits in accordance
2 with the following percentage schedule:

	Age	Percentage of Normal Retirement Benefits
5	62	100%
6	61	93.33%
7	60	86.67%

8 C. 1. Any elected official shall receive annual benefits
9 computed based upon the computation factor selected multiplied by
10 the member's highest annual compensation received as an elected
11 official prior to retirement or termination of employment multiplied
12 by the number of years of credited service. No elected official
13 shall retire using such highest annual compensation unless the
14 elected official has made the required election and has paid the
15 required contributions on such salary.

16 2. The retirement benefit may be computed pursuant to the
17 provisions of paragraph (1) of subsection A of Section 915 of this
18 title if the benefit would be higher. Elected officials who have a
19 vested benefit prior to July 1, 1980, may elect to receive annual
20 benefits based on the alternate formula provided above. Such annual
21 benefits shall be paid in equal monthly installments.

22 3. Elected officials who become members of the Oklahoma Public
23 Employees Retirement System on or after August 22, 2008, will
24 receive retirement benefits in accordance with the computation

1 factor selected pursuant to subsection A of this section multiplied
2 by the member's highest annual compensation received as an elected
3 official and only for those years of credited service the member
4 served as an elected official. If such elected official has
5 participating service as a nonelected member, then such nonelected
6 service shall be computed separately pursuant to the provisions of
7 paragraph (1) of subsection A of Section 915 of this title with the
8 final benefit result added to the final benefit result for elected
9 service. In no event shall the elected official be entitled to
10 apply the computation factor selected pursuant to subsection A of
11 this section or the compensation received as an elected official to
12 the computation of nonelected service.

13 4. Elected officials who are first elected or appointed to an
14 elected office on or after August 22, 2008, may not receive a
15 maximum benefit greater than their single highest annual
16 compensation received as a member of the Oklahoma Public Employees
17 Retirement System.

18 D. Any elected official making an election to participate at a
19 computation factor less than the maximum and later selecting a
20 higher computation factor shall contribute to the System a sum equal
21 to the amount which the elected official would have contributed if
22 the elected official had made such election at the time the elected
23 official first became eligible, plus interest as determined by the
24 Board, in order to receive the additional benefits for all service

1 as an elected official; otherwise, the additional benefits shall be
2 applicable only to service for which the elected official pays the
3 appropriate percent of contributions to the System.

4 E. The surviving spouse of a deceased elected official who was
5 first elected or appointed to an elected office before November 1,
6 2011, and who has at least six (6) years of participating service
7 and the surviving spouse of a deceased elected official who was
8 first elected or appointed to an elected office on or after November
9 1, 2011, and who has at least eight (8) years of participating
10 service shall be entitled to receive survivor benefits in the amount
11 herein prescribed, if married to the decedent continuously for a
12 period of at least three (3) years immediately preceding the elected
13 official's death. Provided the elected official had met the service
14 requirements, survivor benefits shall be payable when the deceased
15 member would have met the requirements for normal or early
16 retirement. The amount of the benefits the surviving spouse may
17 receive shall be fifty percent (50%) of the amount of benefits the
18 deceased elected official was receiving or will be eligible to
19 receive. Remarriage of a surviving spouse shall disqualify the
20 spouse for the receipt of survivor benefits. Elected officials may
21 elect a retirement option as provided in Section 918 of this title
22 in lieu of the survivors benefit provided above.

23 F. Any elected official who served in the Armed Forces of the
24 United States, as defined in paragraph (23) of Section 902 of this

1 title, prior to membership in the Oklahoma Public Employees
2 Retirement System shall be granted credited service of not to exceed
3 five (5) years for those periods of active military service during
4 which the elected official was a war veteran.

5 G. Anyone appointed or elected to an elected position after
6 July 1, 1990, shall not be eligible to receive benefits as provided
7 in this section until such person has participated as an elected
8 official for six (6) years. Anyone appointed or elected to an
9 elected position on or after November 1, 2011, shall not be eligible
10 to receive benefits as provided in this section until such person
11 has participated as an elected official for eight (8) years.

12 H. Elected officials who terminate participation in the System
13 and who have a minimum of six (6) years of participating service
14 shall be entitled to elect a vested benefit and shall be entitled to
15 the retirement options as provided in Section 918 of this title in
16 lieu of the survivors benefit provided in subsection E of this
17 section. Elected officials, first elected or appointed to an
18 elected office on or after November 1, 2011, who terminate
19 participation in the System and who have a minimum of eight (8)
20 years of participating service shall be entitled to elect a vested
21 benefit and shall be entitled to retirement options as provided in
22 Section 918 of this title in lieu of the survivors benefits provided
23 in subsection E of this section.

1 I. In determining the number of years of credited service, a
2 fractional year of six (6) months or more shall be considered as one
3 (1) year, and less than six (6) months or more shall be disregarded.
4 For members who joined the System on or after November 1, 2011, the
5 number of years of credited service shall be based on actual years
6 and months of credited service without rounding up or down.

7 SECTION 114. REPEALER 74 O.S. 2011, Section 913.4, as
8 amended by Section 2, Chapter 155, O.S.L. 2012 (74 O.S. Supp. 2012,
9 Section 913.4), is hereby repealed.

10 SECTION 115. AMENDATORY 74 O.S. 2011, Section 1310.1, as
11 amended by Section 2, Chapter 321, O.S.L. 2012 (74 O.S. Supp. 2012,
12 Section 1310.1), is amended to read as follows:

13 Section 1310.1. A. If a certified employee elects health care
14 coverage under a plan offered by a school district, including a plan
15 offered by the ~~State and Education Employees Group Insurance Board~~
16 Office of Management and Enterprise Services or a self-insured plan
17 offered by the school district, then a school district shall pay no
18 less than one hundred percent (100%) of the premium amount for the
19 HealthChoice (HI) option plan for an individual offered by the ~~State~~
20 ~~and Education Employees Group Insurance Board~~ Office.

21 The amount a school district is required to pay pursuant to this
22 subsection shall be reduced by the flexible benefit allowance
23 provided for in Section 26-105 of Title 70 of the Oklahoma Statutes.

1 B. The premium for education entities that participate in the
2 health and dental insurance plans offered through the ~~State and~~
3 ~~Education Employees Group Insurance Act~~ Oklahoma Employees Insurance
4 and Benefits Act shall be the same as paid by state agencies for
5 said plans.

6 C. All education entities that participate in the insurance
7 plans offered through the ~~State and Education Employees Group~~
8 ~~Insurance Act~~ Oklahoma Employees Insurance and Benefits Act shall
9 forward the appropriate premiums for each employee to the ~~Board~~
10 Office no later than the tenth day of each month following the month
11 for which payment is due. Nothing shall prohibit a school district
12 from forwarding appropriate premiums to the ~~Board~~ Office prior to
13 the month for which payment is due.

14 SECTION 116. REPEALER 74 O.S. 2011, Section 1310.1, as
15 amended by Section 949, Chapter 304, O.S.L. 2012 (74 O.S. Supp.
16 2012, Section 1310.1), is hereby repealed.

17 SECTION 117. AMENDATORY 74 O.S. 2011, Section 3001, as
18 amended by Section 1, Chapter 289, O.S.L. 2012 (74 O.S. Supp. 2012,
19 Section 3001), is amended to read as follows:

20 Section 3001. A. There is hereby created in the ~~Department of~~
21 ~~Central Services~~ Office of Management and Enterprise Services a
22 committee to be known as the "State Use Committee". The Committee
23 shall consist of seven (7) members and one nonvoting member as
24 follows:

1 1. A private citizen conversant with the employment needs of
2 people with severe disabilities who shall be appointed by and serve
3 at the pleasure of the Governor to act as an advocate for the
4 employment needs of people with severe disabilities;

5 2. The Director of the ~~Department of Central Services~~ Office of
6 Management and Enterprise Services or designee;

7 3. The Director of Visual Services, or designee;

8 4. The past president of Oklahoma Community-Based Providers or
9 designee to serve for a one-year period, who may be reappointed by
10 the succeeding president;

11 5. An individual or a parent or guardian of an individual with
12 severe disabilities who participates in vocational programming
13 through a sheltered environment facility, to be selected by the
14 Committee;

15 6. The Director of Human Services, or designee;

16 7. A certified procurement officer from any state agency
17 appointed by the State Purchasing Director, selected to represent
18 the customer agencies of the State of Oklahoma; and

19 8. As a nonvoting member, a person employed by the ~~Department~~
20 ~~of Central Services~~ Office of Management and Enterprise Services as
21 a contracting officer in the purchasing division, appointed by the
22 State Purchasing Director with the advice of the Committee and
23 designated specifically to solicit, develop, and negotiate contracts
24 with agencies and individuals.

1 B. The Committee shall elect from among its membership a Chair
2 and a Vice Chair who shall both serve for a period of one (1) year.

3 C. The private citizen on the Committee shall serve for a
4 period of two (2) years and may be reappointed by the appointing
5 authority. Any private citizen appointed pursuant to this section
6 to fill a vacancy occurring prior to the expiration of the term for
7 which the predecessor was appointed shall be appointed only for the
8 remainder of the term.

9 D. Any member of the Committee shall be prohibited from voting
10 on any issue in which the member has an interest.

11 SECTION 118. REPEALER 74 O.S. 2011, Section 3001, as
12 amended by Section 1000, Chapter 304, O.S.L. 2012 (74 O.S. Supp.
13 2012, Section 3001), is hereby repealed.

14 SECTION 119. AMENDATORY 74 O.S. 2011, Section 3007, as
15 amended by Section 3, Chapter 289, O.S.L. 2012 (74 O.S. Supp. 2012,
16 Section 3007), is amended to read as follows:

17 Section 3007. A. Whenever the State of Oklahoma or any of its
18 agencies intends to procure any product or service included in the
19 procurement schedule, that entity shall secure the product or
20 service from a qualified nonprofit agency providing employment to
21 people with severe disabilities at the fair market price determined
22 by the Committee if the product or service is available within the
23 period required by the entity.

1 B. An agency of this state shall not evade the intent and
2 meaning of this section by slight variations from standards adopted
3 by the ~~Department of Central Services~~ Office of Management and
4 Enterprise Services.

5 C. Provided, the requirements of this section shall not apply
6 to the procurement of janitorial services by the Oklahoma State
7 Bureau of Investigation. The Bureau shall conduct background
8 investigations and national criminal history record checks on
9 companies and individuals with which it contracts to provide
10 janitorial services.

11 D. When the fair market price for a product or service approved
12 by the Committee exceeds a current market price for the same product
13 or service, and such lower market price has been verified by the
14 agency through compliance with the fair market analysis process
15 approved by the ~~Department of Central Services~~ Office of Management
16 and Enterprise Services, the state use contracting officer may grant
17 a temporary exception to a requesting agency so that the agency may
18 purchase the product or service from the vendor offering the lower
19 market price. The temporary exception shall automatically expire
20 when a new fair market price is established by the State Use
21 Committee.

22 SECTION 120. REPEALER 74 O.S. 2011, Section 3007, as
23 amended by Section 1003, Chapter 304, O.S.L. 2012 (74 O.S. Supp.
24 2012, Section 3007), is hereby repealed.

1 SECTION 121. AMENDATORY 74 O.S. 2011, Section 7005, as
2 amended by Section 1049, Chapter 304, O.S.L. 2012 (74 O.S. Supp.
3 2012, Section 7005), is amended to read as follows:

4 Section 7005. A. The Oversight Committee for State Employee
5 Charitable Contributions shall be composed of the Director of the
6 Office of Management and Enterprise Services, or designee and six
7 ~~(6)~~ state employees, of which two shall be appointed by the
8 Governor, two shall be appointed by the President Pro Tempore of the
9 Senate and two shall be appointed by the Speaker of the House of
10 Representatives. Members shall serve at the pleasure of their
11 appointing authorities. The provisions of Section 6 of Title 51 of
12 the Oklahoma Statutes shall not apply to appointments to the
13 Committee. The Committee is created to continue until July 1, ~~2012~~
14 2016, in accordance with the provisions of the Oklahoma Sunset Law.

15 B. The Committee annually shall elect a chairman from its
16 membership. The Director of the Office of Management and Enterprise
17 Services shall serve as chairman until the first such election.

18 C. The Oversight Committee for State Employee Charitable
19 Contributions shall have the following duties and responsibilities:

20 1. Arrange for publication of information about the application
21 process;

22 2. Review applications of federations electing to participate
23 in the State Charitable Campaign and certify that a federation and
24

1 each of its member agencies meet the eligibility criteria set forth
2 in Sections 7009 and 7010 of this title;

3 3. Notify in writing each of the applying federations of its
4 acceptance or rejection. Provided, if a federation is rejected, the
5 Committee shall provide the reason for rejection of each of the
6 member agencies of the federation;

7 4. Hear appeals of rejected agencies;

8 5. Delegate to the principal combined fund-raising organization
9 the primary responsibility for the staffing ~~of~~ and the financial
10 obligations necessary to comply with the provisions of this
11 subsection;

12 6. Develop a pledge card to be used throughout the State
13 Charitable Campaign;

14 7. Select a principal combined fund-raising organization to
15 assist the Committee in gathering and accumulating the applications;
16 and

17 8. Promulgate rules to implement the provisions of the Oklahoma
18 State Employee Charitable Contribution Act.

19 D. The Office of Management and Enterprise Services shall
20 provide such staff support as is required by the Committee.

21 E. The Oversight Committee for State Employee Charitable
22 Contributions is authorized to appoint such advisory councils and
23 task forces as it deems necessary for counsel, advice and review
24 concerning the formulation and administration of the rules,

1 application review process and the implementation of the Oklahoma
2 State Employee Charitable Contribution Act.

3 SECTION 122. REPEALER 74 O.S. 2011, Section 7005, as
4 amended by Section 2, Chapter 301, O.S.L. 2012 (74 O.S. Supp. 2012,
5 Section 7005), is hereby repealed.

6 SECTION 123. Section 95 of this act shall become effective July
7 1, 2013.

8 SECTION 124. It being immediately necessary for the
9 preservation of the public peace, health and safety, an emergency is
10 hereby declared to exist, by reason whereof this act shall take
11 effect and be in full force from and after its passage and approval.

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