1 STATE OF OKLAHOMA 2 1st Session of the 56th Legislature (2017) 3 COMMITTEE SUBSTITUTE 4 HOUSE BILL NO. 2316 By: McCall 5 6 7 COMMITTEE SUBSTITUTE An Act relating to state government; amending 74 O.S. 8 2011, Section 2, which relates to power of the 9 Governor; authorizing Governor to appoint or replace certain persons; authorizing President Pro Tempore of 10 the Senate and the Speaker of the House of Representatives to appoint or replace certain persons; amending 40 O.S. 2011, Section 4-105, which 11 relates to the Oklahoma Employment Security 12 Commission; modifying appointments made by the Governor; amending 43A O.S. 2011, Section 2-103, 1.3 which relates to the Board of Mental Health and Substance Abuse Services; modifying appointments made 14 by the Governor; amending 62 O.S. 2011, Section 901, as last amended by Section 9, Chapter 209, O.S.L. 15 2013 (62 O.S. Supp. 2016, Section 901), which relates to the Long-Range Capital Planning Commission; 16 modifying appointments to the Commission; amending 63 O.S. 2011, Section 5007, which relates to the 17 Oklahoma Health Care Authority Board; modifying appointments to the Board; amending 68 O.S. 2011, 18 Section 102, which relates to the Oklahoma Tax Commission; modifying appointments made by the 19 Governor; amending 70 O.S. 2011, Section 14-101, which relates to the State Board of Career and 20 Technology Education; modifying appointments made by the Governor; providing for codification; and 21 providing an effective date. 22 23

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

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1 SECTION 1. AMENDATORY 74 O.S. 2011, Section 2, is 2 amended to read as follows: 3 Section 2. A. The Governor shall have power to remove any 4 officers appointed by him, in case of incompetency, neglect of duty, 5 or malfeasance in office; and may then fill the same as provided in cases of vacancy or her. 6 7 B. In addition to any appointments created by expiring terms or vacancies provided by law, the Governor shall have the power to 8 9 appoint, remove or replace any gubernatorial appointments on any 10 agency, board or commission. Nothing in this section shall apply to 11 appointments to any agency, board or commission if the appointment 12 authority is provided for in the Constitution. 1.3 SECTION 2. NEW LAW A new section of law to be codified 14 in the Oklahoma Statutes as Section 464.1 of Title 74, unless there 15 is created a duplication in numbering, reads as follows: 16 In addition to any appointments created by expiring terms or 17 vacancies provided by law, the President Pro Tempore of the Senate 18 and the Speaker of the House of Representatives shall have the power 19 to appoint, remove or replace any of their respective appointments 20 on any agency, board or commission. Nothing in this section shall 21 apply to appointments to any agency, board or commission if the 22 appointment authority is provided for in the Constitution. 23 SECTION 3. AMENDATORY 40 O.S. 2011, Section 4-105, is

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amended to read as follows:

Section 4-105. REMOVAL BY THE GOVERNOR. Members appointed to the Oklahoma Employment Security Commission shall serve at the pleasure of the Governor. The Governor may, at any time, after notice and hearing, remove or replace any Commissioner for cause, and such Commissioner sought to be thus removed shall, if he so desires, be given a copy of the charges brought against him, and be given an opportunity of being publicly heard in person, or by counsel, upon not less than ten (10) days' notice. Such hearing shall be had before the Governor of the State of Oklahoma. If such Commissioner be removed, the Governor shall file in the office of the Secretary of State a complete statement of all charges made against such Commissioner, and a complete record of the Governor's proceedings and his findings thereon.

SECTION 4. AMENDATORY 43A O.S. 2011, Section 2-103, is amended to read as follows:

Section 2-103. A. The Board of Mental Health and Substance

Abuse Services shall be composed of eleven (11) members, appointed

by the Governor, with the advice and consent of the Senate. Each

term is for a seven-year period and members may be reappointed to

subsequent terms. Board members shall serve at the pleasure of the

Governor and may be removed or replaced without cause. Board

members shall meet the following criteria:

1. One member, who shall be a physician licensed to practice in this state, and one member, who shall be a psychiatrist certified as

a diplomate of the American Board of Psychiatry and Neurology, shall both be appointed from a list containing the names of not less than three physicians and not less than three psychiatrists submitted to the Governor by the Oklahoma State Medical Association;

- 2. One member, who shall be an attorney licensed to practice in this state and shall be appointed from a list of not less than three names submitted to the Governor by the Board of Governors of the Oklahoma Bar Association;
- 3. One member, who shall be a psychologist, licensed to practice in this state, who shall be appointed from a list of not less than three names submitted to the Governor by the Oklahoma State Psychological Association;
- 4. Three members, qualified by education and experience in the area of substance abuse recovery, who shall be appointed from a list of not less than ten names submitted to the Governor by a state association of substance abuse recovery programs or organizations; and
- 5. Four members who shall be citizens of this state, at least one of whom shall be either a current or former consumer of mental health services.
- B. No person shall be appointed a member of the Board who has been a member of the Legislature of this state within the preceding five (5) years.

C. The Board shall elect from among its members a chair and a vice-chair. The chair may call meetings at any time.

- D. All regularly scheduled meetings of the Board shall be held at the Central Office of the Department of Mental Health and Substance Abuse Services, Oklahoma City, Oklahoma, unless otherwise scheduled. Six members shall constitute a quorum at any meeting, and all action may be taken by an affirmative vote of the majority of the members present at any such meeting.
- E. The action taken by the Board on any matter, or any document passed by the Board, shall be considered official when such action is placed in writing and signed by the chair or vice-chair.
- F. The duties of the Board shall pertain to the care, treatment, and hospitalization of persons with mental illness, or alcohol- or drug-dependent persons.
- G. Members of the Board of Mental Health and Substance Abuse Services shall be allowed their necessary travel expenses pursuant to the provisions of the State Travel Reimbursement Act.
- H. Members of the Board of Mental Health and Substance Abuse Services shall be allowed to serve on the State Board of Medical Licensure and Supervision during members' terms on the Board of Mental Health and Substance Abuse Services.
- SECTION 5. AMENDATORY 62 O.S. 2011, Section 901, as last amended by Section 9, Chapter 209, O.S.L. 2013 (62 O.S. Supp. 2016, Section 901), is amended to read as follows:

Section 901. A. There is hereby created a Long-Range Capital Planning Commission to advise and assist the Legislature in providing for real property capital facility needs for this state. The Commission shall consist of nine (9) members as follows:

- 1. Three members appointed by the President Pro Tempore of the Senate;
- 2. Three members appointed by the Speaker of the House of Representatives; and
 - 3. Three members shall be appointed by the Governor.

All appointees shall serve at the will and pleasure of the appointing authority and may be removed or replaced without cause and be from the public at large. Within thirty (30) days of the effective date of this act, the appointing authorities shall appoint new members to the Commission; provided, a member serving on the effective date of this act may be reappointed if he or she is otherwise qualified. Of the members initially appointed by each appointing authority after the effective date of this act, one shall be appointed for a one-year term, one shall be appointed for a two-year term and one shall be appointed for a three-year term.

Thereafter, their successors shall be appointed for four-year terms. Any vacancy shall be filled for the remainder of the unexpired term in the same manner as the original appointment. The appointing authorities shall appoint members who possess knowledge, skills and abilities to perform the duties of the Commission. No member of the

Commission shall be interested, directly or indirectly, in any contract entered into for a project approved by the Commission during the period of service of the member, nor shall any person be appointed as a member of the Commission if such person is interested, directly or indirectly, in a contract entered into for a project approved prior to the appointment. An indirect interest shall include, but not be limited to, an interest of an immediate family member of the member of the Commission or a business with which the member of the Commission is associated.

- B. A chair of the Commission shall be elected from its membership. Five members of the Commission shall constitute a quorum. Members of the Commission shall serve without compensation, but shall be entitled to reimbursement, pursuant to the State Travel Reimbursement Act, for expenses incurred in the performance of their duties.
- C. Initial appointments to the Commission shall be made within thirty (30) days of the effective date of this act.
- D. The Commission shall have the authority to promulgate rules and regulations necessary to implement the provisions of this act.
- E. The Office of Management and Enterprise Services, with the advice and assistance of the Oklahoma State Bond Advisor, shall provide staffing for the Commission and other such assistance as the Commission may require.

F. 1. The Commission shall prepare each year an annual capital plan budget and a state capital plan for addressing state capital facility needs for the next ensuing eight (8) years. The Oklahoma State Regents for Higher Education and each state governmental entity as defined in Section 695.3 of this title shall cooperate with the Commission in the preparation of the state plan. Each year, on or about December 1, the plan shall be submitted to the Governor, Speaker of the House of Representatives and President Pro Tempore of the Senate. The Long-Range Capital Planning Commission shall annually update the eight-year plan. The Office of Management and Enterprise Services shall perform routine services to support the eight-year plan, including but not limited to, agency-level planning, real estate services, construction services and facility operations as provided by law.

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- 2. In addition to the requirements set forth in Section 10 of this act, the capital plan should:
 - a. supplement and integrate, not replace, existing capital planning processes,
 - b. assess long-term needs for capital facilities to support state government needs as determined by the Commission,
 - c. review and assess the inventory of capital facilities held by the state, and make recommendations on

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- reallocation, reuse or liquidation of properties for incorporation into the annual capital plan,
- d. include a projection of economic and demographic trends likely to influence the needs of state government during the eight-year period,
- e. address agency strategic facility plans for new, improved, renovated, or expanded capital facilities or facilities that should be reallocated or liquidated,
- f. include estimates of life cycle costs for new and substantially expanded or renovated facilities,
- g. evaluate the effectiveness of planning processes at the agency level to account for all capital facility costs for incorporation into the annual capital budget,
- h. account for projections of debt service and revenues available from general obligation bonds and other sources, including but not limited to, the Maintenance of State Buildings Revolving Fund,
- i. analyze the capacity of the state to incur debt or finance public capital facilities,
- j. include a comprehensive listing of all capital expenditures of the state which the Commission recommends be undertaken or continued for any state agency in the next two (2) fiscal years, together with

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information as to the effect of such capital projects on future operating expenses of the state, and with recommendations as to the priority of such capital projects and the means of funding them,

- k. forecast the requirements for capital projects of state agencies for the eight-year-period and for such additional periods, if any, as may be necessary or desirable for adequate presentation of particular capital projects, and include a schedule for the planning and implementation or construction of such capital projects,
- 1. set forth a proposed itemized budget for the next fiscal year of recommended capital expenditures inclusive of all funding sources, for each agency, including facility rent and lease payments, energy and utility expenditures, operations and maintenance, capital improvements and capital development projects as necessary to optimize and preserve the state's capital assets,
- m. include the findings of the Oklahoma State Government

 Asset Reduction and Cost Savings Program and the

 indexing of the most necessary capital improvements to

 the expenditure of funds from the Maintenance of State

 Buildings Revolving Fund,

n. include such other information as the Commission deems relevant to its duties, and

- o. include findings of the Oklahoma State Government

 Asset Reduction and Cost Savings Program and the indexing of the most necessary capital improvements to the expenditure of funds from the Maintenance of State Buildings Revolving Fund.
- G. The capital plan budget shall include, for each expenditure and class of expenditures, the capital facility costs to be incurred during the next ensuing fiscal year, inclusive of the annual operating and maintenance costs of such facilities and a schedule of depreciation calculated in accordance with the principles and standards of capital budgeting authorized by subsection H of this section.
- H. The Commission, with the assistance of the Office of Management and Enterprise Services, shall prepare and publish rules and regulations that set forth principles and standards for capital planning and budgeting to be used by state agencies. The rules and regulations shall set forth definitions of relevant terms to be used in the capital planning and budgeting processes, establish accounting standards and standards for costs and benefits of public facility investments.
- I. 1. The Commission, the Office of Management and Enterprise Services, and the Oklahoma State Bond Advisor may request the

- assistance of such personnel of any state agency in order to perform
 their duties pursuant to the State Capital Improvement Planning Act
 and such agencies shall respond and provide any such assistance as
 may be required. The Commission may use existing studies, surveys,
 plans, data and other materials in the possession of any state
 agency. Each such agency shall make the same available to the
 Commission so that the Commission may have available to it current
 information with respect to the capital plans and programs of each
 such agency.
 - 2. The officers and personnel of any state agency may serve at the request of the Commission upon such advisory committees as the Commission may create and such officers and personnel may serve upon such committees without forfeiture of office or employment and with no loss or diminution of the compensation, status, rights and privileges which they otherwise enjoy.
 - J. This section shall not be applicable to the following or their lands, properties, buildings, funds or revenue:
 - 1. The Oklahoma Ordnance Works Authority; and
 - 2. The Commissioners of the Land Office.

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- 20 SECTION 6. AMENDATORY 63 O.S. 2011, Section 5007, is 21 amended to read as follows:
- Section 5007. A. There is hereby created the Oklahoma Health
 Care Authority Board. On and after July 1, 1994, as the terms of
 the initially appointed members expire, the Board shall be composed

of seven appointed members who shall serve for terms of four (4)
years and shall be appointed as follows:

- 1. Two members shall be appointed by the President Pro Tempore of the Senate;
 - 2. Two members shall be appointed by the Speaker of the House of Representatives; and
 - 3. Three members shall be appointed by the Governor. Two of the members appointed by the Governor shall be consumers.
- B. All members of the Board shall serve at the pleasure of the appointing authority and may be removed or replaced without cause. Members appointed pursuant to this paragraph, with the exception of the consumer members, shall include persons having experience in medical care, health care services, health care delivery, health care finance, health insurance and managed health care. Consumer members shall have no financial or professional interest in medical care, health care services, health care delivery, health finance, health insurance or managed care. In making the appointments, the appointing authority shall also give consideration to urban, rural, gender and minority representation.
- C. 1. As the terms of office of members appointed before July 1, 1995, expire, appointments made on or after July 1, 1995, shall be subject to the following requirements:
 - a. One one member appointed by the Governor shall be a resident of the First Congressional District. The

term of office of the member appointed by the Governor and serving as of the effective date of this act shall expire on September 1, $2003 \div_L$

- b. One one member appointed by the President Pro Tempore of the Senate shall be a resident of the Second Congressional District and a consumer. The term of office of the member appointed by the President Pro Tempore of the Senate and serving as of the effective date of this act shall expire on September 1, 1999;
- c. One one member appointed by the President Pro Tempore of the Senate shall be a resident of the Third Congressional District. The term of office of the member appointed by the President Pro Tempore of the Senate and serving as of the effective date of this act shall expire on September 1, 2004;
- d. One one member appointed by the Speaker of the House of Representatives shall be a resident of the Fourth Congressional District. The term of office of the member appointed by the Speaker of the House of Representatives and serving as of the effective date of this act shall expire on September 1, 2001;
- e. One one member appointed by the Speaker of the House of Representatives shall be a resident of the Fifth Congressional District and a consumer. The term of

office of the member appointed by the Speaker of the House of Representatives and serving as of the effective date of this act shall expire on September 1, 1998;

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- f. One one member appointed by the Governor shall be a resident of the Sixth Congressional District and a consumer. The term of office of the member appointed by the Governor and serving as of the effective date of this act shall expire on September 1, 2000; and
- g. The the second consumer member appointed by the Governor shall be appointed at large. The term of office of the member appointed by the Governor and serving as of the effective date of this act shall expire on September 1, 2002.
- 2. Appointments made subsequent to the effective date of this act shall not be restricted to any particular congressional district. Appointments made after July 1 of the year in which a redrawing of a congressional district becomes effective shall be from the state at large. However, no appointments may be made after July 1 of the year in which such modification becomes effective if such appointment would result in more than two members serving from the same modified district.
- D. The terms of the members serving on the Board as of the effective date of this act shall expire on September 1 of the year

- in which the respective terms expire. Thereafter, as new terms
 begin, members shall be appointed to four-year staggered terms which
 shall expire on September 1. Should a member serve less than a
 four-year term, the term of office of the member subsequently
 appointed shall be for the remainder of the four-year term.
 - E. On and after July 1, 1994, any subsequently appointed administrator of the Authority shall be appointed by the Board. The administrator shall have the training and experience necessary for the administration of the Authority, as determined by the Board, including, but not limited to, prior experience in the administration of managed health care. The administrator shall serve at the pleasure of the Board.
 - F. The Board shall have the power and duty to:

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- 14 1. Establish the policies of the Oklahoma Health Care
 15 Authority;
 - 2. Appoint the Administrator of the Authority;
 - 3. Adopt and promulgate rules as necessary and appropriate to carry out the duties and responsibilities of the Authority. The Board shall be the rulemaking body for the Authority; and
 - 4. Adopt, publish and submit by January 1 of each year to the Governor, the President Pro Tempore of the Senate, and the Speaker of the House of Representatives appropriate administrative policies and the business plan for that year. All actions governed by said

- 1 administrative policies and annual business plan shall be examined 2 annually in an independent audit.
 - G. 1. A vacancy in a position shall be filled in the same manner as provided in subsection A of this section.

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- 2. A majority of the members of the Board shall constitute a quorum for the transaction of business and for taking any official action. Official action of the Board must have a favorable vote by a majority of the members present.
- 3. Members appointed pursuant to subsection A of this section shall serve without compensation but shall be reimbursed for expenses incurred in the performance of their duties in accordance with the State Travel Reimbursement Act.
- H. The Board and the Authority shall act in accordance with the provisions of the Oklahoma Open Meeting Act, the Oklahoma Open Records Act and the Administrative Procedures Act.
- SECTION 7. AMENDATORY 68 O.S. 2011, Section 102, is amended to read as follows:
- Section 102. The "Oklahoma Tax Commission" is hereby created, and shall possess such duties, powers and authority as are hereinafter defined, and as are now or as may hereafter be conferred upon it by law. The Tax Commission shall consist of three (3) persons to be appointed by the Governor of the State of Oklahoma by and with the consent of the State Senate of the State of Oklahoma.

 No more than two (2) members of the Tax Commission shall be, or

shall have been in the previous six (6) months, members of the same political party. The members of the Tax Commission shall not be subject to removal or replacement from office at the will and pleasure of the Governor, but may be removed only for cause and in the manner provided by law for the removal of state officials not subject to impeachment under the provision of Section 1, Article VIII, of the Constitution.

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The members of the Oklahoma Tax Commission as now constituted shall continue to serve until the members of the Tax Commission created by this act are duly appointed, confirmed and qualified. Within twenty (20) days after the effective date of this act, the Governor shall appoint a new Tax Commission with the term of office of one member to expire on the second Monday of January 1955, the term of office of the second member to expire on the second Monday of January 1957, and the term of office of the third member to expire on the second Monday of January 1959. Except as set out above the term of office of each member of said Commission shall be for six (6) years with the term of office of one member of the Tax Commission expiring on the second Monday of January of each odd-numbered year. Provided, however, that a member of the Commission shall continue to serve after the expiration of his term of office until his successor is appointed, confirmed and qualified. In the event of a vacancy in the membership of the Tax Commission before the expiration of any term of office, the Governor shall fill

such vacancy for the unexpired term within twenty (20) days, and no member of the Commission shall be entitled to draw any salary or perform any service until his appointment is confirmed by the Senate, if the Senate then be in session. If the Senate be not in session, then such member may serve and draw his salary until some special or regular session convenes; and if his appointment is then not confirmed within twenty (20) days, he shall cease to perform such services and cease to draw a salary.

Each member of the Tax Commission shall, at the time of his appointment, be a resident and citizen of the State of Oklahoma, and shall devote all of his time to the administration of the affairs of the Tax Commission. The Governor shall at the time of making the initial appointments, and also at the time of making each appointment to fill a vacancy on the Commission as provided by this act, designate one member to serve as Chairman, one member to serve as Vice Chairman and one member to serve as Secretary.

The Oklahoma Tax Commission shall appoint an administrator who shall serve at the pleasure of the Commission and who shall be the administrative officer of the Commission and manage the activities of the employees provided for in Sections 104 and 105 of this title.

SECTION 8. AMENDATORY 70 O.S. 2011, Section 14-101, is amended to read as follows:

Section 14-101. A. There is hereby created the State Board of Career and Technology Education which shall succeed to all of the

powers and duties heretofore invested in the State Board for Vocational Education. The membership of the State Board of Career and Technology Education shall consist of:

- 1. The State Superintendent of Public Instruction who shall be an ex officio voting member;
- 2. Two appointed members of the State Board of Education, selected by the Governor, to serve as ex officio voting members.

 One State Board member shall be selected for a one-year term and one State Board member shall be selected for a two-year term;
- 3. Five members to be appointed by the Governor with the advice and consent of the Senate. Each appointed member shall be an owner, chief executive or operating officer, or business executive with policy-making or hiring authority for a business or industry located in the state or with a business or industry where a significant number of the workforce performs a task for which training or other educational service may be obtained from the career and technology education system. The Governor shall appoint one such appointive member from each of the congressional districts and any remaining members shall be appointed from the state at large.

However, when congressional districts are redrawn each member appointed prior to July 1 of the year in which such modification becomes effective shall complete the current term of office and appointments made after July 1 of the year in which such modification becomes effective shall be based on the redrawn

- districts. Appointments made after July 1 of the year in which such modification becomes effective shall be from any redrawn districts which are not represented by a board member until such time as each of the modified congressional districts are represented by a board member. No member shall be appointed pursuant to this paragraph who has not resided in the relevant congressional district for at least six (6) months prior to the date of appointment; and
- 4. One member who represents the public, private and/or
 educational interests of the state shall be appointed by the
 Governor from the state at large with the advice and consent of the
 Senate.
 - B. All initial appointments made by the Governor pursuant to this act shall be for terms as follows:

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- 1. Initial appointments of the two members of the State Board of Education pursuant to paragraph 2 of subsection A of this section shall be for terms as follows:
 - a. one for a term to expire on April 1, 2004, and
 - b. one for a term to expire on April 1, 2005;
- 2. Initial appointments of the six members pursuant to paragraphs 3 and 4 of subsection A of this section shall be for terms as follows:
 - a. one for a term to expire on April 1, 2004,
 - b. one for a term to expire on April 1, 2005,
- c. one for a term to expire on April 1, 2006,

d. one for a term to expire on April 1, 2007,

e. one for a term to expire on April 1, 2008, and

- f. one for a term to expire on April 1, 2009;
- 3. The member appointed to represent the state at large shall be the initial appointment for the term ending April 1, 2009;
- 4. After the initial terms, all members appointed by the Governor shall be appointed for terms of six (6) years. All appointed members of the Board shall serve at the pleasure of the Governor and may be removed or replaced without cause. Initial appointments pursuant to the provisions of this section shall be made no later than September 1, 2003. All terms shall expire on the first day of April of the year in which the term of each member expires, except for the terms of office of members serving on the Board on the effective date of this section, which shall expire August 31, 2003;
- 5. The Chair of the Board shall be the State Superintendent of Public Instruction. The Director of the Oklahoma Department of Career and Technology Education shall serve as an ex officio nonvoting member and shall be the executive officer of the Board; and
- 6. Members of the State Board of Career and Technology
 Education shall be subject to the orientation and continuing
 education requirements for school board members specified in
 Sections 5-110 and 5-110.1 of this title. Failure of a member to

- satisfy these requirements shall result in the member vacating the seat and the vacancy being filled as provided by law.
- C. No person shall be eligible to be appointed to serve on the Board unless the person has been awarded a high school diploma or certificate of high school equivalency.
- D. For each additional month employed, the additional salary shall be calculated on the basis of one-tenth (1/10) of the base salary as prescribed by the school district for a teacher of like qualifications employed on a ten-months! ten-month basis.
- E. The official name of the Board which is known as the "State Board of Vocational and Technical Education" shall be designated in all future references as the "State Board of Career and Technology Education". Any references in the statutes to the State Board of Vocational and Technical Education shall be deemed references to the State Board of Career and Technology Education.

SECTION 9. This act shall become effective November 1, 2017.

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