

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

SPEAKER:

CHAIR:

I move to amend HB3351 \_\_\_\_\_  
Of the printed Bill  
Page \_\_\_\_\_ Section \_\_\_\_\_ Lines \_\_\_\_\_  
Of the Engrossed Bill

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

**AMEND TITLE TO CONFORM TO AMENDMENTS**

Amendment submitted by: Marcus McEntire

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

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

STATE OF OKLAHOMA

2nd Session of the 59th Legislature (2024)

PROPOSED COMMITTEE  
SUBSTITUTE  
FOR  
HOUSE BILL NO. 3351

By: McEntire

PROPOSED COMMITTEE SUBSTITUTE

An Act relating to medical preceptorship training; defining terms; providing income tax credit for certain individuals who conduct a preceptorship rotation; providing amount of and basis for credit; providing limitations on credits allowed; prohibiting refundability of credit; authorizing the carry forward of credit; directing the State Board of Medical Licensure and Supervision and State Board of Osteopathic Examiners to award credit; limiting the amount of credit awarded to balance of certain revolving funds; authorizing allocation of partial credit; authorizing credits not allowed to be claimed in subsequent year; specifying eligibility for credit; directing the State Board of Medical Licensure and Supervision and State Board of Osteopathic Examiners to deposit certain fees in revolving fund for certain purpose; requiring submission of information; authorizing promulgation of rules; creating the Physician Preceptor Tax Credit Revolving Fund, the Physician Assistant Preceptor Tax Credit Revolving Fund, and the Osteopathic Physician Preceptor Tax Credit Revolving Fund; specifying sources of funds; providing for transfer of monies to Oklahoma Tax Commission; requiring apportionment of monies; authorizing administrative expenditures; stating purpose; providing for codification; providing an effective date; and declaring an emergency.

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

SECTION 1. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 2357.409 of Title 68, unless there is created a duplication in numbering, reads as follows:

A. As used in this section:

1. "Faculty preceptor" means an allopathic physician, osteopathic physician, or physician assistant licensed in this state and who is either a primary care physician or with respect to a physician assistant is performing most of his or her professional services for a primary care physician;

2. "Medical school" means a legally chartered medical school recognized by the Oklahoma State Regents for Higher Education;

3. "Medical student" means a student currently enrolled in a medical school in this state or a school or college of osteopathic medicine in this state;

4. "Physician assistant student" means an individual participating in a state-supported training program in this state that is approved by the State Board of Medical Licensure and Supervision for the training of individuals to become physician assistants as defined in Section 519.2 of Title 59 of the Oklahoma Statutes;

5. "Preceptorship rotation" means a period of preceptorship training of one or more medical students, residents, or physician assistant students that in aggregate totals one hundred sixty (160) hours;

1       6. "Preceptorship training" means uncompensated training of a  
2 medical student, resident, or physician assistant student enrolled  
3 in a training program in this state;

4       7. "Primary care physicians" shall mean physicians practicing  
5 in family medicine, geriatrics, general internal medicine, or  
6 general pediatrics;

7       8. "Resident" means an allopathic physician or osteopathic  
8 physician pursuing postgraduate medical education at a program  
9 supported by a medical school or a school or college of osteopathic  
10 medicine in this state; and

11       9. "School or college of osteopathic medicine" shall have the  
12 same meaning as provided by Section 631 of Title 59 of the Oklahoma  
13 Statutes.

14       B. 1. For tax years beginning January 1, 2025, and ending not  
15 later than December 31, 2034, there shall be allowed a credit  
16 against the tax imposed pursuant to Section 2355 of Title 68 of the  
17 Oklahoma Statutes for a faculty preceptor who conducts a  
18 preceptorship rotation.

19       2. Except as provided for by subsection F of this section,  
20 credit shall be allowed for no greater than ten preceptorship  
21 rotations completed in a calendar year, and shall be equal to the  
22 following amounts:

- 23           a. for a medical student or resident, Five Hundred  
24               Dollars (\$500.00) each for the first, second, or third

preceptorship rotations and One Thousand Dollars (\$1,000.00) each for up to seven subsequent rotations, and

b. for a physician assistant student, Three Hundred Seventy-five Dollars (\$375.00) each for the first, second, or third preceptorship rotations and Seven Hundred Fifty Dollars (\$750.00) each for up to seven subsequent rotations.

C. The credit authorized by this section shall not be used to reduce the tax liability of the taxpayer to less than zero (0).

D. To the extent not used, the credits authorized by this section may be carried over, in order, to each of the five (5) subsequent tax years.

E. 1. The State Board of Medical Licensure and Supervision shall award the credit authorized by subsection B of this section to faculty preceptors for preceptorship rotations of:

- a. medical students enrolled in a medical school in this state,
- b. residents who are allopathic physicians pursuing postgraduate medical education at a program supported by a medical school in this state, and
- c. physician assistant students.

1        2. The State Board of Osteopathic Examiners shall award the  
2 credit authorized by subsection B of this section to faculty  
3 preceptors for preceptorship rotations of:

4            a. medical students enrolled in a school or college of  
5                osteopathic medicine in this state, and

6            b. residents who are osteopathic physicians pursuing  
7                postgraduate medical education at a program supported  
8                by a school or college of osteopathic medicine in this  
9                state.

10        F. 1. The credits awarded by the State Board of Medical  
11 Licensure and Supervision under subparagraphs a and b of paragraph 1  
12 of subsection E of this section for the tax year shall not exceed  
13 the amount deposited to the Physician Preceptor Tax Credit Revolving  
14 Fund created in Section 2 of this act during the fiscal year ending  
15 on the June 30 date immediately preceding the January 1 date upon  
16 which the applicable income tax year begins.

17        2. The credits awarded by the State Board of Medical Licensure  
18 and Supervision under subparagraph c of paragraph 1 of subsection E  
19 of this section for the tax year shall not exceed the amount  
20 deposited to the Physician Assistant Preceptor Tax Credit Revolving  
21 Fund created in Section 3 of this act during the fiscal year ending  
22 on the June 30 date immediately preceding the January 1 date upon  
23 which the applicable income tax year begins.

1        3. The credits awarded by the State Board of Osteopathic  
2 Examiners under paragraph 2 of subsection E of this section for the  
3 tax year shall not exceed the amount deposited to the Osteopathic  
4 Physician Preceptor Tax Credit Revolving Fund created in Section 4  
5 of this act during the preceding fiscal year ending on the June 30  
6 date immediately preceding the January 1 date upon which the  
7 applicable income tax year begins.

8        G. Partial claims for credit may be awarded. Credits earned  
9 but not allowed due to the application of the limitation provided in  
10 this section shall be considered suspended and authorized to be used  
11 in the subsequent tax year and applied to the next tax year's  
12 limitation.

13        H. In order to receive the credit provided pursuant to this  
14 section, a faculty preceptor shall:

15        1. Claim the credit for the tax year in which the preceptorship  
16 rotation was completed;

17        2. Certify that he or she did not receive payment during the  
18 tax year from any source for providing the training; and

19        3. Supply supporting documentation as may be required by the  
20 State Board of Medical Licensure and Supervision or the State Board  
21 of Osteopathic Examiners.

22        I. 1. The State Board of Medical Licensure and Supervision  
23 shall reserve Five Dollars (\$5.00) of every annual licensure fee  
24 received from allopathic physicians and shall deposit the sum to the

1 Physician Preceptor Tax Credit Revolving Fund created in Section 2  
2 of this act for the purpose of providing funding for the credit  
3 authorized by this section.

4 2. The State Board of Medical Licensure and Supervision shall  
5 reserve Two Dollars (\$2.00) of every annual licensure fee received  
6 from physician assistants and shall deposit the sum to the Physician  
7 Assistant Preceptor Tax Credit Revolving Fund created in Section 3  
8 of this act for the purpose of providing funding for the credit  
9 authorized by this section.

10 3. The State Board of Osteopathic Examiners shall reserve Five  
11 Dollars (\$5.00) of every annual licensure fee received from  
12 osteopathic physicians and shall deposit the sum to the Osteopathic  
13 Physician Preceptor Tax Credit Revolving Fund created in Section 4  
14 of this act for the purpose of providing funding for the credit  
15 authorized by this section.

16 J. With respect to each tax year for which any tax credit  
17 authorized by this section is awarded, the State Board of Medical  
18 Licensure and Supervision and the State Board of Osteopathic  
19 Examiners shall electronically submit information to the Oklahoma  
20 Tax Commission, which shall include:

- 21 1. The number and amount of tax credits awarded;
- 22 2. The name of the taxpayers that were awarded credits; and
- 23 3. The amount deposited in the Physician Preceptor Tax Credit  
24 Revolving Fund, created in Section 2 of this act, the Physician



1 Assistant Preceptor Tax Credit Revolving Fund, created in Section 3  
2 of this act, and the Osteopathic Physician Preceptor Tax Credit  
3 Revolving Fund, created in Section 4 of this act.

4 K. The Oklahoma Tax Commission, the State Board of Medical  
5 Licensure and Supervision, and the State Board of Osteopathic  
6 Examiners may promulgate rules to effectuate the provisions of this  
7 act.

8 SECTION 2. NEW LAW A new section of law to be codified  
9 in the Oklahoma Statutes as Section 495i of Title 59, unless there  
10 is created a duplication in numbering, reads as follows:

11 There is hereby created in the State Treasury a revolving fund  
12 for the State Board of Medical Licensure and Supervision to be  
13 designated the "Physician Preceptor Tax Credit Revolving Fund". The  
14 fund shall be a continuing fund, not subject to fiscal year  
15 limitations, and shall consist of the monies received by the Board  
16 from a portion of licensure fees received from allopathic physicians  
17 under subsection I of Section 1 of this act. All monies accruing to  
18 the credit of the fund are hereby appropriated and the fund shall be  
19 used to make a transfer payment to the Oklahoma Tax Commission in an  
20 amount equal to the amount of tax credits awarded pursuant to this  
21 act. The Oklahoma Tax Commission shall apportion monies transferred  
22 from the fund in the same manner as provided by Section 2352 of  
23 Title 68 of the Oklahoma Statutes. Monies in the fund which are not  
24 required for payment of administrative expenses, which shall not

1 exceed five percent (5%) of monies apportioned to the fund, or which  
2 are not required to be transferred to the Oklahoma Tax Commission as  
3 otherwise required by this act to offset the revenue impacted by the  
4 use of the income tax credits awarded pursuant to Section 1 of this  
5 act may be used to implement programs required or authorized by law.

6 SECTION 3. NEW LAW A new section of law to be codified  
7 in the Oklahoma Statutes as Section 519.8a of Title 59, unless there  
8 is created a duplication in numbering, reads as follows:

9 There is hereby created in the State Treasury a revolving fund  
10 for the State Board of Medical Licensure and Supervision to be  
11 designated the "Physician Assistant Preceptor Tax Credit Revolving  
12 Fund". The fund shall be a continuing fund, not subject to fiscal  
13 year limitations, and shall consist of the monies received by the  
14 Board from a portion of licensure fees received from physician  
15 assistants under subsection I of Section 1 of this act. All monies  
16 accruing to the credit of the fund are hereby appropriated and the  
17 fund shall be used to make a transfer payment to the Oklahoma Tax  
18 Commission in an amount equal to the amount of tax credits awarded  
19 pursuant to this act. The Oklahoma Tax Commission shall apportion  
20 monies transferred from the fund in the same manner as provided by  
21 Section 2352 of Title 68 of the Oklahoma Statutes. Monies in the  
22 fund which are not required for payment of administrative expenses,  
23 which shall not exceed five percent (5%) of monies apportioned to  
24 the fund, or which are not required to be transferred to the

1 Oklahoma Tax Commission as otherwise required by this act to offset  
2 the revenue impacted by the use of the income tax credits awarded  
3 pursuant to Section 1 of this act may be used to implement programs  
4 required or authorized by law.

5 SECTION 4. NEW LAW A new section of law to be codified  
6 in the Oklahoma Statutes as Section 645.1 of Title 59, unless there  
7 is created a duplication in numbering, reads as follows:

8 There is hereby created in the State Treasury a revolving fund  
9 for the State Board of Osteopathic Examiners to be designated the  
10 "Osteopathic Physician Preceptor Tax Credit Revolving Fund". The  
11 fund shall be a continuing fund, not subject to fiscal year  
12 limitations, and shall consist of the monies received by the Board  
13 from a portion of licensure fees received from osteopathic  
14 physicians under subsection I of Section 1 of this act. All monies  
15 accruing to the credit of the fund are hereby appropriated and the  
16 fund shall be used to make a transfer payment to the Oklahoma Tax  
17 Commission in an amount equal to the amount of tax credits awarded  
18 pursuant to this act. The Oklahoma Tax Commission shall apportion  
19 monies transferred from the fund in the same manner as provided by  
20 Section 2352 of Title 68 of the Oklahoma Statutes. Monies in the  
21 fund which are not required for payment of administrative expenses,  
22 which shall not exceed five percent (5%) of monies apportioned to  
23 the fund, or which are not required to be transferred to the  
24 Oklahoma Tax Commission as otherwise required by this act to offset

1 the revenue impacted by the use of the income tax credits awarded  
2 pursuant to Section 1 of this act may be used to implement programs  
3 required or authorized by law.

4 SECTION 5. This act shall become effective July 1, 2024.

5 SECTION 6. It being immediately necessary for the preservation  
6 of the public peace, health or safety, an emergency is hereby  
7 declared to exist, by reason whereof this act shall take effect and  
8 be in full force from and after its passage and approval.

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