

1 additional duties; updating statutory language;
2 providing for codification; providing an effective
3 date; and declaring an emergency.
4

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

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

9 A. As used in this section:

10 1. "Advanced practice registered nursing student" means an
11 individual participating in a state-supported training program in
12 this state that is approved by the Oklahoma Board of Nursing for the
13 training of individuals to become Advanced Practice Registered
14 Nurses as defined in Section 567.3a of Title 59 of the Oklahoma
15 Statutes;

16 2. "Faculty preceptor" means an allopathic physician,
17 osteopathic physician, physician assistant, or Advanced Practice
18 Registered Nurse licensed in this state and who provides primary
19 care services;

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

22 4. "Medical student" means a student currently enrolled in a
23 medical school in this state or a school or college of osteopathic
24 medicine in this state;

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

7 6. "Preceptorship rotation" means a period of preceptorship
8 training of one or more medical students, residents, physician
9 assistant students, or advanced practice registered nursing students
10 that in aggregate totals one hundred sixty (160) hours;

11 7. "Preceptorship training" means uncompensated training in
12 primary care services of a medical student, resident, physician
13 assistant student, or advanced practice registered nursing student
14 enrolled in a training program in this state;

15 8. "Primary care services" means family medicine, geriatrics,
16 general internal medicine, general pediatrics, or the substantial
17 equivalent of such services when performed by a physician assistant
18 or Advanced Practice Registered Nurse;

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

23

24

1 10. "School or college of osteopathic medicine" shall have the
2 same meaning as provided by Section 631 of Title 59 of the Oklahoma
3 Statutes.

4 B. 1. For tax years 2025 through 2034, there shall be allowed
5 a credit against the tax imposed pursuant to Section 2355 of Title
6 68 of the Oklahoma Statutes for a faculty preceptor who conducts a
7 preceptorship rotation.

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

12 a. for a medical student or resident, Five Hundred
13 Dollars (\$500.00) each for the first, second, or third
14 preceptorship rotations and One Thousand Dollars
15 (\$1,000.00) each for up to seven subsequent rotations,
16 and

17 b. for a physician assistant student or advanced practice
18 registered nursing student, Three Hundred Seventy-five
19 Dollars (\$375.00) each for the first, second, or third
20 preceptorship rotations and Seven Hundred Fifty
21 Dollars (\$750.00) each for up to seven subsequent
22 rotations.

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

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

4 E. The Health Care Workforce Training Commission shall award
5 the credit authorized by subsection B of this section to faculty
6 preceptors for preceptorship rotations of:

7 1. Medical students enrolled in a medical school in this state;

8 2. Residents who are allopathic physicians pursuing
9 postgraduate medical education at a program supported by a medical
10 school in this state;

11 3. Physician assistant students;

12 4. Medical students enrolled in a school or college of
13 osteopathic medicine in this state;

14 5. Residents who are osteopathic physicians pursuing
15 postgraduate medical education at a program supported by a school or
16 college of osteopathic medicine in this state; and

17 6. Advanced practice registered nursing students.

18 F. 1. The credits awarded by the Health Care Workforce
19 Training Commission under paragraphs 1 and 2 subsection E of this
20 section for the tax year shall not exceed the amount deposited to
21 the Physician Preceptor Tax Credit Revolving Fund created in Section
22 2 of this act during the fiscal year ending on the June 30 date
23 immediately preceding the date upon which the applicable income tax
24 year begins.

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

8 3. The credits awarded by the Health Care Workforce Training
9 Commission under paragraphs 4 and 5 of subsection E of this section
10 for the tax year shall not exceed the amount deposited to the
11 Osteopathic Physician Preceptor Tax Credit Revolving Fund created in
12 Section 4 of this act during the preceding fiscal year ending on the
13 June 30 date immediately preceding the date upon which the
14 applicable income tax year begins.

15 4. The credits awarded by the Health Care Workforce Training
16 Commission under paragraph 6 of subsection E of this section for the
17 tax year shall not exceed the amount deposited to the Advanced
18 Practice Registered Nurses Preceptor Tax Credit Revolving Fund
19 created in Section 5 of this act during the preceding fiscal year
20 ending on the June 30 date immediately preceding the date upon which
21 the applicable income tax year begins.

22 G. Partial claims for credit may be awarded. Credits earned
23 but not allowed due to the application of the limitation provided in
24 this section shall be considered suspended and authorized to be used

1 in the subsequent tax year and applied to the next tax year's
2 limitation.

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

5 1. Claim the credit for the tax year in which the preceptorship
6 rotation was completed;

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

9 3. Supply supporting documentation as may be required by the
10 Health Care Workforce Training Commission.

11 I. 1. The State Board of Medical Licensure and Supervision
12 shall reserve Five Dollars (\$5.00) of every annual licensure fee
13 received from allopathic physicians and shall deposit the sum to the
14 Physician Preceptor Tax Credit Revolving Fund created in Section 2
15 of this act for the purpose of providing funding for the credit
16 authorized by this section.

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

23 3. The State Board of Osteopathic Examiners shall reserve Five
24 Dollars (\$5.00) of every annual licensure fee received from

1 osteopathic physicians and shall deposit the sum to the Osteopathic
2 Physician Preceptor Tax Credit Revolving Fund created in Section 4
3 of this act for the purpose of providing funding for the credit
4 authorized by this section.

5 4. The Oklahoma Board of Nursing shall reserve Two Dollars
6 (\$2.00) of every annual licensure fee received from Advanced
7 Practice Registered Nurses and shall deposit the sum to the Advanced
8 Practice Registered Nurses Preceptor Tax Credit Revolving Fund
9 created in Section 5 of this act for the purpose of providing
10 funding for the credit authorized by this section.

11 J. 1. With respect to each tax year for which any tax credit
12 authorized by this section is awarded, the Health Care Workforce
13 Training Commission shall electronically submit information to the
14 Oklahoma Tax Commission, which shall include the number and amount
15 of tax credits awarded and the name of the taxpayers that were
16 awarded credits.

17 2. With respect to each fiscal year the State Board of Medical
18 Licensure and Supervision, the State Board of Osteopathic Examiners,
19 and the Oklahoma Board of Nursing shall electronically submit to the
20 Health Care Workforce Training Commission and the Oklahoma Tax
21 Commission the amount deposited in the Physician Preceptor Tax
22 Credit Revolving Fund created in Section 2 of this act, the
23 Physician Assistant Preceptor Tax Credit Revolving Fund created in
24 Section 3 of this act, the Osteopathic Physician Preceptor Tax

1 Credit Revolving Fund created in Section 4 of this act, and the
2 Advanced Practice Registered Nurses Preceptor Tax Credit Revolving
3 Fund created in Section 5 of this act.

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

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

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

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

8 SECTION 3. NEW LAW A new section of law to be codified
9 in the Oklahoma Statutes as Section 519.8a 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 Assistant Preceptor Tax Credit Revolving
14 Fund". The fund shall be a continuing fund, not subject to fiscal
15 year limitations, and shall consist of the monies received by the
16 Board from a portion of licensure fees received from physician
17 assistants under subsection I of Section 1 of this act. All monies
18 accruing to the credit of the fund are hereby appropriated and the
19 fund shall be used to make a transfer payment to the Oklahoma Tax
20 Commission in an amount equal to the amount of tax credits awarded
21 pursuant to this act. The Oklahoma Tax Commission shall apportion
22 monies transferred from the fund in the same manner as provided by
23 Section 2352 of Title 68 of the Oklahoma Statutes. Monies in the
24 fund which are not required for payment of administrative expenses

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

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

10 There is hereby created in the State Treasury a revolving fund
11 for the State Board of Osteopathic Examiners to be designated the
12 "Osteopathic Physician Preceptor Tax Credit Revolving Fund". The
13 fund shall be a continuing fund, not subject to fiscal year
14 limitations, and shall consist of the monies received by the Board
15 from a portion of licensure fees received from osteopathic
16 physicians under subsection I of Section 1 of this act. All monies
17 accruing to the credit of the fund are hereby appropriated and the
18 fund shall be used to make a transfer payment to the Oklahoma Tax
19 Commission in an amount equal to the amount of tax credits awarded
20 pursuant to this act. The Oklahoma Tax Commission shall apportion
21 monies transferred from the fund in the same manner as provided by
22 Section 2352 of Title 68 of the Oklahoma Statutes. Monies in the
23 fund which are not required for payment of administrative expenses
24 to the Health Care Workforce Training Commission, 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 5. NEW LAW A new section of law to be codified
7 in the Oklahoma Statutes as Section 567.31 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 Oklahoma Board of Nursing to be designated the "Advanced
11 Practice Registered Nurses Preceptor Tax Credit Revolving Fund".
12 The fund shall be a continuing fund, not subject to fiscal year
13 limitations, and shall consist of the monies received by the Board
14 from a portion of licensure fees received from Advanced Practice
15 Registered Nurses under subsection I of Section 1 of this act. All
16 monies accruing to the credit of the fund are hereby appropriated
17 and the fund shall be used to make a transfer payment to the
18 Oklahoma Tax Commission in an amount equal to the amount of tax
19 credits awarded pursuant to this act. The Oklahoma Tax Commission
20 shall apportion monies transferred from the fund in the same manner
21 as provided by Section 2352 of Title 68 of the Oklahoma Statutes.
22 Monies in the fund which are not required for payment of
23 administrative expenses to the Health Care Workforce Training
24 Commission, which shall not exceed five percent (5%) of monies

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

6 SECTION 6. AMENDATORY 70 O.S. 2021, Section 697.5, as
7 amended by Section 19, Chapter 407, O.S.L. 2022 (70 O.S. Supp. 2023,
8 Section 697.5), is amended to read as follows:

9 Section 697.5. The Health Care Workforce Training Commission,
10 in order to perform its official function in establishing and
11 administering physician training programs, shall have the following
12 specific powers, duties, and responsibilities:

13 1. To review all available data on health care workforce in
14 Oklahoma in order to determine the current and projected
15 distribution of physicians by geographic location and by type of
16 practice, and, to accomplish this review, the Commission shall
17 obtain information from and work in conjunction with the State
18 Department of Health and all other agencies which gather data and
19 evaluate health care workforce needs;

20 2. To review data and information on accredited physician
21 internship and residency programs currently operated by Oklahoma
22 hospitals and other approved clinical situations, in order to
23 ascertain the number and distribution by physician specialty
24 training and by geographic location of available internship and

1 residency positions and to evaluate the impact of internship and
2 residency placement on the establishment of practices by physicians
3 in that geographic area or similar areas within the state where
4 their services are urgently needed;

5 3. To serve as an agent to advise hospitals, clinics, and
6 communities on setting up and planning internship and residency
7 programs which emphasize the provision of additional primary care
8 physicians to service the rural areas of Oklahoma with primary care
9 specialties to be defined to include training in the area of
10 internal medicine, obstetrics and gynecology, pediatrics, emergency
11 trauma, and family practice;

12 4. To provide general counsel and advice in the development,
13 operation and evaluation of physician internship and residency
14 programs throughout the ~~State of Oklahoma~~ this state in cooperation
15 with the efforts of the Oklahoma State Regents for Higher Education
16 and the state's physician training institutions such as the ~~Oklahoma~~
17 University University of Oklahoma College of Medicine, Oklahoma City
18 and Tulsa campuses, and the Oklahoma State University College of
19 Osteopathic Medicine ~~and Surgery~~, and subject to accreditation by
20 official and appropriate accrediting agencies;

21 5. To develop the criteria for determining the physician
22 training cost component or associated clinical and hospital training
23 costs which are or may be nonreimbursable by third party payers in
24 programs proposed by accredited hospitals, clinical situations, or

1 hospital and clinical programs affiliated with and administered by
2 the University of Oklahoma College of Medicine, University of
3 Oklahoma College of Medicine - Tulsa, or Oklahoma State University
4 College of Osteopathic Medicine ~~and Surgery~~ in order to determine
5 the share for the state in supporting the salary, benefits, training
6 and program administration costs incurred by hospitals in supporting
7 of the interns and residents;

8 6. To develop the criteria and procedure by which state
9 matching funds will be awarded to hospitals, accredited clinical
10 situations, in cooperation with the University of Oklahoma College
11 of Medicine, University of Oklahoma College of Medicine - Tulsa, and
12 the Oklahoma State University College of Osteopathic Medicine ~~and~~
13 ~~Surgery~~ which shall administer programs in hospital and clinical
14 situations in the state to be used to underwrite the salaries,
15 benefits and associated training and administration costs provided
16 for the physician interns and residents during their period of
17 training in such a way as to create an incentive for the development
18 and establishment of residency and internship positions by
19 hospitals, clinical establishments or by affiliation agreement with
20 the University of Oklahoma College of Medicine, University of
21 Oklahoma College of Medicine - Tulsa, and the Oklahoma State
22 University College of Osteopathic Medicine ~~and Surgery~~ by providing
23 funds to cover and to supplement the nonreimbursable or additional
24 costs incurred in hospitals for training activities or for delivery

1 of service in outreach and ambulatory clinical situations which are
2 outside but associated with the hospitals and clinical
3 establishments participating in the program;

4 7. To review and to approve for inclusion in the programs
5 funded the applications for funds submitted by accredited hospitals
6 and clinical situations participating in physician training programs
7 in cooperation with the University of Oklahoma College of Medicine,
8 University of Oklahoma College of Medicine - Tulsa, and the Oklahoma
9 State University College of Osteopathic Medicine ~~and Surgery~~ for the
10 costs of supplying residents and interns in programs which they
11 administer by affiliation agreements with hospitals and clinical
12 situations throughout the state in which the interns and residents
13 are supervised and funded by the University of Oklahoma College of
14 Medicine, University of Oklahoma College of Medicine - Tulsa, and
15 the Oklahoma State University College of Osteopathic Medicine ~~and~~
16 ~~Surgery~~ and the hospitals and clinical establishments pay for the
17 patient care services rendered in their institutions by these
18 residents and interns during the period of training;

19 8. To determine the specific level of funding and the
20 priorities used for granting state support to approved hospitals and
21 clinical situations, in cooperation with the University of Oklahoma
22 College of Medicine, University of Oklahoma College of Medicine -
23 Tulsa, and the Oklahoma State University College of Osteopathic
24 Medicine ~~and Surgery~~ for approved hospital physician training

1 programs for interns and residents and to recommend to the Governor
2 and the ~~Oklahoma~~ Legislature the total funds needed to carry out the
3 purpose of this program;

4 9. To employ a director and any staff personnel required to
5 administer the funding of approved physician training programs and
6 to contract with other state agencies and institutions to conduct
7 and to perform specified services, functions and aspects in
8 administering state funds on the specified cost-sharing basis
9 determined by the Commission or for developing programs and
10 community and institutional participation in these training
11 programs;

12 10. To ensure that hospitals or clinical situations that can
13 qualify in all sections of Oklahoma be utilized, and to take all
14 steps necessary to assist such hospitals or clinics in obtaining
15 necessary recognition or status, or in meeting standards for
16 accreditation or affiliation so that they may participate in these
17 physician training programs;

18 11. To ensure that in programs administered and operated by the
19 University of Oklahoma College of Medicine, University of Oklahoma
20 College of Medicine - Tulsa, and the Oklahoma State University
21 College of Osteopathic Medicine ~~and Surgery~~ in hospitals and
22 clinical situations throughout the state that funds allocated to the
23 colleges are paid by the hospitals and clinical situations in which
24 the patient care services are rendered, the funds are expended for

1 such purposes in funding residents and interns in the physician
2 training programs that the colleges have established with the
3 approved hospitals and clinical situations which programs are
4 designed to provide primary health care services to the rural and
5 medically underserved parts of the state;

6 12. To conduct and to administer a program of physician and
7 health care workforce placement services throughout ~~the State of~~
8 ~~Oklahoma~~ this state. Placement services shall be made available to
9 communities, hospitals, health care facilities, physician and health
10 professional training institutions, health professional associations
11 and organizations, individual physicians, health professionals,
12 students in physician and health professional training institutions
13 and schools, and other interested parties in such a way so as to
14 further the purposes of improving the distribution of physicians and
15 health professionals practicing or available for practice in the
16 state and improving in the availability of health care services to
17 the people of the state. ~~Said~~ The placement service shall include
18 but not be limited to assisting communities in matching with,
19 contacting and recruiting physicians and health professionals to
20 practice in communities in the state. The Commission shall develop
21 criteria and procedures for the conduct and performance of placement
22 services and employ any staff, contract for services with any
23 private agency, nonprofit corporation, or institution to facilitate
24 the performance of placement services; and

1 13. For purposes of the income tax credit authorized pursuant
2 to Section 1 of this act and in cooperation with the Oklahoma Tax
3 Commission:

4 a. to certify preceptorship rotations for allopathic
5 medicine, osteopathic medicine, advanced practice
6 registered nursing, and physician assistant training
7 programs in this state and to register faculty
8 preceptors who provide certified training,

9 b. to charge administrative expenses to the State Board
10 of Medical Licensure and Supervision, the State Board
11 of Osteopathic Examiners, and the Oklahoma Board of
12 Nursing pursuant to Sections 2 through 5 of this act,
13 and

14 c. to promulgate any additional rules necessary for the
15 implementation of this act.

16 SECTION 7. This act shall become effective July 1, 2024.

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

21
22 COMMITTEE REPORT BY: COMMITTEE ON APPROPRIATIONS AND BUDGET, dated
23 04/18/2024 - DO PASS.
24