

consider and incorporate, as appropriate, the local and regional plans that may be developed pursuant to the provisions of Sections 910 through 912 of this title and Section 5003.7 of Title 74 of the Oklahoma Statutes.

- b. The plan shall assess long-term needs for capital facilities provided by both state and local governments as determined by the Commission. The plan shall include:
- (1) an inventory of capital facilities held by the state, and when available, by units of local government or special districts. The inventory shall include such information as is reasonably available on the physical and economic condition of these assets,
 - (2) a projection of economic and demographic trends likely to influence the needs for new or expanded capital facilities,
 - (3) an estimate of mandatory, essential, desirable and deferrable repair, replacement and expansions,
 - (4) estimates of life cycle costs for new and substantially expanded or renovated facilities. Life cycle costs shall include the cost of construction, financing, repair and maintenance,
 - (5) an analysis of recent trends and projections of revenues available from general obligation and revenue bonds, general and dedicated taxes used for capital facilities finance, user fees, the federal government and other sources,
 - (6) an analysis of the capacity of the state and local governments to incur debt or finance public capital facilities,
 - (7) a detailed list of all capital projects of the state which the Commission recommends be undertaken or continued for any state agency in the next two (2) fiscal years, together with

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,

- (8) the forecasts of the Commission as to the requirements for capital projects of state agencies for the three (3) fiscal years next following such two (2) fiscal years and for such additional periods, if any, as may be necessary or desirable for adequate presentation of particular capital projects, and a schedule for the planning and implementation or construction of such capital projects,
- (9) a schedule for the next fiscal year of recommended projects,
- (10) a review of capital projects which have recently been implemented or completed or are in process of implementation or completion,
- (11) recommendations as to the maintenance of physical properties and equipment of state agencies,
- (12) such other information as the Commission deems relevant to the foregoing matters, and
- (13) the inclusion of 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.

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

- a. for each expenditure and class of expenditures, the costs to be incurred during the next ensuing fiscal year, plus where appropriate, 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 paragraph 4 of this subsection,
- b. the revenues and sources required to meet projected expenditures. Revenue sources to be indicated include, but are not limited to: the General Revenue Fund, the Transportation Fund, any special funds, proceeds of bond sales, federal funds, local government revenue or other sources. Where additional revenues in the form of additional taxes, user fees or new bond issues are proposed to meet expenditure requests, any funds created for such purposes shall be included in this act, and
- c. a statement regarding the relationship between the proposals contained in the capital budget and the capital plan. The capital budget shall be based upon the capital plan prepared by the Commission.

4. The Commission, with the assistance of the Office of ~~State~~ Finance 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.

E. The Oklahoma Department of Commerce shall assist the Long-Range Capital Planning Commission in developing any portion of the state capital plan addressing regional and local public capital facility needs. The Department shall assist in providing the expertise and information required to assess long-term needs for capital facilities at the regional and local level. The Department shall have the authority to contract with other entities to provide the type of information needed to prepare:

1. An inventory of capital facilities held by units of local government, and special districts, including such information as is reasonably available on the physical and economic condition of these

assets. Inventories shall be conducted according to the geographical boundaries of the regional councils;

2. A projection of economic and demographic trends likely to influence the needs for new or expanded local capital facilities;

3. An estimate of mandatory, essential, desirable and deferrable repair, replacement and expansions; and

4. Estimates of life cycle costs for new and substantially expanded or renovated facilities. Life cycle costs shall include the cost of construction, financing, repair and maintenance.

F. 1. The Commission and the Oklahoma State Bond Advisor may call to their assistance such personnel or 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 Office of ~~State Finance~~ Management and Enterprise Services and other state agencies also shall assist the Commission in the performance of its functions. The Commission may use existing studies, surveys, plans, data and other materials in the possession of any state agency or any municipality or political subdivision of this state. Each such agency, municipality or subdivision may 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, municipality or subdivision.

2. The officers and personnel of any state agency, municipality or political subdivision, and any other person 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.

G. 1. There is hereby created the Policy Advisory Committee to the Commission to meet no less than once a year or at the call of the chairman of the Commission.

2. The purposes and responsibilities of the Policy Advisory Committee shall be:

- a. to counsel and otherwise assist the Commission in the development of the capital plan, and

- b. to review and comment on the capital plan and make recommendations to the Commission concerning capital planning and debt management issues as deemed appropriate by the Committee.

3. The Policy Advisory Committee shall be composed of the members of the Bond Oversight Commissions and the chief executive officer or fixed designate from each of the following entities; provided, designated members shall be appointed by each chief executive officer for a term certain which shall not be less than one (1) year:

- a. Association of County Commissioners of Oklahoma,
- b. Oklahoma Municipal League,
- c. Department of Transportation,
- d. Oklahoma Turnpike Authority,
- e. ~~Department of Central Services~~ Office of Management and Enterprise Services,
- f. Oklahoma Water Resources Board,
- g. Department of Human Services,
- h. Department of Corrections,
- i. Department of Mental Health and Substance Abuse Services,
- j. Oklahoma Tourism and Recreation Department,
- k. State Department of Education,
- l. Oklahoma State Regents for Higher Education,
- m. State Department of Health,
- n. Oklahoma Department of Agriculture, Food, and Forestry,

- o. Oklahoma Department of Career and Technology Education,
- p. Oklahoma Association of Regional Councils, and
- q. Such other members as determined by the Commission.

SECTION 470. AMENDATORY 62 O.S. 2011, Section 2310, is amended to read as follows:

Section 2310. A. The Board of Directors of the Tobacco Settlement Endowment Trust Fund shall adopt a budget for each fiscal year after the Board of Directors has been notified by the Board of Investors of the amount of earnings available for distribution. The budget shall be broken out into an operating budget and a programs budget. The budget shall be presented to the Board of Investors of the Tobacco Settlement Endowment Trust Fund and filed with the ~~Office of State Finance~~ Office of Management and Enterprise Services.

1. The operating budget shall consist of the administrative expenses of the Board of Directors and the administrative expenses of the State Treasurer approved by the Board of Directors of the Tobacco Settlement Endowment Trust Fund.

- a. Administrative expenses include the portion of salaries, travel, and other administrative expenses of the Board of Investors and Board of Directors of the Tobacco Settlement Endowment Trust Fund that cannot be identified with a specific program of the Board of Directors. Administrative expenses allocable to the operating budget may also include, but are not limited to: regular board and committee meetings; staff meetings; personnel or human resource management; board legal services; board consultant services; central purchasing and procurement; board budgeting, accounting and auditing; and public information activities.
- b. Administrative expenses do not include program expenses as defined below or the professional expenses paid by the Board of Investors related to the management of the Trust Fund. The fees paid to investment managers and the custodian bank must be properly disclosed and approved by the Board of

Investors or authorized staff in the Office of the State Treasurer, but the fees may be paid from assets under management.

- c. Administrative expenses of the Board of Directors may not exceed fifteen percent (15%) of the annual amount of earnings certified by the Board of Investors.

2. The programs budget shall consist of the program expenses of the Board of Directors.

- a. Program expenses include direct funding awarded to grantees or contractors under grants programs developed by the Board. Program expenses allocable to the programs budget may also include, but are not limited to, staff time, represented by a proportional amount of the employee's salary, and board and staff travel expenses that can be identified to benefit a specific program of the Board of Directors.
- b. Other expenses allocable to the programs budget may include, but are not limited to: special board and committee meetings to conduct an activity identifiable to a specific program; contracted consultants, technical or program support personnel assigned directly to specific programs; professional services contracts to evaluate, audit or provide budgeting, accounting, auditing or legal services for specific programs or program grantees, contractors or participants; and training or informational activities to inform applicants, contractors, grantees or the public about a specific program developed by the Board of Directors.

3. The Board shall develop policies and procedures to define, clarify, and implement the allocation of identified expenses to either the programs or operating budget.

4. All operating expenses and program expenses shall be paid out against the amount of earnings from the Tobacco Settlement Endowment Trust Fund.

B. The Board of Investors shall ensure that sufficient cash is transferred at appropriate times to honor these claims, but shall keep as much as possible of the trust fund invested at all times.

The operating budget of the Board of Directors shall be allotted in twelve substantially equal amounts throughout the fiscal year. Amounts to be distributed to carry out the purposes of the Tobacco Settlement Endowment Trust Fund Act shall be made available as needed and determined by the Board of Directors of the Tobacco Settlement Endowment Trust Fund.

C. The Board of Directors shall direct the Board of Investors of the Tobacco Settlement Endowment Trust Fund to set aside sufficient cash reserves out of earnings from the Tobacco Settlement Endowment Trust Fund to ensure that the expenses of the Board of Directors and Board of Investors of the Tobacco Settlement Endowment Trust Fund and the State Treasurer may be funded in the event that there is insufficient earnings achieved in a future year to cover those expenses. Earnings from a fiscal year may be carried over or used as reserves for expenditure in future fiscal years.

D. The Board of Investors shall calculate earnings of the Tobacco Settlement Endowment Trust Fund for the fiscal year ending June 30, 2003, and future fiscal years pursuant to this act.

SECTION 471. AMENDATORY 62 O.S. 2011, Section 3112, is amended to read as follows:

Section 3112. A. Following the close of each regular legislative session during which retirement bills having a fiscal impact may be enacted, the State Board of Equalization shall make a determination for each such bill enacted during such session, which is not vetoed by the Governor, of whether or not provision has been made for the concurrent funding of the bill in conformity with the applicable requirements of Section ~~44~~ 311 of this ~~act~~ title.

B. The Legislative Actuary, the Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services, legislative staff, retirement system administrators, and employers shall provide such information and assistance as may be necessary for the State Board of Equalization to make the determinations required by subsection A of this section.

C. The State Board of Equalization shall make the determinations required by subsection A of this section by not later than the fifteenth day immediately following the last day on which the Governor is authorized to veto bills following the close of each regular legislative session. The State Board of Equalization's findings shall be made in a report to the Secretary of State showing

the determination for each retirement bill by reference to the respective Senate or House of Representatives number for the bill. The report shall be submitted to the Secretary of State by not later than the last day on which the State Board of Equalization is required to make the determinations. The Secretary of State shall cause the State Board of Equalization's report to be printed in the annual session laws of the State of Oklahoma.

SECTION 472. AMENDATORY 63 O.S. 2011, Section 1-105d, is amended to read as follows:

Section 1-105d. There is hereby created in the State Treasury a revolving fund for the State Department of Health, to be designated the "Tobacco Prevention and Cessation Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies deposited to the credit of the fund by law. All monies accruing to the credit of the fund are hereby appropriated and may be budgeted and expended by the State Department of Health for purposes of paragraph 2 of subsection C of Section 1 ~~of this act~~, Chapter 340, O.S.L. 2000. 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 ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 473. AMENDATORY 63 O.S. 2011, Section 1-107, is amended to read as follows:

Section 1-107. There is hereby created in the State Treasury a revolving fund to be known as the Public Health Special Fund. All monies, fees and revenues collected, authorized or received from any source by the State Commissioner of Health or the State Department of Health under the provisions of this Code or any other law or any agreement shall, unless otherwise expressly provided in this Code or other law, be placed in said fund. Said fund shall be a continuing fund not subject to fiscal year limitations. All monies accruing to the credit of said fund are hereby appropriated and may be budgeted and expended by the Commissioner for the purpose of maintaining and operating the State Department of Health, and in administering and executing the laws pertaining to the duties and functions of the State Department of Health. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 474. AMENDATORY 63 O.S. 2011, Section 1-107.1A,
is amended to read as follows:

Section 1-107.1A A. There is hereby created in the State Treasury a Revolving Fund for the State Department of Health to be designated the "Eldercare Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies deposited to the credit of the fund by law.

B. All monies accruing to the credit of the fund are hereby appropriated and may be budgeted and expended by the State Department of Health for operation of local Eldercare case management programs. A full accounting of the expenditures of the program shall be sent to the Speaker of the House of Representatives, the President Pro Tempore of the Senate, and the Governor by January 15 of each year. 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 ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

C. The Eldercare Revolving Fund shall not be used for the costs the State Department of Health incurs in administering the local programs.

D. The State Department of Health shall recognize and reimburse indirect costs for Eldercare programs, administered by contractors, if the costs are charged in accordance with an indirect cost allocation plan developed in accordance with federal guidelines established by the United States Office of Management and Budget Circular A-87. In no case shall the State Department of Health reimburse indirect costs in excess of twenty percent (20%) of total direct salaries for Eldercare and Advantage program personnel.

SECTION 475. AMENDATORY 63 O.S. 2011, Section 1-107.2,
is amended to read as follows:

Section 1-107.2 There is hereby created in the State Treasury a revolving fund for the State Department of Health, to be designated the "Vaccine Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies deposited to the credit of the fund by law. All monies accruing to the credit of said fund are hereby appropriated and may be budgeted and expended by the State Department of Health for the

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

SECTION 476. AMENDATORY 63 O.S. 2011, Section 1-107.3, is amended to read as follows:

Section 1-107.3 There is hereby created in the State Treasury a revolving fund for the State Department of Health, to be designated as the "Health Department Media Campaign Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies deposited to the credit of the fund by law. All monies accruing to the credit of said fund shall be budgeted and expended by the State Department of Health for media campaigns. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 477. AMENDATORY 63 O.S. 2011, Section 1-110.1, is amended to read as follows:

Section 1-110.1 A. There is hereby created in the State Treasury a revolving fund for the State Department of Health to be designated the "Children First Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies deposited to the credit of the fund by law. All monies accruing to the credit of the fund are hereby appropriated and may be budgeted and expended by the State Department of Health for operation of Children First family resource programs. 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 ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

B. The State Department of Health shall submit to the Speaker of the House of Representatives, the President Pro Tempore of the Senate, and the Governor by January 15 of each year, an annual report, including a full accounting of administrative expenditures from the fund for the prior fiscal year, and a summary detailing the demographic characteristics of families served including, but not limited to, the following:

1. Age and marital status of parent(s);

2. Household composition of families served;

3. Number of families accepted into the program, by location, and average length of time enrolled;

4. Referrals made on behalf of families not accepted into the program; and

5. Average actual expenditures per child during the most recent state fiscal year.

C. Projects shall comply with the uniform components of the State Plan for the Prevention of Child Abuse.

D. The Department shall forward to the Oklahoma Health Care Authority a report of the total number of hours of nursing services provided to families under Children First family resource programs. The Oklahoma Health Care Authority shall submit such information to the Centers for Medicaid and Medicare Services for purposes of applying for federal matching funds and shall submit any necessary applications for waivers to accomplish the provisions of this subsection.

E. The State Department of Health shall contract with a university-related program for a performance-based evaluation of programs. Program sites shall fully cooperate and comply with the evaluation process, and sites shall provide weekly caseload and referral information to the State Department of Health.

SECTION 478. AMENDATORY 63 O.S. 2011, Section 1-229.3, is amended to read as follows:

Section 1-229.3 A. There is hereby created in the State Treasury a revolving fund for the State Department of Health to be designated the "Tobacco Use Reduction Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies appropriated thereto by the Legislature, any other funds that may be directed thereto by the Board of Directors of the Tobacco Settlement Endowment Trust Fund, and all other monies including gifts, grants and other funds that may be directed thereto. All monies accruing to the credit of said fund are hereby appropriated and may be budgeted and expended by the Department for the purpose of the State Plan for Tobacco Use Prevention and Cessation and for other purposes specifically authorized by this

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

B. The fund shall be administered by the State Department of Health.

C. Monies from the fund shall not be used to engage in any political activities or lobbying, including, but not limited to, support of or opposition to candidates, ballot initiatives, referenda or other similar activities.

SECTION 479. AMENDATORY 63 O.S. 2011, Section 1-240, is amended to read as follows:

Section 1-240. There is hereby established within the Department of Human Services the Office of Child Care. The Office of Child Care shall:

1. Develop a state child care plan to qualify for federal child care and development block grant funds.

Such plan shall:

- a. Provide to the maximum extent practicable that parents or guardians of each eligible child be given the option to enroll such child with a child care provider that has a grant or contract for the provision of child care services with the Department of Human Services, which is selected by the parent or guardian, or to receive a child care certificate, as defined in Chapter 6 of the Omnibus Budget Reconciliation Act of 1990, of value commensurate with the subsidy value of child care services provided through contract or grant;
- b. Provide that nothing in the plan shall preclude the use of child care certificates for sectarian child care services if freely chosen by the parents;

2. Oversee distribution of state and federal funds related to child care;

3. Provide technical assistance to employers who are interested in exploring child care benefits and community child care needs;

4. Assist the Oklahoma Department of Commerce in promoting Oklahoma as a state that cares about families and children;

5. Address barriers that limit the availability of care for children with handicaps, infants, school-age children and children whose parents work nontraditional hours;

6. Provide oversight, training and technical assistance to resource and referral programs;

7. Coordinate the provision of training statewide for child care providers;

8. Increase community awareness of the need for quality child care which is both available and affordable;

9. Serve as a clearinghouse for child care data, resources and initiatives;

10. Cooperate with the ~~Compensation Division of the Office of Personnel Management~~ Office of Management and Enterprise Services regarding child care benefits for state employees; and

11. Advise parents that no outside child care can ever be as effective and beneficial as devoted loving care within the home, and encourage parents to care for their children themselves, in their own home, whenever possible.

SECTION 480. AMENDATORY 63 O.S. 2011, Section 1-557, is amended to read as follows:

Section 1-557. A. 1. There is hereby created in the State Treasury a revolving fund for the State Department of Health to be designated the "Breast and Cervical Cancer Act Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies received by the fund and gifts or donations to the fund.

2. All monies donated or accruing to the credit of the fund are hereby appropriated and may be budgeted and expended by the State Department of Health, after consideration of the recommendations from the Oklahoma Breast and Cervical Cancer Prevention and

Treatment Advisory Committee, for the purposes specified in and associated with implementation of the Oklahoma Breast and Cervical Cancer Act.

3. Monies from the fund may be transferred to the Breast and Cervical Cancer Prevention and Treatment Account and shall be used to carry out the purposes specified in Section 1-556 of this title.

4. 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 ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

B. 1. All proposals to expend monies from the Breast Cancer Act Revolving Fund shall have been reviewed by the Oklahoma Breast and Cervical Cancer Prevention and Treatment Advisory Committee, and the Advisory Committee shall advise the Commissioner on the proposed use of monies from the fund.

2. The Advisory Committee shall subject all research projects awarded using monies from the fund to peer review.

C. Monies in the Breast and Cervical Cancer Act Revolving Fund may be expended by the State Department of Health, subject to review by the Oklahoma Breast and Cervical Cancer Prevention and Treatment Advisory Committee, for promotional activities to encourage donations to the Breast and Cervical Cancer Act Revolving Fund by individuals and private businesses or foundations.

SECTION 481. AMENDATORY 63 O.S. 2011, Section 1-559, is amended to read as follows:

Section 1-559. A. There is hereby created in the State Treasury a revolving fund for the Oklahoma Health Care Authority to be designated the "Belle Maxine Hilliard Breast and Cervical Cancer Treatment 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 Health Care Authority from appropriations, gifts or donations.

B. All monies accruing to the credit of such fund are hereby appropriated and may be budgeted and expended by the Oklahoma Health Care Authority for the purpose specified and associated with the Oklahoma Breast Cancer Act.

C. 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 ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 482. AMENDATORY 63 O.S. 2011, Section 1-570, is amended to read as follows:

Section 1-570. A. There is hereby created in the State Treasury a revolving fund for the State Department of Health to be designated the "Genetic Counseling Licensure Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies that may be directed thereto by the State Board of Health, and all other monies including gifts, grants and other funds that may be directed thereto. All monies accruing to the credit of the fund are hereby appropriated and may be budgeted and expended by the Board for the purpose of licensure of genetic counselors and for other purposes specifically authorized by this act. 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 ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

B. The fund shall be administered by the State Department of Health.

C. Monies from the fund shall not be used to engage in any political activities or lobbying including, but not limited to, support of or opposition to candidates, ballot initiatives, referenda or other similar activities.

SECTION 483. AMENDATORY 63 O.S. 2011, Section 1-604, is amended to read as follows:

Section 1-604. The Oklahoma General Hospital located at Clinton, Oklahoma, shall be transferred at the close of regular business hours on June 30, 1973, to the City of Clinton, Oklahoma. Included within such transfer shall be the physical plant, all equipment and supplies, and the following described land:

Lots 13 to 24, inclusive, Block 2, Shoeboy Addition, City of Clinton, County of Custer, State of Oklahoma.

The Director of ~~Public Affairs~~ the Office of Management and Enterprise Services is hereby authorized and directed to execute and

deliver, on behalf of this state, instruments conveying title to said real and personal property to the City of Clinton, Oklahoma.

There shall also be transferred to the City of Clinton all accounts receivable including revolving funds of the Oklahoma General Hospital. Any outstanding obligations of the Oklahoma General Hospital shall be assumed by the City of Clinton.

SECTION 484. AMENDATORY 63 O.S. 2011, Section 1-723, is amended to read as follows:

Section 1-723. A. There is hereby created in the State Treasury a revolving fund for the State Department of Health to be designated the "Primary Health Care Development Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of appropriations, grants, gifts and other money obtained pursuant to this act.

B. All monies accruing to the credit of the fund are hereby appropriated and may be budgeted and expended by the State Department of Health for the enhancement and establishment of federally qualified health centers or federally qualified look-alike community health centers, as defined by 42 U.S.C., Section 13986d(1)(2)(B).

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

SECTION 485. AMENDATORY 63 O.S. 2011, Section 1-740.12, is amended to read as follows:

Section 1-740.12 There is hereby created in the State Treasury a revolving fund for the State Department of Health to be designated the "Alternatives-to-Abortion Services Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies deposited to the credit of the fund by law. All monies accruing to the credit of the fund are hereby appropriated and may be budgeted and expended by the State Department of Health as provided in subsection A of Section ~~21~~ 1-740.11 of this ~~act~~ title. The fund shall not be available to any organization or affiliate of an organization which provides or promotes abortions or directly refers for abortion; provided, however, any nondirective counseling relating to the pregnancy shall

not disqualify an organization from receiving these funds. 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 ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 486. AMENDATORY 63 O.S. 2011, Section 1-857.6, is amended to read as follows:

Section 1-857.6 A. The Oklahoma Health Planning Commission is hereby abolished, and the powers, duties and responsibilities exercised by such Commission pursuant to law are hereby transferred to the State Department of Health and the State Commissioner of Health. All unexpended funds, property, records, personnel and any outstanding financial obligations and encumbrances of such office are hereby transferred to the State Department of Health and the State Commissioner of Health.

B. The Director of ~~State Finance~~ the Office of Management and Enterprise Services is hereby directed to coordinate the transfer of funds, allotments, purchase orders, outstanding financial obligations or encumbrances provided for in this section.

C. Any application for a certificate of need which was duly filed with the Oklahoma Health Planning Commission prior to the effective date of the Long-term Care Certificate of Need Act or the Psychiatric and Chemical Dependency Facility Certificate of Need Act shall be reviewed and approved or disapproved pursuant to criteria and procedures in effect at the time such application was filed. Any application for Certificate of Need not scheduled for review at the regularly scheduled June, 1989, Commission meeting or by the Director before July 1, 1989, shall be considered to have been duly filed with the State Department of Health. In all appellate matters, including but not limited to reconsideration and remand, the Department shall be considered as the Commission.

D. The rules of the Oklahoma Health Planning Commission in effect on July 1, 1989, shall be enforceable by the State Department of Health and shall remain effective until the adoption of new rules by the State Board of Health.

E. Any references to the Oklahoma Health Planning Commission in the Oklahoma Statutes shall be construed to refer to the State Department of Health.

SECTION 487. AMENDATORY 63 O.S. 2011, Section 1-860.16, is amended to read as follows:

Section 1-860.16 There is hereby created in the State Treasury a revolving fund for the State Department of Health, to be designated the "Hospice Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies received by the Department, from any monies received as a result of fees received pursuant to the provisions of the Oklahoma Hospice Licensing Act and any monies appropriated to the fund by law. All monies accruing to the credit of said fund are hereby appropriated and may be budgeted and expended by the Department to effectuate the provisions of the Oklahoma Hospice Licensing Act. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 488. AMENDATORY 63 O.S. 2011, Section 1-1971, is amended to read as follows:

Section 1-1971. There is hereby created in the State Treasury a revolving fund for the State Department of Health, to be designated as the "Home Health Care Revolving Fund". Said fund shall be a continuing fund not subject to fiscal year limitations. The fund shall consist of all monies collected pursuant to the provisions of Section 1-1965 and Section 1-1966 of ~~Title 63 of the Oklahoma Statutes~~ this title. All monies accruing to said fund are hereby appropriated and shall be budgeted and expended by the State Department of Health for licensure and regulation of home care agencies and branch offices. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 489. AMENDATORY 63 O.S. 2011, Section 1-2505.2, is amended to read as follows:

Section 1-2505.2 There is hereby created in the State Treasury a revolving fund for the State Department of Health to be designated the "Emergency Medical Personnel Death Benefit Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies received by the State Department of Health from the fees imposed pursuant to Section 1-

2505.3 of this title. All monies accruing to the credit of said fund are hereby appropriated and may be budgeted and expended by the State Department of Health for the purpose of making death benefit payments to the named beneficiary or personal representative of a deceased emergency medical technician or registered emergency medical responder pursuant to Section 1-2505.1 of this title. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 490. AMENDATORY 63 O.S. 2011, Section 1-2512.1, is amended to read as follows:

Section 1-2512.1 A. There is hereby created in the State Treasury a revolving fund for the State Department of Health to be designated the "Oklahoma Emergency Response Systems Stabilization and Improvement Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of monies received by the State Department of Health in accordance with state law. All monies accruing to the credit of the fund are hereby appropriated and may be budgeted and expended by the Department for the purpose of funding assessment activities, stabilization and/or reorganization of at-risk emergency medical services, development of regional emergency medical services, training for emergency medical directors, access to training front line emergency medical services personnel, capital and equipment needs. 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 ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

B. The State Board of Health shall promulgate rules establishing a formula and procedure for the distribution of funds from the Oklahoma Emergency Response Systems Stabilization and Improvement Revolving Fund.

SECTION 491. AMENDATORY 63 O.S. 2011, Section 1-2523, is amended to read as follows:

Section 1-2523. There is hereby created in the State Treasury a revolving fund for the State Department of Health, to be designated the "Oklahoma Institute for Disaster and Emergency Medicine Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies received

by the State Department of Health from state appropriations for such fund. All monies accruing to the credit of said fund are hereby appropriated and may be budgeted and expended by the State Department of Health as follows:

The State Department of Health is authorized to develop and support the Oklahoma Institute for Disaster and Emergency Medicine (the "Institute") at the OU College of Medicine in Tulsa. The primary duties and responsibilities of the Institute shall include:

1. Creation and delivery of educational initiatives related to trauma systems development and trauma systems coordination, in order to strengthen the quality of trauma care services rendered statewide;
2. Development and support of an emergency medical response infrastructure to include statewide planning and training functions;
3. Establishment and support of an allopathic emergency medicine residency program in Oklahoma; and
4. In partnership with the State Department of Health, to further develop an injury prevention research program to identify significant risks and design and implement effective interventions to mitigate those risks.

Up to Five Hundred Thousand Dollars (\$500,000.00) of this fund may be used for delivery of urgent care in under-served areas.

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

SECTION 492. AMENDATORY 63 O.S. 2011, Section 1-2530.9, is amended to read as follows:

Section 1-2530.9 A. There is hereby created in the State Treasury a revolving fund for the State Department of Health to be designated the "Trauma Care Assistance Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies received by the State Department of Health from monies apportioned thereto for purposes of this section. All monies accruing to the credit of the fund are hereby

appropriated and may be budgeted and expended by the Department as follows:

1. Ninety percent (90%) of such monies shall be used to reimburse recognized trauma facilities, licensed ambulance service providers and physicians for uncompensated trauma care expenditures as documented in the statewide emergency medical services and trauma analysis system developed pursuant to the provisions of Section 1-2511 of this title. In lieu of or in combination with reimbursement for uncompensated care, monies from the fund may also be used to support readiness costs incurred by recognized trauma facilities associated with ensuring a stable trauma care system with availability of twenty-four-hour physician services for the provision of trauma care. Any monies used for the treatment of Medicaid-eligible patients that are subsequently used to establish federal matching fund requirements shall also be reimbursed to eligible trauma facilities, licensed ambulance service providers and physicians; and

2. Ten percent (10%) of such monies shall be used by the Department in the furtherance of its powers and duties set forth in the Oklahoma Emergency Response Systems Development Act.

B. 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 ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

C. The State Board of Health shall establish by rule a formula and procedure for the distribution of funds for uncompensated trauma care and/or readiness costs that shall provide for the allocation of funds to hospitals, ambulance service providers and physicians.

D. Annually, monies accumulated in the fund may be transferred to the Oklahoma Health Care Authority, by order of the State Commissioner of Health, to maximize Medicaid reimbursement of trauma care. The Oklahoma Health Care Authority shall use these funds with federal matching funds to reimburse hospitals, ambulance service providers and physicians for trauma care provided to severely injured patients who are participants in Medicaid.

E. An annual report detailing the disbursements from the fund shall be provided on January 1 of each year to the Speaker of the House of Representatives, the President Pro Tempore of the Senate,

and the Chair of each health-related committee of both the House of Representatives and the Senate.

SECTION 493. AMENDATORY 63 O.S. 2011, Section 1-2603, is amended to read as follows:

Section 1-2603. There is hereby created in the State Treasury a revolving fund for the State Department of Health, to be designated the "Kidney Health Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies received by the State Department of Health from state appropriations for such fund. All monies accruing to the credit of said fund are hereby appropriated and may be budgeted and expended by the State Department of Health for the purpose of implementing the provisions of the Kidney Health Planning Act of Oklahoma. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 494. AMENDATORY 63 O.S. 2011, Section 1-2714, is amended to read as follows:

Section 1-2714. There is hereby created in the State Treasury a revolving fund for the State Department of Health to be designated the "Dental Loan Repayment Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies deposited to the credit of the fund by law. All monies accruing to the credit of said fund are hereby appropriated and may be budgeted and expended by the State Department of Health for the purpose of repaying dental student loans. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 495. AMENDATORY 63 O.S. 2011, Section 2-103, is amended to read as follows:

Section 2-103. A. The Director shall be appointed by the Oklahoma State Bureau of Narcotics and Dangerous Drugs Control Commission. The Director of Narcotics and Dangerous Drugs Control on January 1, 1984, shall be initially appointed as Director. The succeeding Director shall, at the time of the appointment, have a Bachelor's Degree from an accredited college or university and at

least five (5) years of experience in drug law enforcement. The Director may appoint necessary assistants, agents, and other personnel to perform the work of the office and may prescribe their titles and duties and fix their compensation, other than the salaries established in subsection A of Section 2-103a of this title, pursuant to Merit System rules. The Director may appoint employees to the positions of Chief of Law Enforcement Information and Technology, Public Information/Education Officer, Training Officer, Program Administrators, Grants Administrator, Criminal Analysts, Legal Secretary, and Typist Clerk/Spanish Transcriptionists. The positions shall be unclassified and exempt from the rules and procedures of the ~~Office of Personnel Management~~ Office of Management and Enterprise Services, except leave regulations. The office of the Director shall be located at a suitable place in Oklahoma City, Oklahoma.

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

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

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

C. Agents appointed pursuant to the provisions of this section shall have the responsibility of investigating alleged violations and shall have the authority to arrest those suspected of having violated the provisions of the Uniform Controlled Dangerous Substances Act.

D. The Director may appoint reserve special agents who shall not be considered employees of the state and shall serve at the will of the Director. Reserve special agents shall complete a minimum of one hundred sixty (160) hours of training pursuant to Section 3311 of Title 70 of the Oklahoma Statutes and may not serve more than one hundred forty (140) hours per calendar month. Upon completion of training, reserve special agents appointed by the Director shall

have general peace officer powers and the authority to arrest those suspected of having violated the provisions of the Uniform Controlled Dangerous Substances Act. The agency may expend funds related to training and special reserve agents may receive travel expenses pursuant to the State Travel Reimbursement Act.

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

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

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

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

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

SECTION 496. AMENDATORY 63 O.S. 2011, Section 2-106.1, is amended to read as follows:

Section 2-106.1 The Oklahoma State Bureau of Narcotics and Dangerous Drugs Control is hereby authorized to lease the seaplane owned by said Bureau. Said lease shall not be subject to the provisions of Section 85.5 of Title 74 of the Oklahoma Statutes and shall not have to be approved by the ~~Department of Central Services Office of Management and Enterprise Services.~~

SECTION 497. AMENDATORY 63 O.S. 2011, Section 2-107, is amended to read as follows:

Section 2-107. There is hereby created in the State Treasury a revolving fund for the Oklahoma State Bureau of Narcotics and Dangerous Drugs Control to be designated the "Bureau of Narcotics Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of any monies received from the sale of surplus and confiscated property, fees and receipts collected pursuant to the Oklahoma Open Records Act, gifts, bequests, devises, contributions or grants, public or private, including federal funds unless otherwise provided by federal law or regulation, registration fees and receipts relating to prescription pads and receipts from any other source. All monies accruing to the credit of said fund are hereby appropriated and may be budgeted and expended by the Oklahoma State Bureau of Narcotics and Dangerous Drugs Control for general operations of the agency. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 498. AMENDATORY 63 O.S. 2011, Section 2-107b, is amended to read as follows:

Section 2-107b. There is hereby created in the State Treasury a revolving fund for the Oklahoma State Bureau of Narcotics and Dangerous Drugs Control to be designated the "Drug Money Laundering and Wire Transmitter 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 State Bureau of Narcotics and Dangerous Drugs Control from the fees imposed pursuant to Section ~~11~~ 2-503.1j of this ~~act~~ title. All monies accruing to the credit of the fund are hereby appropriated and may be budgeted and expended by the Oklahoma State Bureau of Narcotics and Dangerous Drugs Control for the purpose of drug enforcement. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 499. AMENDATORY 63 O.S. 2011, Section 2-417, is amended to read as follows:

Section 2-417. There is hereby created in the State Treasury a revolving fund for the State Board of Education to be designated the "Drug Abuse Education Revolving Fund". The fund shall be a

continuing fund, not subject to fiscal year limitations, and shall consist of fines collected pursuant to the Trafficking in Illegal Drugs Act. All monies accruing to the credit of said fund are hereby appropriated and may be budgeted and expended by the State Board of Education for drug abuse education programs. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 500. AMENDATORY 63 O.S. 2011, Section 2-503.2, is amended to read as follows:

Section 2-503.2 A. 1. Every person convicted of a violation of the Uniform Controlled Dangerous Substances Act or the Trafficking In Illegal Drugs Act shall be assessed for each offense a sum of not less than One Hundred Dollars (\$100.00) nor more than Three Thousand Dollars (\$3,000.00).

2. The assessment shall be mandatory and in addition to and not in lieu of any fines, restitution costs, other assessments, or forfeitures authorized or required by law for the offense. The assessment required by this section shall not be subject to any order of suspension. The court shall order either a lump sum payment or establish a payment schedule.

3. Failure of the offender to comply with the payment schedule shall be considered contempt of court.

4. For purposes of collection, the assessment order shall not expire until paid in full, nor shall the assessment order be limited by the term of imprisonment prescribed by law for the offense, nor by any term of imprisonment imposed against the offender, whether suspended or actually served.

B. The assessment provided for in subsection A of this section shall be collected by the court clerk as provided for collection of fines and costs. When assessment payments are collected by the court clerk pursuant to court order, the funds shall be forwarded to the Department of Mental Health and Substance Abuse Services for deposit into its Drug Abuse Education and Treatment Revolving Fund created by this section.

C. 1. There is hereby created in the State Treasury a revolving fund for the Department of Mental Health and Substance

Abuse Services to be designated the "Drug Abuse Education and Treatment Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of assessments collected pursuant to this section, court-ordered assessments collected pursuant to Section 11-902 of Title 47 of the Oklahoma Statutes and Section 2-401 of this title, the Oklahoma Drug Court Act, Section 2-2-509 of Title 10A of the Oklahoma Statutes, grants, gifts and other money accruing to the benefit of the fund and the Oklahoma Drug Court Act.

2. All monies accruing to the credit of the fund are hereby appropriated and may be budgeted and expended by the Department of Mental Health and Substance Abuse Services for treatment and drug testing of indigent substance abusing offenders pursuant to the Oklahoma Drug Court Act, Section 2-2-205 of Title 10A of the Oklahoma Statutes, and Sections 2-2-506 through 2-2-509 of Title 10A of the Oklahoma Statutes, for substance abuse prevention, drug courts, and continuing education.

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

4. Monies expended from this fund shall not supplant other local, state, or federal funds.

SECTION 501. AMENDATORY 63 O.S. 2011, Section 2-512, is amended to read as follows:

Section 2-512. There is hereby created in the State Treasury a revolving fund to be known as the Drug Eradication and Enforcement Plan Revolving Fund. The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of any monies appropriated or transferred to the fund and any monies contributed to the fund from any other source. All monies accruing to the credit of such fund are hereby appropriated and may be budgeted and expended for the purpose of providing grants to district attorneys' offices, sheriffs' offices and municipal police departments. The grants shall be used for eradication of illegal drugs and enforcement of drug laws. Allowable expenditure of the grants shall include, but shall not be limited to, the following purposes:

1. Purchase of equipment;

2. Purchase of drug-sniffing dogs;
3. Matching federal grants or funds;
4. Funding advanced training programs;
5. Funding drug education and awareness programs; and
6. Funding drug courts.

Expenditures from such fund shall be made upon warrants issued by the State Treasurer against claims signed by an authorized state employee and filed as prescribed by law with the Director of State Finance the Office of Management and Enterprise Services for approval and payment.

SECTION 502. AMENDATORY 63 O.S. 2011, Section 79, is amended to read as follows:

Section 79. There is hereby created in the State Treasury a revolving fund to be designated the "Oklahoma Sports Eye Safety Program Revolving Fund" administered by the State Department of Health. The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all the monies received by the State Department of Health pursuant to the provisions of Section 2 2368.25 of this act Title 68 of the Oklahoma Statutes, any other section of law and any other monies that may be deposited in the fund to implement the provisions of this act. All monies accruing to the credit of the fund are appropriated and may be budgeted and expended by the State Department of Health for the purposes of:

1. Exploring opportunities to utilize nonprofit organizations to provide sports eye safety information or sports eye safety equipment to children age eighteen (18) and under; and

2. Establishing a sports eye safety grant program for the purchase and distribution of sports eye safety programs and materials to classrooms in this state and sports eye safety protective wear to children age eighteen (18) and under.

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 State Finance the Office of Management and Enterprise Services for approval and payment.

SECTION 503. AMENDATORY 63 O.S. 2011, Section 330.62, is amended to read as follows:

Section 330.62 There is hereby created in the State Treasury a revolving fund for the Oklahoma State Board of Examiners for Long-Term Care Administrators to be designated the "Oklahoma State Board of Examiners for Long-Term Care Administrators Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of such sources of income as are provided by law. All monies accruing to the credit of said fund are hereby appropriated and may be budgeted and expended by the Oklahoma State Board of Examiners for Long-Term Care Administrators to carry out the duties established by law. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 504. AMENDATORY 63 O.S. 2011, Section 485.11, is amended to read as follows:

Section 485.11 There is hereby created in the State Treasury a revolving fund for the Oklahoma Cerebral Palsy Commission to be designated the "J.D. McCarty Center for Children with Developmental Disabilities Revolving Fund". The fund shall consist of all monies received by the Commission pursuant to statutory authority, but not including appropriated funds, gifts and bequests. The revolving fund shall be a continuing fund, not subject to fiscal year limitations and shall be under the control and management of the administrative authorities of the Commission. Expenditures from the fund shall be made pursuant to the laws of the state and the statutes relating to the Commission and may include up to Twenty-five Thousand Dollars (\$25,000.00) in expenditures for capital improvements within a single fiscal year or as otherwise provided by the Legislature. Warrants for expenditures from the fund shall be drawn by the State Treasurer, based on claims signed by an authorized employee or employees of the Commission and approved for payment by the Director of ~~State Finance~~ the Office of Management and Enterprise Services.

SECTION 505. AMENDATORY 63 O.S. 2011, Section 485.12, is amended to read as follows:

Section 485.12 Specialized vehicles utilized by the J.D. ~~McCarthy~~ McCarty Center for Children with Developmental Disabilities

shall not be included in nor subject to provisions of law establishing the State Motor Pool Division within the ~~Office of Public Affairs~~ Office of Management and Enterprise Services.

SECTION 506. AMENDATORY 63 O.S. 2011, Section 683.4, is amended to read as follows:

Section 683.4 A. There is hereby created the Oklahoma Department of Emergency Management (OEM). The Governor shall appoint a Director of the Department, with the advice and consent of the Senate, who shall be the head of the Department. The Governor shall fix the salary of the Director, in cooperation with standards promulgated by the ~~Office of Personnel Management~~ Office of Management and Enterprise Services.

B. The Director may employ personnel and fix their compensation in cooperation with standards promulgated by the ~~Office of Personnel Management~~ Office of Management and Enterprise Services, and may make such expenditures within the appropriation therefor, or from such other available funds as may be necessary to carry out the purposes of the Oklahoma Emergency Management Act of 2003 and other programs specified by law.

C. The Director and other personnel of the Department shall be provided with appropriate office space, furniture, equipment, supplies, stationery, and printing in the same manner as provided for personnel of other state agencies.

D. The Director, subject to the direction and control of the Governor, shall be the executive head of the Department and shall serve as the chief advisor to the Governor on emergency management and shall:

1. Be responsible to the Governor for carrying out the programs as required by law;
2. Coordinate the activities of all organizations for emergency management within the state;
3. Maintain liaison with and cooperate with the emergency management agencies and organizations of other states and of the federal government;
4. Develop and maintain a comprehensive all-hazards mitigation plan for this state;

5. Implement the Oklahoma Hazard Mitigation Program;

6. Have such additional authority, duties, and responsibilities authorized by the Oklahoma Emergency Management Act of 2003 and as may be prescribed by the Governor;

7. Supervise the Office of Volunteerism in accordance with Section 683.26 of this title; and

8. Report quarterly to the Governor, the Speaker of the House of Representatives and the President Pro Tempore of the Senate the balance and outstanding obligations of the State Emergency Fund.

E. The Director shall supervise the formulation, execution, review and revisions of the state Emergency Operations Plan as provided for by Section 683.2 of this title. The plan shall be reviewed annually and revised as necessary.

SECTION 507. AMENDATORY 63 O.S. 2011, Section 683.27, is amended to read as follows:

Section 683.27 A. Effective July 1, 1996, the Oklahoma Office of Volunteerism and all of the powers, duties and responsibilities of the Secretary of State relating to the Oklahoma Office of Volunteerism are hereby transferred to the Oklahoma Department of Emergency Management, together with all unexpended funds, property, records, personnel and any outstanding financial obligations or encumbrances, exclusively or principally pertaining to such office.

B. The Director of ~~State Finance~~ the Office of Management and Enterprise Services is hereby directed to coordinate the transfer of funds, allotments, purchase orders, outstanding financial obligations or encumbrances provided for in this section.

C. Upon the transfer of the Office of Volunteerism, the Director of the Oklahoma Department of Emergency Management shall provide for the adequate staffing of the Office to ensure the transfer may be effectuated with minimum interruption of its work heretofore carried on and within the mission of the agency. The transfer or division of resources provided herein, to be effected by an agreement between the Secretary of State and the Director of the Oklahoma Department of Emergency Management, shall not operate to prevent completion of any unconsummated legal contracts with corporations, individual parties, and other government units and

other legal contracts previously entered into by the Office of Volunteerism.

D. Any classified employee occupying the position of Director, Office of Volunteerism, on June 30, 1996, shall be transferred from the Office of Secretary of State to the Oklahoma Department of Emergency Management effective July 1, 1996. Such employee shall remain subject to the provisions of the Merit System of Personnel Administration as provided for in the Oklahoma Personnel Act, and shall be transferred pursuant to OAC 530:10-11-74 without change in status, and without the need to pass further examination or meet additional qualifications. The employee shall retain any retirement and longevity benefits and seniority which have accrued prior to the transfer. The transfer shall be coordinated with the Office of ~~Personnel Management~~ Management and Enterprise Services.

SECTION 508. AMENDATORY 63 O.S. 2011, Section 954, is amended to read as follows:

Section 954. A. The Board of Medicolegal Investigations is authorized to accept grants, gifts, fees or funds from persons, associations, corporations, or foundations for any purpose authorized by the Board.

B. There is hereby created in the State Treasury a revolving fund for the Office of the Chief Medical Examiner to be designated the "Chief Medical Examiner Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all moneys received from:

1. Laboratory analysis fees pursuant to the provisions of Section 1313.2 of Title 20 of the Oklahoma Statutes;

2. Grants, gifts, fees or funds from persons, associations, corporations or foundations pursuant to this section;

3. Document fees pursuant to the Oklahoma Open Records Act, Section 24A.1 et seq. of Title 51 of the Oklahoma Statutes; and

4. Cremation, burial at sea or other recognized means of dissolution permit fees pursuant to Section 1-329.1 of this title.

All monies accruing to the credit of said fund are hereby appropriated and may be budgeted and expended by the Office of the Chief Medical Examiner for the duties imposed upon the Board of

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

SECTION 509. AMENDATORY 63 O.S. 2011, Section 2056, is amended to read as follows:

Section 2056. Any community social service center may be built on leased land owned by any other governmental agency subject to the approval of the ~~Office of Public Affairs~~ Office of Management and Enterprise Services.

SECTION 510. AMENDATORY 63 O.S. 2011, Section 2058, is amended to read as follows:

Section 2058. All property, records, equipment, supplies, funds, including trust funds and revolving funds, and other assets, owned or possessed by the State Department of Health for the East Central Oklahoma Health and Social Service Center at Ada, Oklahoma, are hereby transferred on April 7, 1972, to the Office of Public Affairs. All contracts, leases, agreements, and obligations to which the State Department of Health is a party for or on behalf of said Health Center shall be assumed by the Director of ~~Public Affairs~~ the Office of Management and Enterprise Services for the benefit of the East Central Oklahoma Health and Social Service Center at Ada, Oklahoma.

SECTION 511. AMENDATORY 63 O.S. 2011, Section 2220.3, is amended to read as follows:

Section 2220.3 A. There is hereby created in the State Treasury a revolving fund for the State Department of Health, to be designated the "Oklahoma Organ Donor Education and Awareness Program Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies received by the State Department of Health from:

1. Any state monies appropriated for the purpose of implementing the provisions of the Oklahoma Organ Donor Education and Awareness Program Act; and
2. Any monies collected pursuant to this section or any other monies available to the State Department of Health to implement the

provisions of the Oklahoma Organ Donor Education and Awareness Program Act.

B. All monies accruing to the credit of the fund are hereby appropriated and shall be budgeted and expended to promote and encourage organ donor education and awareness.

C. Monies credited to the fund, excluding administrative fees paid to the Oklahoma Tax Commission, may be used for, but are not limited to:

1. Administration of the Act, including, but not limited to, personnel and Advisory Council expenses;

2. Development and promotion of organ donor public education and awareness programs in cooperation with the Oklahoma Organ Sharing Network including, but not limited to, the American Red Cross and the Oklahoma Lions Eye Bank;

3. To assist in the publication of information pamphlets or booklets by the State Department of Health and the State Superintendent of Public Instruction regarding organ donation and donations to the Oklahoma Organ Donor Education and Awareness Program Fund. The State Department of Health shall distribute such informational pamphlets or booklets to the Department of Public Safety for distribution to applicants for original, renewal, or replacement driver licenses and identification cards when making a voluntary contribution pursuant to Section 2220.5 of this title and to the Oklahoma Tax Commission for distribution to individuals when making a voluntary contribution pursuant to the state income tax check off provided for in Section 2220.4 of this title;

4. Implementation of organ donor education and awareness programs in the elementary and secondary schools of this state by the State Department of Education in cooperation with the Oklahoma Organ Donor Education and Awareness Program Advisory Council;

5. Grants by the State Department of Health to certified organ procurement organizations for the development and implementation of organ donor education and awareness programs in this state;

6. Encouraging the incorporation of organ donor information into the medical and nursing school curriculums of the state's medical and nursing schools. If funds are provided to a university for this educational purpose, the university shall annually evaluate

the extent to which the curriculum has affected the attitudes of its students and graduates with regard to organ donation and shall forward the evaluation results to the Advisory Council; and

7. A reserve fund in an interest-bearing account with five percent (5%) of the monies received by the fund annually to be placed in this account. No funds may be expended from the reserve fund account until the required balance has reached One Hundred Thousand Dollars (\$100,000.00) and then these funds may only be used in years when donations do not meet the average normal operating fee incurred by the fund, and funds are expended to meet expenses. Once the balance in the reserve fund account reaches One Hundred Thousand Dollars (\$100,000.00), excess funds earned by interest, and yearly allocations may be used at the discretion of the Advisory Council to cover operating costs and to provide additional funds.

D. The fund may accept bequests and grants from individuals, corporations, organizations, associations, and any other source. The fund supplements and augments services provided by state agencies and does not take the place of such services.

E. 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 ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 512. AMENDATORY 63 O.S. 2011, Section 2418, is amended to read as follows:

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

B. The surcharge shall be collected on the regular monthly bill by each local exchange telephone company operating in this state and shall be remitted quarterly to the Oklahoma Tax Commission no later than fifteen (15) days following the end of each quarter.

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

SECTION 513. AMENDATORY 63 O.S. 2011, Section 3208, is amended to read as follows:

Section 3208. A. On and after June 1, 1993, and until July 1, 1993, in order to effectuate the transfer of the University Hospitals from the Commission for Human Services and the Department of Human Services to the University Hospitals Authority, the Authority shall have the powers and duties to:

1. Adopt bylaws and promulgate rules for the regulation of its affairs and the conduct of its business;
2. Adopt an official seal;
3. Maintain an office at the University Hospitals;
4. Make and enter into all contracts necessary or incidental to the performance of its duties and the execution of its powers pursuant to the University Hospitals Authority Act;
5. Appoint such officers, agents and employees, including but not limited to attorneys, as it deems necessary to implement the provisions of this subsection to prescribe their duties and to fix their compensation; and
6. Establish petty cash funds and provide for appropriate accounting procedures and controls.

B. On and after July 1, 1993, the Authority shall have the power and duty to:

1. Adopt bylaws and promulgate rules for the regulation of its affairs and the conduct of its business;

2. Adopt an official seal;
3. Maintain an office at the University Hospitals;
4. Sue and be sued, subject to the provisions of The Governmental Tort Claims Act;
5. Establish rates of payment for hospital and clinical services, which shall provide for exceptions and adjustments in cases where the recipients of services are unable to pay and for whom no third party source of payment is available, and to establish different rates of payment for indigent and nonindigent care;
6. Enter into cooperative agreements with the Board of Regents of the University of Oklahoma for educational programs, professional staffing, research and other medical activities;
7. Make and enter into all contracts necessary or incidental to the performance of its duties and the execution of its powers pursuant to the University Hospitals Authority Act;
8. Purchase or lease equipment, furniture, materials and supplies, and incur such other expenses as may be necessary to maintain and operate the hospitals or clinics, or to discharge its duties and responsibilities or to make any of its powers effective;
9. Acquire by purchase, lease, gift, or by any other manner, and to maintain, use and operate or to contract for the maintenance, use and operation of or lease of any and all property of any kind, real, personal, or mixed or any interest therein unless otherwise provided by the University Hospitals Authority Act;
10. Appoint such officers, agents and employees, including but not limited to attorneys, as it deems necessary to operate and maintain the University Hospitals and to prescribe their duties and to fix their compensation. The Authority shall employ and fix the duties and compensation of an administrator of the hospitals.
11. Accept grants from the United States of America, or from any corporation or agency created or designed by the United States of America, and, in connection with any such grant, to enter into such agreements as the United States of America or such corporation or agency may require;

12. Make and issue bonds and to pledge revenues of the Authority subject to the Oklahoma Bond Oversight and Reform Act. Nothing in the University Hospitals Authority Act shall authorize the issuance of any bonds of the Authority payable other than from revenues of the University Hospitals. Funds appropriated to the University Hospitals shall not be used for issuance of bonds. Authority revenue bonds issued under the provisions of this act shall not at any time be deemed to constitute a debt of the state or of any political subdivision thereof or a pledge of the faith and credit of the state or of any political subdivision, but such bonds shall be payable solely from the funds herein provided. Such revenue bonds shall contain on the face thereof a statement to the effect that neither the state nor the Authority shall be obligated to pay the same or the interest thereon except from the revenues of the project or projects for which they are issued and that neither the faith and credit nor the taxing power of the state or any political subdivision thereof is pledged, or may hereafter be pledged, to the payment of the principal of or the interest on such bonds. The maximum amount of outstanding bonds at any time shall not exceed Fifty Million Dollars (\$50,000,000.00) unless a greater amount is expressly approved by the Legislature by a concurrent resolution adopted prior to commencing any action in anticipation of issuance of revenue bonds of the University Hospitals Authority for the greater amount;

13. Provide for complete financial audits on all accounts of the University Hospitals Authority and to authorize periodic audits by an independent external auditing agency. Such audits to be performed annually in a format approved by the State Auditor and Inspector and all such audits shall be submitted to the State Auditor and Inspector for review. Such audits shall be made in accordance with generally accepted auditing standards and government auditing standards. Financial statements shall be prepared in accordance with generally accepted accounting principals. In addition to said audits, the State Auditor and Inspector, whenever he deems it appropriate, and at least once each five (5) years, or upon receipt of a request to do so from the Governor, the Attorney General, the President Pro Tempore of the Senate, the Speaker of the House of Representatives or the Authority shall conduct a special audit of the Authority and the University Hospitals;

14. Engage in long-term planning for the operation and management of the University Hospitals;

15. Establish petty cash funds and provide for appropriate accounting procedures and controls;

16. Contract with national manufacturers and distributors of drugs and medical supplies when appropriate to carry out the purposes of this act;

17. Do all other things necessary and proper to implement the provisions of the University Hospitals Authority Act;

18. Waive, by such means as the Authority deems appropriate, the exemption from federal income taxation of interest on the Authority's bonds provided by the Internal Revenue Code of 1986, as amended, or any other federal statute providing a similar exemption; and

19. Arrange for guaranties or insurance of its bonds by the federal government or by any private insurer, and to pay any premiums therefor.

C. The University Hospitals Authority and the University Hospitals shall be subject to the ~~Oklahoma Budget Law of 1947~~ Oklahoma State Finance Act, Section 41.1 34 et seq. of Title 62 of the Oklahoma Statutes.

D. The Authority shall prepare monthly a "budget vs. actual" report which shows by budget activity the monthly and year-to-date revenues and expenditures compared to budgeted revenues and expenditures. Such report shall be submitted to the ~~Office of State Finance~~ Office of Management and Enterprise Services and to the Directors of the House of Representatives Fiscal Division and the Senate Fiscal Division.

E. The Authority shall be subject to the professional risk management program provided for in Section ~~85.34~~ 85.58A of Title 74 of the Oklahoma Statutes.

F. The Department of Human Services Institutional Maintenance and Construction Unit and the Architecture and Engineering Planning Unit should be given first priority to be vendor for the University Hospitals Authority for construction and remodeling projects which fall within their scope of services. The Authority may enter into contracts for construction and remodeling projects with another contractor only after compliance with all other applicable statutes

and after making a specific finding that another contractor is more competitive.

G. The Authority shall continue to provide space, utilities and janitorial services to the Department of Human Services Institutional Maintenance and Construction Architecture and Engineering Planning Unit.

SECTION 514. AMENDATORY 63 O.S. 2011, Section 3211, is amended to read as follows:

Section 3211. A. Employees of the University Hospitals who are in the classified service of the State Merit System of Personnel Administration on June 30, 1993, shall be transferred to the University Hospitals Authority without change or loss of pay, seniority, rights, privileges or benefits.

B. Employees of the University Hospitals who are in the unclassified service of the State Merit System of Personnel Administration on June 30, 1993, shall be transferred to the Authority without change or loss of pay, seniority, rights, privileges or benefits.

C. By January 1, 1995, all employees of the Authority shall be required to elect whether to remain in their present classification pursuant to the Oklahoma Personnel Act or transfer to the University Hospitals Authority Model Personnel System established pursuant to subsection E of this section. Any employee who elected not to transfer to the University Hospitals Authority Model Personnel System pursuant to this subsection may elect to transfer to the personnel system at any time as prescribed by the Authority.

D. All new employees hired by the University Hospitals or the Authority and all positions vacated by classified employees of the University Hospitals and/or the Authority after June 30, 1993, shall be in the personnel system established pursuant to subsection E of this section.

E. Except as otherwise provided in Section 4 3213.2 of this ~~act~~ title, the Authority shall develop, maintain or revise unclassified personnel systems, classes or procedures which are necessary for accommodating or responding to its human resource needs. Such authority includes recruitment, position classifications, qualifications, selection criteria, search and selection procedures, use of consultants, salaries, benefits, retirement plans, leave

benefits and personnel administration. Such systems, classes or procedures shall require consultation with the ~~Administrator~~ Director of the Office of Personnel Management Office of Management and Enterprise Services.

F. Employees of the University Hospitals Authority who are members of the University Hospitals Authority Model Personnel System who become subject to the classified or unclassified service of state government shall be eligible to transfer any unused leave balances. Unused paid-time-off leave shall be converted to annual leave. Unused extended illness leave shall be converted to sick leave. Such transfer of leave shall be subject to accumulation limits pursuant to Section 840-2.20 of Title 74 of the Oklahoma Statutes.

SECTION 515. AMENDATORY 63 O.S. 2011, Section 3212, is amended to read as follows:

Section 3212. A. There is hereby created the University Hospitals Authority Personnel Task Force. The Task Force shall consist of the following members:

1. The Director of Personnel for the University Hospitals who shall serve as chair;
2. The Affirmative Action Officer for the University Hospitals;
3. The Director of the ~~Office of Personnel Management~~ Office of Management and Enterprise Services or a designee;
4. Two employees of the University Hospitals appointed by the Chief Executive Officer of the University Hospitals, one who shall be a health care professional and one who shall not be a health care professional; and
5. The Executive Director of the Oklahoma Public Employees Association or a designee.

B. The Task Force shall annually select a vice-chair from its membership.

C. The Task Force shall annually give advice and make recommendations to the Authority regarding all aspects of personnel matters including, but not limited to:

1. Development of clear mission and goal statements;
2. Involvement of managers and employees in the identification of ways to improve organizational effectiveness;
3. Participation of employees in the development of personnel policies and procedures;
4. Assessment of agency effectiveness and progress toward goals with emphasis on productivity, quality of services, innovation and economical use of resources;
5. Affirmative action programs to ensure workforce diversity and equal employment opportunity;
6. Creation, modification, and elimination of positions;
7. Employee disciplinary procedures with emphasis on timely resolution of personnel disputes at the lowest possible level; and
8. Management and employee development programs.

D. The Authority may delegate additional responsibilities to the Task Force.

E. The Task Force shall assist the Authority in the preparation and implementation of an annual human resource management plan and evaluation report which shall be submitted to the Governor, the Speaker of the House of Representatives and the President Pro Tempore of the Senate by November 1 of each year.

SECTION 516. AMENDATORY 63 O.S. 2011, Section 3221.1, is amended to read as follows:

Section 3221.1 A. There is hereby created in the State Treasury a revolving fund for the University Hospitals, to be designated the "University Hospitals Marketing Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies received by the University Hospitals pursuant to the provisions of this section. All monies accruing to the credit of said fund are hereby appropriated and may be budgeted and expended by the University Hospitals for the purpose of marketing research and planning, public education, special events customary to the health care industry, advertising and promotion of special and general services provided

or sponsored by the University Hospitals and such other purposes specifically authorized by the Legislature. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of State Finance the Office of Management and Enterprise Services for approval and payment.

B. An amount equal to one-tenth of one percent (1/10 of 1%) of the total annual operating budget of the University Hospitals and such other funds as may be specifically designated for deposit to the fund shall be deposited in the University Hospitals Marketing Revolving Fund.

SECTION 517. AMENDATORY 63 O.S. 2011, Section 3223, is amended to read as follows:

Section 3223. The University Hospitals Authority is authorized to place resident physicians of the College of Medicine of the University of Oklahoma on the University Hospitals Authority payroll, and is further authorized to acquire through the Purchasing Division of the ~~Department of Central Services~~ Office of Management and Enterprise Services health, life, and dental insurance for such residents. Such residents shall not be considered employees of the Authority and shall not be eligible to participate in the Oklahoma Public Employees Retirement System. This section shall not preclude the right of the University Hospitals Authority to terminate, for cause, the practicing privileges of any resident physician within the University Hospitals Authority.

SECTION 518. AMENDATORY 63 O.S. 2011, Section 3227.1, is amended to read as follows:

Section 3227.1 Any monies transferred by the Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services pursuant to Section 18 ~~of this act, Chapter 287, O.S.L. 1997,~~ from the University Hospitals Authority to the University Hospitals Trust Revolving Fund created by Section 3227 of this title shall be repaid by the Trust to the University Hospitals Authority Disbursing Fund created by Section 3221 of this title on or before December 31, 2002.

SECTION 519. AMENDATORY 63 O.S. 2011, Section 3240.6, is amended to read as follows:

Section 3240.6 A. The Community Hospitals Authority shall have the power and duty to:

1. Adopt bylaws and promulgate rules for the regulation of its affairs and the conduct of its business;
2. Adopt an official seal;
3. Maintain an office in one of the participating hospitals for the Community Hospitals Authority at no cost to the Authority;
4. Sue and be sued;
5. Make and enter into all contracts necessary or incidental to the performance of its duties and the execution of its powers pursuant to the Community Hospitals Authority Act;
6. Purchase or lease equipment, furniture, materials and supplies, and incur such other expenses as may be necessary to discharge its duties and responsibilities or to make any of its powers effective;
7. Accept any and all grants from persons and from the United States of America, or from any corporation or agency created or designed by the United States of America, and, in connection with any such grant, to enter into such agreements as the United States of America or such corporation or agency may require;
8. Accept grants and gifts from private individuals and organizations;
9. Provide for complete financial audits on all accounts of the Community Hospitals Authority and to authorize periodic audits by an independent external auditing agency. Such audits shall be performed annually in a format approved by the State Auditor and Inspector, and all such audits shall be submitted to the State Auditor and Inspector for review. Such audits shall be made in accordance with generally accepted auditing standards and government auditing standards. Financial statements shall be prepared in accordance with generally accepted accounting principles. In addition to the audits, the State Auditor and Inspector, whenever the State Auditor deems it appropriate, and at least once each five (5) years, or upon receipt of a request to do so from the Governor, the Attorney General, the President Pro Tempore of the Senate, the

Speaker of the House of Representatives or the Authority shall conduct a special audit of the Authority;

10. Engage in long-term planning for the operation and management of the Community Hospitals Authority;

11. Establish petty cash funds and provide for appropriate accounting procedures and controls; and

12. Do all other things necessary and proper to implement the provisions of the Community Hospitals Authority Act.

B. The Community Hospitals Authority shall be subject to the Oklahoma Budget Law of 1947.

C. The Authority shall prepare monthly a "budget vs. actual" report which shows by budget activity the monthly and year-to-date revenues and expenditures compared to budgeted revenues and expenditures. Such report shall be submitted to the ~~Office of State Finance~~ Office of Management and Enterprise Services and to the directors of the Fiscal Divisions of the State Senate and the Oklahoma House of Representatives.

D. The Authority shall be subject to the professional risk management program provided for in Section 85.58A of Title 74 of the Oklahoma Statutes.

E. The Authority shall be and is prohibited from issuing bonds or other evidences of indebtedness.

F. The Authority shall be and is prohibited from acquiring any real property.

SECTION 520. AMENDATORY 63 O.S. 2011, Section 3276, is amended to read as follows:

Section 3276. A. On and after July 1, 2006, the Authority shall have the power and duty to:

1. Adopt bylaws and promulgate rules for the regulation of its affairs and the conduct of its business;

2. Adopt an official seal;

3. Maintain an office at a location to be determined by the Authority;

4. Sue and be sued, subject to the provisions of The Governmental Tort Claims Act;

5. Enter into cooperative agreements with the Board of Regents for the Oklahoma Agricultural and Mechanical Colleges for educational programs, professional staffing, research and other medical activities;

6. Make and enter into all contracts necessary or incidental to the performance of its duties and the execution of its powers pursuant to the Oklahoma State University Medical Authority Act;

7. Purchase or lease equipment, furniture, materials and supplies, and incur such other expenses as may be necessary to maintain and operate hospitals or clinics, or to discharge its duties and responsibilities or to make any of its powers effective;

8. Acquire by purchase, lease, gift, or by any other manner, and to maintain, use and operate or to contract for the maintenance, use and operation of or lease of any and all property of any kind, real, personal, or mixed or any interest therein unless otherwise provided by the Oklahoma State University Medical Authority Act;

9. Appoint such officers, agents and employees, including but not limited to attorneys, as it deems necessary and to prescribe their duties and to fix their compensation;

10. Accept grants from the United States of America, or from any corporation or agency created or designed by the United States of America, and, in connection with any grant, to enter into such agreements as the United States of America or such corporation or agency may require;

11. Make and issue bonds and to pledge revenues of the Authority subject to the Oklahoma Bond Oversight and Reform Act. Nothing in the Oklahoma State University Medical Authority Act shall authorize the issuance of any bonds of the Authority payable other than from revenues of the Authority. Funds appropriated to the Authority shall not be used for issuance of bonds. Authority revenue bonds issued under the provisions of this act shall not at any time be deemed to constitute a debt of the state or of any political subdivision thereof or a pledge of the faith and credit of

the state or of any political subdivision, but such bonds shall be payable solely from the funds herein provided. Such revenue bonds shall contain on the face thereof a statement to the effect that neither the state nor the Authority shall be obligated to pay the same or the interest thereon except from the revenues of the project or projects for which they are issued and that neither the faith and credit nor the taxing power of the state or any political subdivision thereof is pledged, or may hereafter be pledged, to the payment of the principal of or the interest on such bonds. The maximum amount of outstanding bonds at any time shall not exceed Fifty Million Dollars (\$50,000,000.00) unless a greater amount is expressly approved by the Legislature by a concurrent resolution adopted prior to commencing any action in anticipation of issuance of revenue bonds of the Oklahoma State University Medical Authority for the greater amount;

12. Provide for complete financial audits on all accounts of the Oklahoma State University Medical Authority and to authorize periodic audits by an independent external auditing agency. Such audits shall be performed annually in a format approved by the State Auditor and Inspector, and all such audits shall be submitted to the State Auditor and Inspector for review. Such audits shall be made in accordance with generally accepted auditing standards and government auditing standards. Financial statements shall be prepared in accordance with generally accepted accounting principles. In addition to said audits, whenever the State Auditor and Inspector deems it appropriate, and at least once each five (5) years, or upon receipt of a request to do so from the Governor, the Attorney General, the President Pro Tempore of the Senate, the Speaker of the House of Representatives or the Authority, the State Auditor and Inspector shall conduct a special audit of the Authority;

13. Engage in long-term planning for the operation and management of the Authority;

14. Establish petty cash funds and provide for appropriate accounting procedures and controls;

15. Contract with national manufacturers and distributors of drugs and medical supplies when appropriate to carry out the purposes of this act;

16. Do all other things necessary and proper to implement the provisions of the Oklahoma State University Medical Authority Act;

17. Waive, by such means as the Authority deems appropriate, the exemption from federal income taxation of interest on the Authority's bonds provided by the Internal Revenue Code of 1986, as amended, or any other federal statute providing a similar exemption;

18. Arrange for guaranties or insurance of its bonds by the federal government or by any private insurer, and to pay any premiums therefor; and

19. Make a declaration of necessity as provided in Section 3 3273 of this ~~act~~ title. The Authority may, in its exclusive judgment, make a declaration of necessity when such a declaration is deemed necessary to effectuate the purposes of the Oklahoma State University Medical Authority Act.

B. The Oklahoma State University Medical Authority shall be subject to the Oklahoma Budget Law of 1947.

C. The Authority shall prepare monthly a "budget vs. actual" report which shows by budget activity the monthly and year-to-date revenues and expenditures compared to budgeted revenues and expenditures. Such report shall be submitted to the ~~Office of State Finance~~ Office of Management and Enterprise Services and to the Directors of the House of Representatives Fiscal Division and the Senate Fiscal Division.

D. The Authority shall be subject to the professional risk management program provided for in Section 85.58A of Title 74 of the Oklahoma Statutes.

SECTION 521. AMENDATORY 63 O.S. 2011, Section 3287, is amended to read as follows:

Section 3287. A. There is hereby created in the State Treasury a revolving fund for the Oklahoma State University Medical Authority, to be designated the "Oklahoma State University Medical Authority Marketing 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 State University Medical Authority pursuant to the provisions of this section. All monies accruing to the credit of said fund are hereby appropriated and may be budgeted and expended by the Oklahoma State University Medical Authority for the purpose of marketing research and planning, public education, special events customary to the health care industry, advertising and promotion of special and general services provided

or sponsored by the Oklahoma State University Medical Authority and such other purposes specifically authorized by the Legislature. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

B. An amount equal to one-tenth of one percent (1/10 of 1%) of the total annual operating budget of the Oklahoma State University Medical Authority and such other funds as may be specifically designated for deposit to the fund shall be deposited in the Oklahoma State University Medical Authority Marketing Revolving Fund.

C. The Oklahoma State University Medical Authority Marketing Revolving Fund shall be audited annually by the State Auditor and Inspector. The Oklahoma State University Medical Authority shall reimburse the State Auditor and Inspector from the Oklahoma State University Authority Marketing Revolving Fund for any expenses incurred in auditing said fund.

SECTION 522. AMENDATORY 63 O.S. 2011, Section 4236, is amended to read as follows:

Section 4236. There is hereby created in the State Treasury a revolving fund for the Department of Public Safety to be designated the "Boating Safety Education Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of fine monies collected pursuant to Section ~~5~~ 4235 of this act ~~and~~ title and any monies contributed to the fund from any other source. All monies accruing to the credit of such fund are hereby appropriated and shall be budgeted and expended by the Department for the exclusive purposes of establishing and maintaining a boating safety education program throughout the State of Oklahoma. Expenditures from such fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 523. AMENDATORY 63 O.S. 2011, Section 5016, is amended to read as follows:

Section 5016. There is hereby created in the State Treasury a revolving fund for the Oklahoma Health Care Authority to be designated the "Oklahoma Health Care Authority Revolving Fund". The

fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies received by the Authority, from any source. All monies accruing to the credit of said fund are hereby appropriated and may be budgeted and expended by the Authority for any purpose authorized by law. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 524. AMENDATORY 63 O.S. 2011, Section 5017, is amended to read as follows:

Section 5017. There is hereby created in the State Treasury a fund for the Oklahoma Health Care Authority to be designated the "Oklahoma Health Care Authority Federal Disallowance Fund". The fund shall be a continuing fund, not subject to fiscal year limitations. It shall consist of monies received by the Oklahoma Health Care Authority which, in the opinion of the Oklahoma Health Care Authority Board, may be subject to federal disallowances and interest which may accrue on said receipts. All monies accruing to the credit of said fund are hereby appropriated and may be budgeted and expended by the Oklahoma Health Care Authority at the discretion of the Oklahoma Health Care Authority Board for eventual settlement of the appropriate pending disallowances. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

The Administrator of the Oklahoma Health Care Authority may request the Director of ~~State Finance~~ the Office of Management and Enterprise Services to transfer monies between the Oklahoma Health Care Authority Federal Disallowance Fund and any other fund of the authority, as needed for the expenditure of funds.

SECTION 525. AMENDATORY 63 O.S. 2011, Section 5020, is amended to read as follows:

Section 5020. There is hereby created in the State Treasury a fund for the Oklahoma Health Care Authority to be designated the "Oklahoma Health Care Authority Medicaid Program Fund". The fund shall be a continuing fund, not subject to fiscal year limitations. All monies accruing to the credit of said fund are hereby appropriated and may be budgeted and expended by the Oklahoma Health

Care Authority at the discretion of the Oklahoma Health Care Authority Board. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

The Administrator of the Oklahoma Health Care Authority may request the Director of ~~State Finance~~ the Office of Management and Enterprise Services to transfer monies between the Oklahoma Health Care Authority Medicaid Program Fund and any other fund of the Authority, as needed for the expenditure of funds.

SECTION 526. AMENDATORY 64 O.S. 2011, Section 1036, is amended to read as follows:

Section 1036. The accounts and records of the Land Office shall annually have an audit conducted in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the "Government Auditing Standards", issued by the Comptroller General of the United States, by an independent Oklahoma certified public accountant. The Secretary of the Land Office is authorized to contract for the audits required pursuant to this section. Copies of the audits shall be filed with the Governor, the Commissioners of the Land Office, the State Senate, the House of Representatives, the State Auditor and Inspector, and the Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services in accordance with the requirements set forth for financial statement audits in Section 212A of Title 74 of the Oklahoma Statutes.

SECTION 527. AMENDATORY 64 O.S. 2011, Section 1078, is amended to read as follows:

Section 1078. The State Treasurer shall apportion the income derived from the "Section Thirteen Fund State Educational Institutions" among the educational institutions entitled thereto, in accordance with the division and distribution made in Section 1, of Article 11, Chapter 34, Session Laws of 1907-1908, entitled "An Act to provide for the division and distribution of the income, rentals, interest, and proceeds from certain lands among certain educational institutions, and making appropriations of such fund in pursuance thereof, designating a name by which such fund shall hereafter be known, and declaring an emergency"; and shall likewise apportion the income derived from the "New College Fund" to the educational institutions entitled thereto, in accordance with

Section 1, Article 5, Chapter 28, Session Laws of 1909, entitled "An Act to provide for making available to various educational institutions the income, interest, rentals, and proceeds from certain lands, and making appropriations of such funds; designating a name by which such fund shall hereafter be known and declaring an emergency". The Director of ~~State Finance~~ the Office of Management and Enterprise Services shall notify the chairman of the board having control of each of said educational institutions, and the president of each of said institutions, of the amount apportioned to it. The amount so apportioned to each educational institution shall, immediately after each successive apportionment, become available and are hereby appropriated for the use of the respective institutions, and shall be paid out in accordance with the law.

SECTION 528. AMENDATORY 65 O.S. 2011, Section 2-107, is amended to read as follows:

Section 2-107. There is hereby created in the State Treasury a revolving fund for the Oklahoma Department of Libraries, to be designated the "Oklahoma Local Library Support 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 Department of Libraries from state appropriations designated specifically for deposit in this fund for purposes as specified in this act and from any other sources provided for by law. All monies accruing to the credit of said fund are hereby appropriated and may be budgeted and expended by the Oklahoma Department of Libraries for the purpose of providing convenient library service or access to library service for all citizens of Oklahoma. In administering the fund the Department of Libraries shall encourage existing public libraries to cooperatively share library resources by:

1. Extending or establishing public library services in unserved county areas or contracting for services with existing Oklahoma Department of Libraries certified municipal public libraries, other certified public libraries, library districts, or library systems; and

2. Strengthening existing Oklahoma Department of Libraries certified municipal public libraries, other certified public libraries, library districts, and library systems.

The Oklahoma Department of Libraries Board shall establish a formula for the equitable apportionment of monies to counties

applying and qualifying for such funds pursuant to the provisions of this act.

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

SECTION 529. AMENDATORY 65 O.S. 2011, Section 4-107.1, is amended to read as follows:

Section 4-107.1 There is hereby created in the State Treasury a revolving fund for the Oklahoma Department of Libraries to be designated the "Oklahoma Local Library Capital Revolving Fund". The fund shall be a continuing fund not subject to fiscal year limitations and shall consist of monies received by the Oklahoma Department of Libraries from state appropriations, federal funds or from any other appropriate sources. All monies accruing to the credit of said fund are hereby appropriated and may be budgeted and expended by the Oklahoma Department of Libraries for the purpose of providing capital grants to public libraries within the state. Capital grants made pursuant to this section shall not be made to systems within counties with a population of five hundred thousand (500,000) or more. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as provided by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

The Oklahoma Department of Libraries shall establish guidelines for the equitable apportionment of monies to public libraries applying for such grants.

SECTION 530. AMENDATORY 68 O.S. 2011, Section 113, is amended to read as follows:

Section 113. A. There is hereby created in the State Treasury a revolving fund for the Oklahoma Tax Commission to be known as the "Tax Commission Reimbursement Fund". Said revolving fund shall consist of any funds received by the Tax Commission for data processing services or equipment rental and any funds received by the Tax Commission from any incorporated city, town, or county pursuant to a contractual agreement for the augmentation of the enforcement and collection of municipal or county taxes entered into pursuant to the provisions of Sections 1371 or 2702 of this title. The Tax Commission is authorized to hire full-time-equivalent

employees as necessary to perform such duties as to fulfill contractual agreements authorized pursuant to Sections 1371 and 2702 of this title, however, such employees hired to perform such contractual duties shall be supported solely by funds in the Tax Commission Reimbursement Fund which are collected by the Tax Commission from incorporated cities, towns, and counties pursuant to such contractual agreements and such employees shall be terminated upon the discontinuation of such funds or inadequate funds to support such positions. Such full-time-equivalent employees shall be in the unclassified service and shall not be subject to any provisions of the Oklahoma Personnel Act or to ~~any of the rules or regulations promulgated by the Office of Personnel Management~~ Merit Rules for Employment except leave regulations. All fees collected and apportioned to this fund under the Oklahoma Vehicle License and Registration Act, Section 1101 et seq. of Title 47 of the Oklahoma Statutes, may be used by the Motor Vehicle Division of the Oklahoma Tax Commission to pay all costs incurred in the issuance of certificates of title and inspection of vehicles, including, but not limited to, additional computer costs for the Tax Commission and motor license agents and the check verification system authorized pursuant to the provisions of paragraph 1 of subsection A of Section 1144 of Title 47 of the Oklahoma Statutes or be used for capital expenditures as authorized by the Oklahoma State Legislature. For the fiscal year beginning July 1, 2004, disbursements from the fund shall be exempt from all agency budget limits.

B. Notwithstanding any other provision in the Oklahoma Statutes except subsection F of Section 316 and subsection D of Section 418 of this title, beginning July 1, 2009, all revenue from fees and penalties collected pursuant to Sections 304, 316, 415 and 418 of this title shall be apportioned to the Tax Commission Reimbursement Fund for administrative expenses incurred in connection with enforcement of the provisions of Section 301 et seq., Section 346 et seq., Section 401 et seq. and Section 424 et seq. of this title.

SECTION 531. AMENDATORY 68 O.S. 2011, Section 117, is amended to read as follows:

Section 117. The Oklahoma Tax Commission, upon request, shall provide the ~~Office of State Finance~~ Office of Management and Enterprise Services, the Oklahoma State Senate and the Oklahoma State House of Representatives electronic access to any aggregate data and reports used by the Oklahoma Tax Commission in developing revenue estimates and economic forecasts. The aggregate data and reports which will be made accessible pursuant to the provisions of

this section shall not include any records or other information required by law to be kept confidential.

SECTION 532. AMENDATORY 68 O.S. 2011, Section 118, is amended to read as follows:

Section 118. A. Upon receipt of a written request from a member or employee of the Legislature, the Oklahoma Tax Commission shall provide:

1. A written estimate of the revenue gain or loss to the state as a result of an actual or proposed change to a state tax law; and
2. A written statement of the Tax Commission's recommendation to the State Board of Equalization as to the change in the amount certified as available for appropriation by the Legislature as a result of an actual or proposed change to a state tax law.

The Tax Commission shall provide such estimate and statement within two (2) weeks of the date the request was received unless the member or employee of the Legislature specifies an earlier date. If the Tax Commission determines that it is unable to provide such estimate and statement within the time period required by this section, it shall provide a written explanation and date by which the estimate and statement will be provided to the member or employee.

B. On or after December 31, 2009, and subject to the availability of funds, the Tax Commission shall develop the estimates and statements required by subsection A of this section utilizing a dynamic revenue estimating model. Such model shall take into consideration changes in economic activity as a result of the proposed legislation and consequent revenue gains or losses due to factors such as taxpayer behavior, employment and business investment. The Tax Commission may, subject to the laws of this state relating to confidentiality of information, contract with institutions of higher education in this state or other entities to perform its duties as set forth in this subsection. The Tax Commission is authorized to promulgate rules to carry out the implementation of this section.

C. For the purpose of providing an annual forecast of gross production tax revenues from the production of natural and casinghead gas to the ~~Office of State Finance~~ Office of Management and Enterprise Services, the Tax Commission shall subscribe to

appropriate reference materials which provide economic outlook of future gas prices that have most closely followed the historical trend of Oklahoma gas prices. To determine the average differential between the published forecasted prices and Oklahoma gas prices, the Tax Commission shall compare prices in at least twenty-four (24) of the immediate thirty-six (36) previous months of production. The Tax Commission shall utilize the procedures provided herein to forecast the collection of gross production tax revenues from the production of natural and casinghead gas for the fiscal year beginning July 1, 2005, and each fiscal year thereafter.

SECTION 533. AMENDATORY 68 O.S. 2011, Section 205.6, is amended to read as follows:

Section 205.6 A. The Oklahoma Tax Commission shall prepare and maintain a list of all taxpayers who have claimed any tax credit authorized by any provisions of state law and related to a tax administered by the Tax Commission. ~~The Office of State Finance~~ Office of Management and Enterprise Services shall cause the list to be posted on the Internet through the Taxpayer Transparency Act website in a format which is searchable and can be exported in raw data form.

~~The Office of State Finance~~ Office of Management and Enterprise Services shall include the name of each taxpayer who claimed a credit, the amount of such credit and the specific statutory provision under which the credit was claimed. The Internet list shall be updated not less than monthly. The list shall include the identity of all taxpayers or organizations having any part in the chain of custody or claim to the credit or credits at any time during the credit's existence from the initial time the credit is earned, through the time that the credit is claimed on a tax return.

B. For the purposes of this section "tax credit" means a credit against tax liability that is a credit administered by the Tax Commission, excluding credits authorized under paragraphs 1 and 2 of subsection B of Section 2357, Section 2357.4 and Sections 2357.29 and 2357.43 of this title.

C. In addition to the disclosure required by subsection A of this section, for any tax credit that may be claimed by any person or any lawfully recognized business entity pursuant to the provisions of Sections 2357.62, 2357.63, 2357.73, and 2357.74 of this title, the Oklahoma Tax Commission shall maintain a list of any person and any such entity that may be able to claim any such credit

as a result of the allocation of tax credits based upon the pass-through federal income tax treatment applicable to the entity that makes a qualified investment, as such term is defined by paragraph 6 of Section 2357.61 of this title and paragraph 7 of Section 2357.72 of this title, in either a qualified small business capital company or a qualified rural small business capital company. For purposes of this subsection, the Tax Commission shall determine the identity of such persons and legal entities as of the December 31 date of the calendar year during which the qualified investment is made.

SECTION 534. AMENDATORY 68 O.S. 2011, Section 238.2, is amended to read as follows:

Section 238.2 A. It is the intent of the Legislature that the provisions of this section operate to provide for the collection of income taxes due to the State of Oklahoma by state employees in a manner that will maximize flexibility for state employees to pay any such taxes due while minimizing disruption to operations of state agencies. It is the further intent of the Legislature that the Oklahoma Tax Commission provide notice to state employees pursuant to the provisions of subsection C of this section and that the Tax Commission provide such notice to state employees at least six (6) months prior to notification of noncompliance to a state agency.

B. ~~The Office of State Finance~~ Office of Management and Enterprise Services shall, not later than August 1, 2003, and August 1 of each year thereafter, provide to the Tax Commission a list of all state employees as of the preceding July 1 and such identifying information as may be required by the Tax Commission. Such list and information shall be used by the Tax Commission exclusively for the purpose of collection of income taxes due to the State of Oklahoma. The provisions of any laws making information confidential shall not apply with respect to information supplied to the Tax Commission pursuant to the provisions of this section; provided, such information shall be subject to the provisions of Section 205 of this title.

C. The Tax Commission shall, not later than November 1, 2003, and November 1 of each year thereafter, notify any state employee who is not in compliance with the income tax laws of this state. Such notification shall include:

1. A statement that the employee will be subject to disciplinary action by the appointing authority unless the taxpayer

is deemed by the Tax Commission to be in compliance with the income tax laws of this state;

2. The reasons that the taxpayer is considered to be out of compliance with the income tax laws of this state, including a statement of the amount of any tax, penalties and interest due or a list of the tax years for which income tax returns have not been filed as required by law;

3. An explanation of the rights of the taxpayer and the procedures which must be followed by the taxpayer in order to come into compliance with the income tax laws of this state; and

4. Such other information as may be deemed necessary by the Tax Commission.

D. A state employee who has entered into and is abiding by a payment agreement, or who has requested relief as an innocent spouse which is pending or has been granted, shall be deemed to be in compliance with the state income tax laws for purposes of this section.

E. If the Tax Commission notifies a state employee who is not in compliance with the income tax laws of this state as required in this section and such state employee does not respond to such notification or fails to come into compliance with the income tax laws of this state after an assessment has been made final or after the Tax Commission determines that every reasonable effort has been made to assist the state employee to come into compliance with the income tax laws of this state, the Tax Commission, notwithstanding the provisions of Section 205 of this title, shall so notify the appointing authority, which shall commence disciplinary action with respect to the state employee and shall notify the state employee of the reason for such action; provided, if a state agency receives a notification with respect to a state employee who has failed to come into compliance with the income tax laws, and the notification is the employee's third notification as a state employee, regardless of which agency the employee was employed by at the time of the first and second notices, such employee shall be terminated by the state agency according to the procedures provided by law. If a state employee who has been previously reported by the Tax Commission to a state agency as being out of compliance comes into compliance, the Tax Commission shall immediately notify the appointing authority. Neither a state agency nor an appointing authority shall be held

liable for any action with respect to a state employee pursuant to the provisions of this section.

F. The Tax Commission shall promulgate rules for the implementation of the provisions of this section.

G. As used in this section:

1. "State agency" means any office, department, board, commission or institution of the executive, legislative or judicial branch of state government;

2. "Employee" or "state employee" means an appointed officer or employee of a state agency; provided, the term employee or state employee shall not include an elected official or an employee of a local governmental entity; and

3. "Appointing authority" means the chief administrative officer of a state agency.

SECTION 535. AMENDATORY 68 O.S. 2011, Section 263, is amended to read as follows:

Section 263. A. If any tax warrant or certificate remains outstanding and unpaid, the Tax Commission may issue an order attaching the sums due or to become due, up to the amount of the liability upon such tax warrant or certificate, upon any contract between the taxpayer named in such tax warrant or certificate and the State of Oklahoma or any department, board, institution, commission or agency thereof, for the furnishing of any services, goods, merchandise, supplies, materials or equipment for which payment is made upon claims approved by the ~~Office of State Finance~~ Office of Management and Enterprise Services.

B. A certified copy of the attachment order shall be delivered to the Director of ~~State Finance~~ the Office of Management and Enterprise Services and notice of such attachment shall be mailed to the taxpayer at the taxpayer's last-known address.

C. From and after receipt of the attachment order, the Director of ~~State Finance~~ the Office of Management and Enterprise Services shall not pay nor shall the State Treasurer issue any check or warrant for payment to the taxpayer for the sums or funds so attached without a written release from the Tax Commission.

D. The attachment orders issued by the Tax Commission shall continue in force until released by the Tax Commission. The Tax Commission may issue subsequent or successive attachment orders, which shall be cumulative.

E. If the taxpayer fails within thirty (30) days after his claim upon such contract, or contracts if there are more than one, has been initially received by the Director of ~~State Finance~~ the Office of Management and Enterprise Services, or within thirty (30) days after the mailing of notice of such attachment, whichever is later, to obtain and file with the Director of ~~State Finance~~ the Office of Management and Enterprise Services a release executed by the Tax Commission, the Director of ~~State Finance~~ the Office of Management and Enterprise Services shall authorize the payment to the Tax Commission of the sums or funds attached, or so much thereof as have been certified for payment pursuant to procedures prescribed by the Director of ~~State Finance~~ the Office of Management and Enterprise Services. Such payments to the Tax Commission shall be credited against the liability on the tax warrant or certificate, and shall constitute to the extent thereof, payment by the state, department, board, institution, commission or agency to the taxpayer upon such contract.

F. The Tax Commission may release funds from the claims or contracts attached to effectuate payment of the liability on such tax warrant or certificate or to protect the interest of the state, and shall release the funds attached within thirty (30) days of full payment of such liability.

G. The provisions of this section shall not apply to payroll claims of or on behalf of employees of this state.

H. No person, firm or corporation that is delinquent in the reporting or paying of any tax due under the laws of this state shall be registered as a vendor under the provisions of Section 85.33 of Title 74 of the Oklahoma Statutes, nor included on the approved bidder lists maintained by the Purchasing Division of the Office of ~~Public Affairs~~ Management and Enterprise Services.

SECTION 536. AMENDATORY 68 O.S. 2011, Section 265, is amended to read as follows:

Section 265. A. There is hereby created in the State Treasury a fund for the Oklahoma Tax Commission to be known as the "Oklahoma Tax Commission and ~~Office of State Finance~~ Office of Management and

Enterprise Services Joint Computer Enhancement Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies deposited to the fund pursuant to law. All monies accruing to the credit of said fund are hereby appropriated and may be budgeted and expended for the purposes authorized by subsection B of this section. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

B. Monies in the Oklahoma Tax Commission and ~~Office of State Finance~~ Office of Management and Enterprise Services Joint Computer Enhancement Fund shall be expended for the following purposes:

1. To make payments on an agreement authorized by Section 5, Chapter 278, O.S.L. 2008;

2. To make payments authorized by Section 34.33 of Title 62 of the Oklahoma Statutes; and

3. To the extent not needed for the above-listed purposes to be expended on other computer projects as specifically authorized by the Legislature.

C. Notwithstanding any other provision of law, there shall be apportioned to the Oklahoma Tax Commission and ~~Office of State Finance~~ Office of Management and Enterprise Services Joint Computer Enhancement Fund from the monies that would otherwise be apportioned by Section 2352 of this title, the revenue received as a result of any contracts entered into by the Oklahoma Tax Commission pursuant to Section 264 of this title.

D. The Tax Commission is hereby authorized to deposit to the credit of the Oklahoma Tax Commission and ~~Office of State Finance~~ Office of Management and Enterprise Services Joint Computer Enhancement Fund any monies in excess of the amounts necessary to pay all claims presented to its cash security reserve fund. When monies are deposited to the credit of the Computer Enhancement Fund, the right of any person to present a claim for refund of a cash security shall be preserved and the value thereof shall be paid from the cash security reserve fund.

E. For the fiscal year beginning July 1, 2010, and notwithstanding the provisions of Section 2352 of this title, the

first Five Million Dollars (\$5,000,000.00) of revenue derived pursuant to the provisions of subsections A, B and E of Section 2355 of this title shall be apportioned to the Oklahoma Tax Commission and ~~Office of State Finance~~ Office of Management and Enterprise Services Joint Computer Enhancement Fund. For the fiscal year beginning July 1, 2010, the Tax Commission shall apportion the first Five Million Dollars (\$5,000,000.00) that would be apportioned pursuant to subsection C of this section according to the provisions of Section 2352 of this title.

SECTION 537. AMENDATORY 68 O.S. 2011, Section 270, is amended to read as follows:

Section 270. A. Notwithstanding any other provisions of this section, the Oklahoma Tax Commission shall, upon request of any taxpayer or the taxpayer's authorized agent, representative or attorney, provide certification in writing of qualification for the credits in the following sections of law:

1. Section 2357.7 of ~~Title 68 of the Oklahoma Statutes~~ this title;
2. Section 2357.11 of ~~Title 68 of the Oklahoma Statutes~~ this title;
3. Section 2357.32A of ~~Title 68 of the Oklahoma Statutes~~ this title;
4. Section 2357.41 of ~~Title 68 of the Oklahoma Statutes~~ this title; and
5. Section 2357.42 of ~~Title 68 of the Oklahoma Statutes~~ this title.

B. On or before November 1 of each year subsequent to the effective date of this section, the Oklahoma Tax Commission shall file a report with the Speaker of the Oklahoma House of Representatives, the President Pro Tempore of the State Senate and the Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services, stating the amount of credits claimed and allowed.

SECTION 538. AMENDATORY 68 O.S. 2011, Section 305.2, is amended to read as follows:

Section 305.2 There is hereby created in the State Treasury a revolving fund for the Office of the Attorney General. The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies received by the Office of the Attorney General pursuant to the provisions of Sections 305, 316, 417 and 418 of ~~Title 68 of the Oklahoma Statutes~~ this title. All monies accruing to the credit of the fund are hereby appropriated and may be budgeted and expended by the Office of the Attorney General. 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 ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 539. AMENDATORY 68 O.S. 2011, Section 451, is amended to read as follows:

Section 451. There is hereby created in the State Treasury a special fund to be designated the "Oklahoma Capital Improvement Fund". Said fund shall consist of amounts deposited therein pursuant to subsection (d) of Section 5(d) 302-2 of this act title, and monies, if any, which have accrued to the State General Revenue Fund at the close of the fiscal year ending June 30, 1979, which were in excess of Five Million Dollars (\$5,000,000.00) that year, in excess of the amounts required to satisfy all appropriations made from the State General Revenue Fund for the then current fiscal year together with all other statutory obligations. Provided, the amount apportioned to the Oklahoma Capital Improvement Fund by the Director of ~~State Finance~~ the Office of Management and Enterprise Services from the fiscal year ending June 30, 1979, shall not exceed the sum of Thirty Million Dollars (\$30,000,000.00).

SECTION 540. AMENDATORY 68 O.S. 2011, Section 1353, is amended to read as follows:

Section 1353. A. It is hereby declared to be the purpose of the Oklahoma Sales Tax Code to provide funds for the financing of the program provided for by the Oklahoma Social Security Act and to provide revenues for the support of the functions of the state government of Oklahoma, and for this purpose it is hereby expressly provided that, revenues derived pursuant to the provisions of the Oklahoma Sales Tax Code, subject to the apportionment requirements for the Oklahoma Tax Commission and ~~Office of State Finance~~ Office of Management and Enterprise Services Joint Computer Enhancement Fund provided by Section 265 of this title, shall be apportioned as follows:

1. a. the following amounts shall be paid to the State Treasurer to be placed to the credit of the General Revenue Fund to be paid out pursuant to direct appropriation by the Legislature:

Fiscal Year	Amount
FY 2003 and FY 2004	86.04%
FY 2005	85.83%
FY 2006	85.54%
FY 2007	85.04%
FY 2008 and each fiscal year thereafter	83.61%

- b. in the event that additional monies are necessary pursuant to paragraph 6 of this ~~section~~ subsection, such additional monies shall be deducted in the proportion determined by the State Board of Equalization pursuant to paragraph 3 of Section 2355.1B of this title from the monies apportioned to the General Revenue Fund;

2. For FY 2003, FY 2004 and FY 2005, ten and forty-two one-hundredths percent (10.42%), shall be paid to the State Treasurer to be placed to the credit of the Education Reform Revolving Fund of the State Department of Education and for FY 2006 and each fiscal year thereafter, ten and forty-six one-hundredths percent (10.46%) shall be paid to the State Treasurer to be placed to the credit of the Education Reform Revolving Fund of the State Department of Education;

3. The following amounts shall be paid to the State Treasurer to be placed to the credit of the Teachers' Retirement System Dedicated Revenue Revolving Fund:

Fiscal Year	Amount
FY 2003 and FY 2004	3.54%
FY 2005	3.75%

FY 2006	4.0%
FY 2007	4.5%
FY 2008 and each fiscal year thereafter	5.0%

4. For the fiscal year beginning July 1, 2010, and for each fiscal year thereafter, eighty-seven one-hundredths percent (0.87%) shall be paid to the State Treasurer to be further apportioned as follows:

- a. thirty-six percent (36%) shall be placed to the credit of the Oklahoma Tourism Promotion Revolving Fund, and
- b. sixty-four percent (64%) shall be placed to the credit of the Oklahoma Tourism Capital Improvement Revolving Fund; and

5. For the fiscal year beginning July 1, 2010, and for each fiscal year thereafter, six one-hundredths percent (0.06%) shall be placed to the credit of the Oklahoma Historical Society Capital Improvement and Operations Revolving Fund.

6. During the first fiscal year after the State Board of Equalization has made a determination as provided in Section 2355.1B of this title, regarding a baseline amount of revenue apportioned pursuant to paragraph 3 of this ~~section~~ subsection, and for each fiscal year thereafter, in no event shall monies apportioned pursuant to paragraph 3 of this ~~section~~ subsection, paragraph 3 of Section 1403 of this title and subparagraph c of paragraph 1 of Section 2352 of this title be less than such baseline amount.

B. Provided, for the fiscal year beginning July 1, 2007, and every fiscal year thereafter, an amount of revenue shall be apportioned to each municipality or county which levies a sales tax subject to the provisions of Section 1357.10 of this title and subsection F of Section 2701 of this title equal to the amount of sales tax revenue of such municipality or county exempted by the provisions of Section 1357.10 of this title and subsection F of Section 2701 of this title. The Oklahoma Tax Commission shall promulgate and adopt rules necessary to implement the provisions of this subsection.

SECTION 541. AMENDATORY 68 O.S. 2011, Section 1356, is amended to read as follows:

Section 1356. Exemptions - Governmental and nonprofit entities.

There are hereby specifically exempted from the tax levied by Section 1350 et seq. of this title:

1. Sale of tangible personal property or services to the United States government or to the State of Oklahoma, any political subdivision of this state or any agency of a political subdivision of this state; provided, all sales to contractors in connection with the performance of any contract with the United States government, State of Oklahoma or any of its political subdivisions shall not be exempted from the tax levied by Section 1350 et seq. of this title, except as hereinafter provided;

2. Sales of property to agents appointed by or under contract with agencies or instrumentalities of the United States government if ownership and possession of such property transfers immediately to the United States government;

3. Sales of property to agents appointed by or under contract with a political subdivision of this state if the sale of such property is associated with the development of a qualified federal facility, as provided in the Oklahoma Federal Facilities Development Act, and if ownership and possession of such property transfers immediately to the political subdivision or the state;

4. Sales made directly by county, district or state fair authorities of this state, upon the premises of the fair authority, for the sole benefit of the fair authority or sales of admission tickets to such fairs or fair events at any location in the state authorized by county, district or state fair authorities; provided, the exemption provided by this paragraph for admission tickets to fair events shall apply only to any portion of the admission price that is retained by or distributed to the fair authority. As used in this paragraph, "fair event" shall be limited to an event held on the premises of the fair authority in conjunction with and during the time period of a county, district or state fair;

5. Sale of food in cafeterias or lunch rooms of elementary schools, high schools, colleges or universities which are operated primarily for teachers and pupils and are not operated primarily for the public or for profit;

6. Dues paid to fraternal, religious, civic, charitable or educational societies or organizations by regular members thereof, provided, such societies or organizations operate under what is commonly termed the lodge plan or system, and provided such societies or organizations do not operate for a profit which inures to the benefit of any individual member or members thereof to the exclusion of other members and dues paid monthly or annually to privately owned scientific and educational libraries by members sharing the use of services rendered by such libraries with students interested in the study of geology, petroleum engineering or related subjects;

7. Sale of tangible personal property or services to or by churches, except sales made in the course of business for profit or savings, competing with other persons engaged in the same or a similar business or sale of tangible personal property or services by an organization exempt from federal income tax pursuant to Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, made on behalf of or at the request of a church or churches if the sale of such property is conducted not more than once each calendar year for a period not to exceed three (3) days by the organization and proceeds from the sale of such property are used by the church or churches or by the organization for charitable purposes;

8. The amount of proceeds received from the sale of admission tickets which is separately stated on the ticket of admission for the repayment of money borrowed by any accredited state-supported college or university or any public trust of which a county in this state is the beneficiary, for the purpose of constructing or enlarging any facility to be used for the staging of an athletic event, a theatrical production, or any other form of entertainment, edification or cultural cultivation to which entry is gained with a paid admission ticket. Such facilities include, but are not limited to, athletic fields, athletic stadiums, field houses, amphitheaters and theaters. To be eligible for this sales tax exemption, the amount separately stated on the admission ticket shall be a surcharge which is imposed, collected and used for the sole purpose of servicing or aiding in the servicing of debt incurred by the college or university to effect the capital improvements hereinbefore described;

9. Sales of tangible personal property or services to the council organizations or similar state supervisory organizations of the Boy Scouts of America, Girl Scouts of U.S.A. and Camp Fire USA;

10. Sale of tangible personal property or services to any county, municipality, rural water district, public school district, the institutions of The Oklahoma State System of Higher Education, the Grand River Dam Authority, the Northeast Oklahoma Public Facilities Authority, the Oklahoma Municipal Power Authority, City of Tulsa-Rogers County Port Authority, Muskogee City-County Port Authority, the Oklahoma Department of Veterans Affairs, the Broken Bow Economic Development Authority, Ardmore Development Authority, Durant Industrial Authority, Oklahoma Ordnance Works Authority, Central Oklahoma Master Conservancy District, Arbuckle Master Conservancy District, Fort Cobb Master Conservancy District, Foss Reservoir Master Conservancy District, Mountain Park Master Conservancy District, Waurika Lake Master Conservancy District, ~~Department of Central Services~~ Office of Management and Enterprise Services only when carrying out a public construction contract on behalf of the Oklahoma Department of Veterans Affairs or to any person with whom any of the above-named subdivisions or agencies of this state has duly entered into a public contract pursuant to law, necessary for carrying out such public contract or to any subcontractor to such a public contract. Any person making purchases on behalf of such subdivision or agency of this state shall certify, in writing, on the copy of the invoice or sales ticket to be retained by the vendor that the purchases are made for and on behalf of such subdivision or agency of this state and set out the name of such public subdivision or agency. Any person who wrongfully or erroneously certifies that purchases are for any of the above-named subdivisions or agencies of this state or who otherwise violates this section shall be guilty of a misdemeanor and upon conviction thereof shall be fined an amount equal to double the amount of sales tax involved or incarcerated for not more than sixty (60) days or both;

11. Sales of tangible personal property or services to private institutions of higher education and private elementary and secondary institutions of education accredited by the State Department of Education or registered by the State Board of Education for purposes of participating in federal programs or accredited as defined by the Oklahoma State Regents for Higher Education which are exempt from taxation pursuant to the provisions of the Internal Revenue Code, 26 U.S.C., Section 501(c)(3), including materials, supplies, and equipment used in the construction and improvement of buildings and other structures owned by the institutions and operated for educational purposes.

Any person, firm, agency or entity making purchases on behalf of any institution, agency or subdivision in this state, shall certify in writing, on the copy of the invoice or sales ticket the nature of the purchases, and violation of this paragraph shall be a misdemeanor as set forth in paragraph 10 of this section;

12. Tuition and educational fees paid to private institutions of higher education and private elementary and secondary institutions of education accredited by the State Department of Education or registered by the State Board of Education for purposes of participating in federal programs or accredited as defined by the Oklahoma State Regents for Higher Education which are exempt from taxation pursuant to the provisions of the Internal Revenue Code, 26 U.S.C., Section 501(c)(3);

13. a. Sales of tangible personal property made by:

- (1) a public school,
- (2) a private school offering instruction for grade levels kindergarten through twelfth grade,
- (3) a public school district,
- (4) a public or private school board,
- (5) a public or private school student group or organization,
- (6) a parent-teacher association or organization other than as specified in subparagraph b of this paragraph, or
- (7) public or private school personnel for purposes of raising funds for the benefit of a public or private school, public school district, public or private school board or public or private school student group or organization, or

b. Sales of tangible personal property made by or to nonprofit parent-teacher associations or organizations exempt from taxation pursuant to the provisions of the Internal Revenue Code, 26 U.S.C., Section 501(c)(3) and before July 1, 2014, nonprofit local public or private school foundations which solicit money or

property in the name of any public or private school or public school district.

The exemption provided by this paragraph for sales made by a public or private school shall be limited to those public or private schools accredited by the State Department of Education or registered by the State Board of Education for purposes of participating in federal programs. Sale of tangible personal property in this paragraph shall include sale of admission tickets and concessions at athletic events;

14. Sales of tangible personal property by:

- a. local 4-H clubs,
- b. county, regional or state 4-H councils,
- c. county, regional or state 4-H committees,
- d. 4-H leader associations,
- e. county, regional or state 4-H foundations, and
- f. authorized 4-H camps and training centers.

The exemption provided by this paragraph shall be limited to sales for the purpose of raising funds for the benefit of such organizations. Sale of tangible personal property exempted by this paragraph shall include sale of admission tickets;

15. The first Seventy-five Thousand Dollars (\$75,000.00) each year from sale of tickets and concessions at athletic events by each organization exempt from taxation pursuant to the provisions of the Internal Revenue Code, 26 U.S.C., Section 501(c)(4);

16. Items or services which are subsequently given away by the Oklahoma Tourism and Recreation Department as promotional items pursuant to Section 1834 of Title 74 of the Oklahoma Statutes and the sale of advertising in travel brochures and other promotional materials produced at the direction of the Department;

17. Sales of tangible personal property or services to fire departments organized pursuant to Section 592 of Title 18 of the Oklahoma Statutes which items are to be used for the purposes of the fire department. Any person making purchases on behalf of any such

fire department shall certify, in writing, on the copy of the invoice or sales ticket to be retained by the vendor that the purchases are made for and on behalf of such fire department and set out the name of such fire department. Any person who wrongfully or erroneously certifies that the purchases are for any such fire department or who otherwise violates the provisions of this section shall be deemed guilty of a misdemeanor and upon conviction thereof, shall be fined an amount equal to double the amount of sales tax involved or incarcerated for not more than sixty (60) days, or both;

18. Complimentary or free tickets for admission to places of amusement, sports, entertainment, exhibition, display or other recreational events or activities which are issued through a box office or other entity which is operated by a state institution of higher education with institutional employees or by a municipality with municipal employees;

19. The first Fifteen Thousand Dollars (\$15,000.00) each year from sales of tangible personal property by fire departments organized pursuant to Titles 11, 18, or 19 of the Oklahoma Statutes for the purposes of raising funds for the benefit of the fire department. Fire departments selling tangible personal property for the purposes of raising funds shall be limited to no more than six (6) days each year to raise such funds in order to receive the exemption granted by this paragraph;

20. Sales of tangible personal property or services to any Boys & Girls Clubs of America affiliate in this state which is not affiliated with the Salvation Army and which is exempt from taxation pursuant to the provisions of the Internal Revenue Code, 26 U.S.C., Section 501(c)(3);

21. Sales of tangible personal property or services to any organization, which takes court-adjudicated juveniles for purposes of rehabilitation, and which is exempt from taxation pursuant to the provisions of the Internal Revenue Code, 26 U.S.C., Section 501(c)(3), provided that at least fifty percent (50%) of the juveniles served by such organization are court adjudicated and the organization receives state funds in an amount less than ten percent (10%) of the annual budget of the organization;

22. Sales of tangible personal property or services to:

- a. any federally qualified community health center as defined in Section 254c of Title 42 of the United States Code,
- b. any migrant health center as defined in Section 254b of Title 42 of the United States Code,
- c. any clinic receiving disbursements of state monies from the Indigent Health Care Revolving Fund pursuant to the provisions of Section 66 of Title 56 of the Oklahoma Statutes,
- d. any community based health center which meets all of the following criteria:
 - (1) provides primary care services at no cost to the recipient, and
 - (2) is exempt from taxation pursuant to the provisions of Section 501(c)(3) of the Internal Revenue Code, 26 U.S.C., Section 501(c)(3), and
- e. any community mental health center as defined in Section 3-302 of Title 43A of the Oklahoma Statutes;

23. Dues or fees, including free or complimentary dues or fees which have a value equivalent to the charge that could have otherwise been made, to YMCAs, YWCAs or municipally-owned recreation centers for the use of facilities and programs;

24. The first Fifteen Thousand Dollars (\$15,000.00) each year from sales of tangible personal property or services to or by a cultural organization established to sponsor and promote educational, charitable and cultural events for disadvantaged children, and which organization is exempt from taxation pursuant to the provisions of the Internal Revenue Code, 26 U.S.C., Section 501(c)(3);

25. Sales of tangible personal property or services to museums or other entities which have been accredited by the American Association of Museums. Any person making purchases on behalf of any such museum or other entity shall certify, in writing, on the copy of the invoice or sales ticket to be retained by the vendor that the purchases are made for and on behalf of such museum or other entity and set out the name of such museum or other entity.

Any person who wrongfully or erroneously certifies that the purchases are for any such museum or other entity or who otherwise violates the provisions of this paragraph shall be deemed guilty of a misdemeanor and, upon conviction thereof, shall be fined an amount equal to double the amount of sales tax involved or incarcerated for not more than sixty (60) days, or by both such fine and incarceration;

26. Sales of tickets for admission by any museum accredited by the American Association of Museums. In order to be eligible for the exemption provided by this paragraph, an amount equivalent to the amount of the tax which would otherwise be required to be collected pursuant to the provisions of Section 1350 et seq. of this title shall be separately stated on the admission ticket and shall be collected and used for the sole purpose of servicing or aiding in the servicing of debt incurred by the museum to effect the construction, enlarging or renovation of any facility to be used for entertainment, edification or cultural cultivation to which entry is gained with a paid admission ticket;

27. Sales of tangible personal property or services occurring on or after June 1, 1995, to children's homes which are supported or sponsored by one or more churches, members of which serve as trustees of the home;

28. Sales of tangible personal property or services to the organization known as the Disabled American Veterans, Department of Oklahoma, Inc., and subordinate chapters thereof;

29. Sales of tangible personal property or services to youth camps which are supported or sponsored by one or more churches, members of which serve as trustees of the organization;

30. Transfer of tangible personal property made pursuant to Section 3226 of Title 63 of the Oklahoma Statutes by the University Hospitals Trust;

31. Sales of tangible personal property or services to a municipality, county or school district pursuant to a lease or lease-purchase agreement executed between the vendor and a municipality, county or school district. A copy of the lease or lease-purchase agreement shall be retained by the vendor;

32. Sales of tangible personal property or services to any spaceport user, as defined in the Oklahoma Space Industry Development Act;

33. The sale, use, storage, consumption, or distribution in this state, whether by the importer, exporter, or another person, of any satellite or any associated launch vehicle, including components of, and parts and motors for, any such satellite or launch vehicle, imported or caused to be imported into this state for the purpose of export by means of launching into space. This exemption provided by this paragraph shall not be affected by:

- a. the destruction in whole or in part of the satellite or launch vehicle,
- b. the failure of a launch to occur or be successful, or
- c. the absence of any transfer or title to, or possession of, the satellite or launch vehicle after launch;

34. The sale, lease, use, storage, consumption, or distribution in this state of any space facility, space propulsion system or space vehicle, satellite, or station of any kind possessing space flight capacity, including components thereof;

35. The sale, lease, use, storage, consumption, or distribution in this state of tangible personal property, placed on or used aboard any space facility, space propulsion system or space vehicle, satellite, or station possessing space flight capacity, which is launched into space, irrespective of whether such tangible property is returned to this state for subsequent use, storage, or consumption in any manner;

36. The sale, lease, use, storage, consumption, or distribution in this state of tangible personal property meeting the definition of "section 38 property" as defined in Sections 48(a)(1)(A) and (B)(i) of the Internal Revenue Code of 1986, that is an integral part of and used primarily in support of space flight; however, section 38 property used in support of space flight shall not include general office equipment, any boat, mobile home, motor vehicle, or other vehicle of a class or type required to be registered, licensed, titled, or documented in this state or by the United States government, or any other property not specifically suited to supporting space activity. The term "in support of space flight", for purposes of this paragraph, means the altering,

monitoring, controlling, regulating, adjusting, servicing, or repairing of any space facility, space propulsion systems or space vehicle, satellite, or station possessing space flight capacity, including the components thereof;

37. The purchase or lease of machinery and equipment for use at a fixed location in this state, which is used exclusively in the manufacturing, processing, compounding, or producing of any space facility, space propulsion system or space vehicle, satellite, or station of any kind possessing space flight capacity. Provided, the exemption provided for in this paragraph shall not be allowed unless the purchaser or lessee signs an affidavit stating that the item or items to be exempted are for the exclusive use designated herein. Any person furnishing a false affidavit to the vendor for the purpose of evading payment of any tax imposed by Section 1354 of this title shall be subject to the penalties provided by law. As used in this paragraph, "machinery and equipment" means "section 38 property" as defined in Sections 48(a)(1)(A) and (B)(i) of the Internal Revenue Code of 1986, which is used as an integral part of the manufacturing, processing, compounding, or producing of items of tangible personal property. Such term includes parts and accessories only to the extent that the exemption thereof is consistent with the provisions of this paragraph;

38. The amount of a surcharge or any other amount which is separately stated on an admission ticket which is imposed, collected and used for the sole purpose of constructing, remodeling or enlarging facilities of a public trust having a municipality or county as its sole beneficiary;

39. Sales of tangible personal property or services which are directly used in or for the benefit of a state park in this state, which are made to an organization which is exempt from taxation pursuant to the provisions of the Internal Revenue Code, 26 U.S.C., Section 501(c)(3) and which is organized primarily for the purpose of supporting one or more state parks located in this state;

40. The sale, lease or use of parking privileges by an institution of The Oklahoma State System of Higher Education;

41. Sales of tangible personal property or services for use on campus or school construction projects for the benefit of institutions of The Oklahoma State System of Higher Education, private institutions of higher education accredited by the Oklahoma State Regents for Higher Education or any public school or school

district when such projects are financed by or through the use of nonprofit entities which are exempt from taxation pursuant to the provisions of the Internal Revenue Code, 26 U.S.C., Section 501(c)(3);

42. Sales of tangible personal property or services by an organization which is exempt from taxation pursuant to the provisions of the Internal Revenue Code, 26 U.S.C., Section 501(c)(3), in the course of conducting a national championship sports event, but only if all or a portion of the payment in exchange therefor would qualify as the receipt of a qualified sponsorship payment described in Internal Revenue Code, 26 U.S.C., Section 513(i). Sales exempted pursuant to this paragraph shall be exempt from all Oklahoma sales, use, excise and gross receipts taxes;

43. Sales of tangible personal property or services to or by an organization which:

- a. is exempt from taxation pursuant to the provisions of the Internal Revenue Code, 26 U.S.C., Section 501(c)(3),
- b. is affiliated with a comprehensive university within The Oklahoma State System of Higher Education, and
- c. has been organized primarily for the purpose of providing education and teacher training and conducting events relating to robotics;

44. The first Fifteen Thousand Dollars (\$15,000.00) each year from sales of tangible personal property to or by youth athletic teams which are part of an athletic organization exempt from taxation pursuant to the provisions of the Internal Revenue Code, 26 U.S.C., Section 501(c)(4), for the purposes of raising funds for the benefit of the team;

45. Sales of tickets for admission to a collegiate athletic event that is held in a facility owned or operated by a municipality or a public trust of which the municipality is the sole beneficiary and that actually determines or is part of a tournament or tournament process for determining a conference tournament championship, a conference championship, or a national championship;

46. Sales of tangible personal property or services to or by an organization which is exempt from taxation pursuant to the provisions of the Internal Revenue Code, 26 U.S.C., Section 501(c)(3) and is operating the Oklahoma City National Memorial and Museum, an affiliate of the National Park System;

47. Sales of tangible personal property or services to organizations which are exempt from federal taxation pursuant to the provisions of Section 501(c)(3) of the Internal Revenue Code, 26 U.S.C., Section 501(c)(3), the memberships of which are limited to honorably discharged veterans, and which furnish financial support to area veterans' organizations to be used for the purpose of constructing a memorial or museum;

48. Sales of tangible personal property or services on or after January 1, 2003, to an organization which is exempt from taxation pursuant to the provisions of the Internal Revenue Code, 26 U.S.C., Section 501(c)(3) that is expending monies received from a private foundation grant in conjunction with expenditures of local sales tax revenue to construct a local public library;

49. Sales of tangible personal property or services to a state that borders this state or any political subdivision of that state, but only to the extent that the other state or political subdivision exempts or does not impose a tax on similar sales of items to this state or a political subdivision of this state;

50. Effective July 1, 2005, sales of tangible personal property or services to the Career Technology Student Organizations under the direction and supervision of the Oklahoma Department of Career and Technology Education;

51. Sales of tangible personal property to a public trust having either a single city, town or county or multiple cities, towns or counties or combination thereof as beneficiary or beneficiaries or a nonprofit organization which is exempt from taxation pursuant to the provisions of the Internal Revenue Code, 26 U.S.C., Section 501(c)(3) for the purpose of constructing improvements to or expanding a hospital or nursing home owned and operated by any such public trust or nonprofit entity prior to the effective date of this act in counties with a population of less than one hundred thousand (100,000) persons, according to the most recent Federal Decennial Census. As used in this paragraph, "constructing improvements to or expanding" shall not mean any expense for routine maintenance or general repairs and shall require

a project cost of at least One Hundred Thousand Dollars (\$100,000.00). For purposes of this paragraph, sales made to a contractor or subcontractor that enters into a contractual relationship with a public trust or nonprofit entity as described by this paragraph shall be considered sales made to the public trust or nonprofit entity. The exemption authorized by this paragraph shall be administered in the form of a refund from the sales tax revenues apportioned pursuant to Section 1353 of this title and the vendor shall be required to collect the sales tax otherwise applicable to the transaction. The purchaser may apply for a refund of the sales tax paid in the manner prescribed by this paragraph. Within thirty (30) days after the end of each fiscal year, any purchaser that is entitled to make application for a refund based upon the exempt treatment authorized by this paragraph may file an application for refund of the sales taxes paid during such preceding fiscal year. The Tax Commission shall prescribe a form for purposes of making the application for refund. The Tax Commission shall determine whether or not the total amount of sales tax exemptions claimed by all purchasers is equal to or less than Six Hundred Fifty Thousand Dollars (\$650,000.00). If such claims are less than or equal to that amount, the Tax Commission shall make refunds to the purchasers in the full amount of the documented and verified sales tax amounts. If such claims by all purchasers are in excess of Six Hundred Fifty Thousand Dollars (\$650,000.00), the Tax Commission shall determine the amount of each purchaser's claim, the total amount of all claims by all purchasers, and the percentage each purchaser's claim amount bears to the total. The resulting percentage determined for each purchaser shall be multiplied by Six Hundred Fifty Thousand Dollars (\$650,000.00) to determine the amount of refundable sales tax to be paid to each purchaser. The pro rata refund amount shall be the only method to recover sales taxes paid during the preceding fiscal year and no balance of any sales taxes paid on a pro rata basis shall be the subject of any subsequent refund claim pursuant to this paragraph;

52. Effective July 1, 2006, sales of tangible personal property or services to any organization which assists, trains, educates, and provides housing for physically and mentally handicapped persons and which is exempt from taxation pursuant to the provisions of the Internal Revenue Code, 26 U.S.C., Section 501(c)(3) and that receives at least eighty-five percent (85%) of its annual budget from state or federal funds. In order to receive the benefit of the exemption authorized by this paragraph, the taxpayer shall be required to make payment of the applicable sales tax at the time of sale to the vendor in the manner otherwise required by law.

Notwithstanding any other provision of the Oklahoma Uniform Tax Procedure Code to the contrary, the taxpayer shall be authorized to file a claim for refund of sales taxes paid that qualify for the exemption authorized by this paragraph for a period of one (1) year after the date of the sale transaction. The taxpayer shall be required to provide documentation as may be prescribed by the Oklahoma Tax Commission in support of the refund claim. The total amount of sales tax qualifying for exempt treatment pursuant to this paragraph shall not exceed One Hundred Seventy-five Thousand Dollars (\$175,000.00) each fiscal year. Claims for refund shall be processed in the order in which such claims are received by the Oklahoma Tax Commission. If a claim otherwise timely filed exceeds the total amount of refunds payable for a fiscal year, such claim shall be barred;

53. The first Two Thousand Dollars (\$2,000.00) each year of sales of tangible personal property or services to, by, or for the benefit of a qualified neighborhood watch organization that is endorsed or supported by or working directly with a law enforcement agency with jurisdiction in the area in which the neighborhood watch organization is located. As used in this paragraph, "qualified neighborhood watch organization" means an organization that is a not-for-profit corporation under the laws of the State of Oklahoma that was created to help prevent criminal activity in an area through community involvement and interaction with local law enforcement and which is one of the first two thousand organizations which makes application to the Oklahoma Tax Commission for the exemption after the effective date of this act;

54. Sales of tangible personal property to a nonprofit organization, exempt from taxation pursuant to the provisions of the Internal Revenue Code, 26 U.S.C., Section 501(c)(3), organized primarily for the purpose of providing services to homeless persons during the day and located in a metropolitan area with a population in excess of five hundred thousand (500,000) persons according to the latest Federal Decennial Census. The exemption authorized by this paragraph shall be applicable to sales of tangible personal property to a qualified entity occurring on or after January 1, 2005;

55. Sales of tangible personal property or services to or by an organization which is exempt from taxation pursuant to the provisions of the Internal Revenue Code, 26 U.S.C., Section 501(c)(3) for events the principal purpose of which is to provide funding for the preservation of wetlands and habitat for wild ducks;

56. Sales of tangible personal property or services to or by an organization which is exempt from taxation pursuant to the provisions of the Internal Revenue Code, 26 U.S.C., Section 501(c)(3) for events the principal purpose of which is to provide funding for the preservation and conservation of wild turkeys;

57. Sales of tangible personal property or services to an organization which:

- a. is exempt from taxation pursuant to the provisions of the Internal Revenue Code, 26 U.S.C., Section 501(c)(3), and
- b. is part of a network of community-based, autonomous member organizations that meets the following criteria:
 - (1) serves people with workplace disadvantages and disabilities by providing job training and employment services, as well as job placement opportunities and post-employment support,
 - (2) has locations in the United States and at least twenty other countries,
 - (3) collects donated clothing and household goods to sell in retail stores and provides contract labor services to business and government, and
 - (4) provides documentation to the Oklahoma Tax Commission that over seventy-five percent (75%) of its revenues are channeled into employment, job training and placement programs and other critical community services;

58. Sales of tickets made on or after September 21, 2005, and complimentary or free tickets for admission issued on or after September 21, 2005, which have a value equivalent to the charge that would have otherwise been made, for admission to a professional athletic event in which a team in the National Basketball Association is a participant, which is held in a facility owned or operated by a municipality, a county or a public trust of which a municipality or a county is the sole beneficiary, and sales of tickets made on or after the effective date of this act, and

complimentary or free tickets for admission issued on or after the effective date of this act, which have a value equivalent to the charge that would have otherwise been made, for admission to a professional athletic event in which a team in the National Hockey League is a participant, which is held in a facility owned or operated by a municipality, a county or a public trust of which a municipality or a county is the sole beneficiary;

59. Sales of tickets for admission and complimentary or free tickets for admission which have a value equivalent to the charge that would have otherwise been made to a professional sporting event involving ice hockey, baseball, basketball, football or arena football, or soccer. As used in this paragraph, "professional sporting event" means an organized athletic competition between teams that are members of an organized league or association with centralized management, other than a national league or national association, that imposes requirements for participation in the league upon the teams, the individual athletes or both, and which uses a salary structure to compensate the athletes;

60. Sales of tickets for admission to an annual event sponsored by an educational and charitable organization of women which is exempt from taxation pursuant to the provisions of the Internal Revenue Code, 26 U.S.C., Section 501(c)(3) and has as its mission promoting volunteerism, developing the potential of women and improving the community through the effective action and leadership of trained volunteers;

61. Sales of tangible personal property or services to an organization, which is exempt from taxation pursuant to the provisions of the Internal Revenue Code, 26 U.S.C., Section 501(c)(3), and which is itself a member of an organization which is exempt from taxation pursuant to the provisions of the Internal Revenue Code, 26 U.S.C., Section 501(c)(3), if the membership organization is primarily engaged in advancing the purposes of its member organizations through fundraising, public awareness or other efforts for the benefit of its member organizations, and if the member organization is primarily engaged either in providing educational services and programs concerning health-related diseases and conditions to individuals suffering from such health-related diseases and conditions or their caregivers and family members or support to such individuals, or in health-related research as to such diseases and conditions, or both. In order to qualify for the exemption authorized by this paragraph, the member nonprofit

organization shall be required to provide proof to the Oklahoma Tax Commission of its membership status in the membership organization;

62. Sales of tangible personal property or services to or by an organization which is part of a national volunteer women's service organization dedicated to promoting patriotism, preserving American history and securing better education for children and which has at least 168,000 members in 3,000 chapters across the United States;

63. Sales of tangible personal property or services to or by a YWCA or YMCA organization which is part of a national nonprofit community service organization working to meet the health and social service needs of its members across the United States;

64. Sales of tangible personal property or services to or by a veteran's organization which is exempt from taxation pursuant to the provisions of the Internal Revenue Code, 26 U.S.C., Section 501 (c)(19) and which is known as the Veterans of Foreign Wars of the United States, Oklahoma Chapters;

65. Sales of boxes of food by a church or by an organization, which is exempt from taxation pursuant to the provisions of the Internal Revenue Code, 26 U.S.C., Section 501 (c)(3). To qualify under the provisions of this paragraph, the organization must be organized for the primary purpose of feeding needy individuals or to encourage volunteer service by requiring such service in order to purchase food. These boxes shall only contain edible staple food items;

66. Sales of tangible personal property or services to any person with whom a church has duly entered into a construction contract, necessary for carrying out such contract or to any subcontractor to such a construction contract;

67. Sales of tangible personal property or services used exclusively for charitable or educational purposes, to or by an organization which:

- a. is exempt from taxation pursuant to the provisions of the Internal Revenue Code, 26 U.S.C., Section 501(c)(3),
- b. has filed a Not-for-Profit Certificate of Incorporation in this state, and

c. is organized for the purpose of:

- (1) providing training and education to developmentally disabled individuals,
- (2) educating the community about the rights, abilities and strengths of developmentally disabled individuals, and
- (3) promoting unity among developmentally disabled individuals in their community and geographic area;

68. Sales of tangible personal property or services to any organization which is a shelter for abused, neglected, or abandoned children and which is exempt from taxation pursuant to the provisions of the Internal Revenue Code, 26 U.S.C., Section 501(c)(3); provided, until July 1, 2008, such exemption shall apply only to eligible shelters for children from birth to age twelve (12) and after July 1, 2008, such exemption shall apply to eligible shelters for children from birth to age eighteen (18);

69. Sales of tangible personal property or services to a child care center which is licensed pursuant to the Oklahoma Child Care Facilities Licensing Act and which:

- a. possesses a 3-star rating from the Department of Human Services Reaching for the Stars Program or a national accreditation, and
- b. allows on site universal pre-kindergarten education to be provided to four-year-old children through a contractual agreement with any public school or school district.

For the purposes of this paragraph, sales made to any person, firm, agency or entity that has entered previously into a contractual relationship with a child care center for construction and improvement of buildings and other structures owned by the child care center and operated for educational purposes shall be considered sales made to a child care center. Any such person, firm, agency or entity making purchases on behalf of a child care center shall certify in writing, on the copy of the invoice or sales ticket the nature of the purchase. Any such person, or person acting on behalf of a firm, agency or entity making purchases on

behalf of a child care center in violation of this paragraph shall be guilty of a misdemeanor and upon conviction thereof shall be fined an amount equal to double the amount of sales tax involved or incarcerated for not more than sixty (60) days or both;

70. a. Sales of tangible personal property to a service organization of mothers who have children who are serving or who have served in the military, which service organization is exempt from taxation pursuant to the provisions of the Internal Revenue Code, 26 U.S.C., Section 501(c)(19) and which is known as the Blue Star Mothers of America, Inc. The exemption provided by this paragraph shall only apply to the purchase of tangible personal property actually sent to United States military personnel overseas who are serving in a combat zone and not to any other tangible personal property purchased by the organization. Provided, this exemption shall not apply to any sales tax levied by a city, town, county, or any other jurisdiction in this state.
- b. The exemption authorized by this paragraph shall be administered in the form of a refund from the sales tax revenues apportioned pursuant to Section 1353 of this title, and the vendor shall be required to collect the sales tax otherwise applicable to the transaction. The purchaser may apply for a refund of the state sales tax paid in the manner prescribed by this paragraph. Within sixty (60) days after the end of each calendar quarter, any purchaser that is entitled to make application for a refund based upon the exempt treatment authorized by this paragraph may file an application for refund of the state sales taxes paid during such preceding calendar quarter. The Tax Commission shall prescribe a form for purposes of making the application for refund.
- c. A purchaser who applies for a refund pursuant to this paragraph shall certify that the items were actually sent to military personnel overseas in a combat zone. Any purchaser that applies for a refund for the purchase of items that are not authorized for exemption under this paragraph shall be subject to a penalty in the amount of Five Hundred Dollars (\$500.00);

71. Sales of food and snack items to or by an organization which is exempt from taxation pursuant to the provisions of the Internal Revenue Code, 26 U.S.C., Section 501(c)(3), whose primary and principal purpose is providing funding for scholarships in the medical field;

72. Sales of tangible personal property or services for use solely on construction projects for organizations which are exempt from taxation pursuant to the provisions of the Internal Revenue Code, 26 U.S.C., Section 501(c)(3) and whose purpose is providing end-of-life care and access to hospice services to low-income individuals who live in a facility owned by the organization. The exemption provided by this paragraph applies to sales to the organization as well as to sales to any person with whom the organization has duly entered into a construction contract, necessary for carrying out such contract or to any subcontractor to such a construction contract. Any person making purchases on behalf of such organization shall certify, in writing, on the copy of the invoice or sales ticket to be retained by the vendor that the purchases are made for and on behalf of such organization and set out the name of such organization. Any person who wrongfully or erroneously certifies that purchases are for any of the above-named organizations or who otherwise violates this section shall be guilty of a misdemeanor and upon conviction thereof shall be fined an amount equal to double the amount of sales tax involved or incarcerated for not more than sixty (60) days or both;

73. Sales of tickets for admission to events held by organizations exempt from taxation pursuant to the provisions of the Internal Revenue Code, 26 U.S.C., Section 501(c)(3) that are organized for the purpose of supporting general hospitals licensed by the State Department of Health; and

74. Sales of tangible personal property or services:

- a. to a foundation which is exempt from taxation pursuant to the provisions of the Internal Revenue Code, 26 U.S.C., Section 501(c)(3) and which raises tax-deductible contributions in support of a wide range of firearms-related public interest activities of the National Rifle Association of America and other organizations that defend and foster Second Amendment rights, and

- b. to or by a grassroots fundraising program for sales related to events to raise funds for a foundation meeting the qualifications of subparagraph a of this paragraph.

SECTION 542. AMENDATORY 68 O.S. 2011, Section 1403, is amended to read as follows:

Section 1403. It is hereby declared to be the purpose of Section 1401 et seq. of this title to provide for the support of the functions of the state and local government of Oklahoma; and for this purpose and to this end, it is hereby expressly provided that the revenues derived hereunder, subject to the apportionment requirements for the Oklahoma Tax Commission and ~~Office of State Finance~~ Office of Management and Enterprise Services Joint Computer Enhancement Fund provided by Section 265 of this title, are hereby apportioned as follows:

- 1. a. the following amounts shall be paid by the Tax Commission to the State Treasurer and placed to the credit of the General Revenue Fund to be paid out pursuant to direct appropriation by the Legislature:

Fiscal Year	Amount
FY 2004	85.35%
FY 2005	85.14%
FY 2006	85.54%
FY 2007	85.04%
FY 2008 and each fiscal year thereafter	83.61%

- b. in the event that additional monies are necessary pursuant to paragraph 6 of this section, such additional monies shall be deducted in the proportion determined by the State Board of Equalization pursuant to paragraph 3 of Section 2355.1B of this title from the monies apportioned to the General Revenue Fund;

- 2. Ten and forty-six one-hundredths percent (10.46%) shall be paid to the State Treasurer to be placed to the credit of the

Education Reform Revolving Fund of the State Department of Education;

3. The following amounts shall be paid to the State Treasurer to be placed to the credit of the Teachers' Retirement System Dedicated Revenue Revolving Fund:

Fiscal Year	Amount
FY 2003 and FY 2004	3.54%
FY 2005	3.75%
FY 2006	4.0%
FY 2007	4.5%
FY 2008 and each fiscal year thereafter	5.0%

4. For the fiscal year beginning July 1, 2010, and for each fiscal year thereafter, eighty-seven one-hundredths percent (0.87%) shall be paid to the State Treasurer to be further apportioned as follows:

- a. thirty-six percent (36%) shall be placed to the credit of the Oklahoma Tourism Promotion Revolving Fund, and
- b. sixty-four percent (64%) shall be placed to the credit of the Oklahoma Tourism Capital Improvement Revolving Fund; and

5. For the fiscal year beginning July 1, 2010, and for each fiscal year thereafter, six one-hundredths percent (0.06%) shall be placed to the credit of the Oklahoma Historical Society Capital Improvement and Operations Revolving Fund.

6. During the first fiscal year after the State Board of Equalization has made a determination as provided in Section 2355.1B of this title, regarding a baseline amount of revenue apportioned pursuant to paragraph 3 of this section, and for each fiscal year thereafter, in no event shall monies apportioned pursuant to paragraph 3 of this section, paragraph 3 of Section 1353 of this title and subparagraph c of paragraph 1 of Section 2352 of this title be less than such baseline amount.

SECTION 543. AMENDATORY 68 O.S. 2011, Section 2352, is amended to read as follows:

Section 2352. It is hereby declared to be the purpose of Section 2351 et seq. of this title to provide revenue for general governmental functions of state government; and, for that purpose and to that end, it is expressly declared that the revenue derived herefrom and penalties and interest thereon, subject to the apportionment requirements for the Rebuilding Oklahoma Access and Driver Safety Fund, the Oklahoma Tourism and Passenger Rail Revolving Fund and the Public Transit Revolving Fund to be derived from income tax revenue that would otherwise be apportioned to the General Revenue Fund as provided by Section 1521 of Title 69 of the Oklahoma Statutes, subject to the apportionment requirements for the Oklahoma Tax Commission and ~~Office of State Finance~~ Office of Management and Enterprise Services Joint Computer Enhancement Fund provided by Section ~~6~~ 265 of this ~~act~~ title, shall be distributed as follows:

1. For the fiscal year beginning July 1, 2002, the first Five Million Eight Hundred Thousand Dollars (\$5,800,000.00) of revenue derived pursuant to the provisions of subsections A, B and E of Section 2355 of this title shall be apportioned to the Education Reform Revolving Fund. The remainder of such revenue for the fiscal year beginning July 1, 2002, and all such revenue for each fiscal year thereafter shall be apportioned monthly as follows:

- a. (1) the following amounts shall be paid to the State Treasurer to be placed to the credit of the General Revenue Fund of the state for such fiscal year for the support of the state government to be paid out only pursuant to appropriation by the Legislature:

Fiscal Year	Amount
FY 2003 and FY 2004	87.12%
FY 2005	86.91%
FY 2006	86.66%
FY 2007	86.16%

FY 2008 and each fiscal
year thereafter 85.66%

(2) in the event that additional monies are necessary pursuant to paragraph 3 of this section, such additional monies shall be deducted in the proportion determined by the State Board of Equalization pursuant to paragraph 3 of Section 2355.1B of this title from the monies apportioned to the General Revenue Fund,

b. for FY 2003 and each fiscal year thereafter, eight and thirty-four one-hundredths percent (8.34%) shall be paid to the State Treasurer to be placed to the credit of the Education Reform Revolving Fund,

c. the following amounts shall be paid to the State Treasurer to be placed to the credit of the Teachers' Retirement System Dedicated Revenue Revolving Fund:

Fiscal Year	Amount
FY 2003 and FY 2004	3.54%
FY 2005	3.75%
FY 2006	4.0%
FY 2007	4.5%
FY 2008 and each fiscal year thereafter	5.0%

d. for FY 2003 and each fiscal year thereafter, one percent (1%) shall be placed to the credit of the Ad Valorem Reimbursement Fund;

2. Beginning July 1, 2003, for any period of time as certified by the Oklahoma Development Finance Authority and the Oklahoma Department of Commerce to be necessary for the repayment of obligations issued by the Oklahoma Development Finance Authority pursuant to Section 3654 of this title if the other sources of revenue paid to or apportioned to the Quality Jobs Program Incentive Leverage Fund are not adequate, including the proceeds from payment pursuant to the guaranty required by subsection M of Section 3654 of

this title, an amount certified by the Oklahoma Development Finance Authority to the Oklahoma Tax Commission shall be apportioned to the Quality Jobs Program Incentive Leverage Fund before any other apportionments are made as otherwise authorized by this paragraph. The Oklahoma Development Finance Authority shall certify to the Oklahoma Tax Commission the time as of which the revenue authorized for apportionment pursuant to this paragraph is no longer required. After the certification, the revenue derived from the income tax shall be apportioned in the manner otherwise provided by this section. Except as otherwise provided by this paragraph, for the fiscal year beginning July 1, 2002, the first Forty-One Million One Hundred Ninety Thousand Eight Hundred Dollars (\$41,190,800.00) of revenue derived pursuant to the provisions of subsections C and D of Section 2355 of this title shall be apportioned to the Education Reform Revolving Fund. The remainder of such revenue for the fiscal year beginning July 1, 2002, and all such revenue for each fiscal year thereafter, subject to the apportionment requirements for the Oklahoma Tax Commission and ~~Office of State Finance~~ Office of Management and Enterprise Services Joint Computer Enhancement Fund provided by Section ~~6~~ 265 of this ~~act~~ title, shall be apportioned monthly as follows:

- a. the following amounts shall be paid to the State Treasurer to be placed to the credit of the General Revenue Fund of the state for such fiscal year for the support of the state government to be paid out only pursuant to appropriation by the Legislature:

Fiscal Year	Amount
FY 2003 and FY 2004	78.96%
FY 2005	78.75%
FY 2006	78.50%
FY 2007	78.0%
FY 2008 and each fiscal year thereafter	77.50%

- b. for FY 2003 and each fiscal year thereafter, sixteen and five-tenths percent (16.5%) shall be paid to the State Treasurer to be placed to the credit of the

Education Reform Revolving Fund of the State
Department of Education,

- c. the following amounts shall be paid to the State Treasurer to be placed to the credit of the Teachers' Retirement System Dedicated Revenue Revolving Fund:

Fiscal Year	Amount
FY 2003 and FY 2004	3.54%
FY 2005	3.75%
FY 2006	4.0%
FY 2007	4.5%
FY 2008 and each fiscal year thereafter	5.0%

- d. for FY 2003 and each fiscal year thereafter, one percent (1%) shall be placed to the credit of the Ad Valorem Reimbursement Fund; and

3. During the first fiscal year after the State Board of Equalization has made a determination as provided in Section 2355.1B of this title, regarding a baseline amount of revenue apportioned pursuant to subparagraph c of paragraph 1 of this section, and for each fiscal year thereafter, in no event shall monies apportioned pursuant to subparagraph c of paragraph 1 of this section, paragraph 3 of Section 1353 of this title and paragraph 3 of Section 1403 of this title be less than such baseline amount.

SECTION 544. AMENDATORY 68 O.S. 2011, Section 2355.2, is amended to read as follows:

Section 2355.2 A. There is hereby created in the State Treasury a revolving fund for the State Treasurer to be designated the "Oklahoma Taxpayer Relief Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of the monies transferred to such fund pursuant to paragraph 2 of subsection A of Section 46.1 of Title 62 of the Oklahoma Statutes. All monies accruing to the credit of said fund are hereby appropriated and may be budgeted and expended by the State Treasurer for the purpose of providing payments to Oklahoma residents who have

filed an income tax return pursuant to Section 2355 of this title for the preceding tax year, except for those residents who were inmates in the custody of the Department of Corrections, and for the purpose of administrative costs incurred by the State Treasurer in making payments provided by this section. The payments to taxpayers filing as married filing jointly, surviving spouse or head of household shall be equal to two times the payment to taxpayers filing as an individual or married filing separately. No taxpayer filing as an individual who claims zero personal exemptions shall receive a payment. During each year funds accrue pursuant to Section 46.1 of Title 62 of the Oklahoma Statutes, the Oklahoma Tax Commission shall provide the State Treasurer with information necessary for such payments to be issued. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

B. The State Treasurer shall promulgate any necessary rules in order to administer the provisions of this section.

C. The Oklahoma Taxpayer Relief Revolving Fund shall be abolished and all monies remaining in such fund transferred to the Special Cash Fund on June 30, 2012. Any liabilities payable from the Oklahoma Taxpayer Relief Revolving Fund shall be extinguished upon its abolishment and shall not be transferred to the Special Cash Fund. The Special Cash Fund refers to the fund created by Section 253 of Title 62 of the Oklahoma Statutes.

SECTION 545. AMENDATORY 68 O.S. 2011, Section 2357.1A-1, is amended to read as follows:

Section 2357.1A-1 A. There is hereby created the Task Force for the Study of State Tax Credits and Economic Incentives.

B. The Task Force shall consist of ten (10) members to be appointed or selected as follows:

1. The Chair of the Appropriations and Budget Committee of the Oklahoma House of Representatives;

2. The Chair of the Appropriations Committee of the Oklahoma State Senate;

3. The Chair of the Revenue and Taxation Subcommittee of the Appropriations and Budget Committee of the Oklahoma House of Representatives;

4. The Chair of the Senate Finance Committee;

5. The Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services or a designee;

6. The State Treasurer or a designee;

7. The Oklahoma Secretary of State or a designee;

8. Minority Leader of the Oklahoma House of Representatives;

9. Minority Leader of the Oklahoma State Senate; and

10. The State Auditor and Inspector.

C. The Task Force shall conduct an organizational meeting not later than September 30, 2011. A majority of the members present at the organizational meeting or any subsequent meeting shall constitute a quorum for the purpose of any action taken including the preparation and approval of the final report required by subsection I of this section.

D. The cochairs of the Task Force shall be the member who is the Chair of the Revenue and Taxation Subcommittee of the Appropriations and Budget Committee and the member who is the Chair of the Finance Committee of the State Senate.

E. The Task Force shall be authorized to meet as necessary in order to perform the duties imposed upon it. Legislative members of the Task Force shall be reimbursed for travel expenses pursuant to the provisions of Section 456 of Title 74 of the Oklahoma Statutes. Other members of the Task Force shall be reimbursed as provided by the appointing authority.

F. The Task Force shall conduct a study regarding all state tax credits regardless of the tax type against which such credit may be claimed and any other economic incentives that affect state or local tax liabilities. The study shall include, but shall not be limited to:

1. The justification for the enactment of any state tax credits based upon the relevant economics of the applicable industry or economic sector affected;

2. The economic impact related to the utilization of state tax credits;

3. Analysis of the utilization of the credits by tax credit purchasers;

4. The impact of tax credits on any and all economic sectors of the state economy;

5. The adequacy or inadequacy of state tax credits or other economic incentives; and

6. Such other matters related to state tax credits or economic incentives as the Task Force deems relevant.

G. The Task Force shall be subject to the provisions of:

1. The Oklahoma Open Meeting Act; and

2. The Oklahoma Open Records Act.

H. Staff assistance for the Task Force shall be provided by the staff of the Oklahoma House of Representatives and the State Senate.

I. The Task Force shall produce a final written report of its findings and any recommendations regarding transferable tax credits. The report shall be submitted to the Governor, the Speaker of the Oklahoma House of Representatives and the President Pro Tempore of the State Senate not later than December 31, 2011.

J. The provisions of this section shall cease to have the force and effect of law and the Task Force shall terminate effective January 1, 2012.

SECTION 546. AMENDATORY 68 O.S. 2011, Section 2357.1A-2, is amended to read as follows:

Section 2357.1A-2 A. Notwithstanding any other provision of law, the transfer or allocation of any tax credit authorized pursuant to the provisions of ~~Title 68 of the Oklahoma Statutes~~ this title, except as provided in this section, shall be reported to the

Oklahoma Tax Commission and any tax credit authorized pursuant to the provisions of Title 36 of the Oklahoma Statutes shall be reported to the Oklahoma Insurance Department as provided in subsection B of this section.

B. The transfer or allocation of any tax credit shall be reported to the Tax Commission or Insurance Department by the entity transferring or allocating the credit on or before the twentieth day of the second month after the tax year in which an act occurs which allows the tax credit to eventually be claimed. If the credit is transferable, the report shall state whether the credit will or may be transferred to another taxpayer and the names of the taxpayers to whom the credit is transferred. The report shall also provide whether the credit will or may be allocated by a pass-through entity to one or more of the shareholders, partners or members of the pass-through entity and the identity of the shareholders, partners or members of the pass-through entity to whom the credit was allocated. Further, the report shall include the tax type, the amount of the credit, the statutory or other legal authority which forms the basis for the credit, and other information that may be required by the Tax Commission or the Insurance Department. The report to the Tax Commission or to the Insurance Department shall be on such form as the Commission or Department may prescribe. The Tax Commission and the Insurance Department shall be authorized to require the report to be filed electronically.

C. Notwithstanding the provisions of Section 205 of Title 68 of the Oklahoma Statutes the Tax Commission and the Insurance Department shall compile a list of all tax credits reported as required by this section and shall provide the list to the Governor, the Speaker of the Oklahoma House of Representatives, the President Pro Tempore of the State Senate and the Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services not later than June 1 of each year. Not later than five (5) working days after the report has been provided to the Governor, the Speaker of the Oklahoma House of Representatives and the President Pro Tempore of the State Senate, the Oklahoma Tax Commission shall publish the report on its website.

D. The compiled list shall identify the tax credits reported pursuant to subsection A of this section and shall separately identify the amount of tax credits that may be claimed against each separate state tax under the jurisdiction of the administering agency and the name of the entity that will be claiming the credit.

E. To the extent possible, the Tax Commission and the Insurance Department shall make an estimate of the revenue impact to the State of Oklahoma resulting from the credits reported on a separate fiscal year by fiscal year basis. Each agency shall make its estimate only for tax credits under the jurisdiction of each administering agency.

F. If a taxpayer claims a credit on any state tax return that was not previously reported to the Tax Commission or Insurance Department pursuant to this section, the Tax Commission or Insurance Department shall disallow the credit and recompute the applicable tax liability including any penalty or interest; provided, upon the filing of the report required by this section, the credit shall be allowed.

G. This section shall not be applicable to the following tax credits:

1. The sales tax relief credit authorized by Section 5011 of ~~Title 68 of the Oklahoma Statutes~~ this title;

2. The low income property tax relief credit authorized by Section 2907 of ~~Title 68 of the Oklahoma Statutes~~ this title;

3. The earned income tax credit authorized by Section 2357.43 of ~~Title 68 of the Oklahoma Statutes~~ this title;

4. The child care/child tax credit authorized by Section 2357 of ~~Title 68 of the Oklahoma Statutes~~ this title;

5. The credit for taxes paid to another state authorized by Section 2357 of ~~Title 68 of the Oklahoma Statutes~~ this title; and

6. The credit for property taxes paid on tornado damaged residential property authorized by Section 2357.29 of ~~Title 68 of the Oklahoma Statutes~~ this title.

SECTION 547. AMENDATORY 68 O.S. 2011, Section 2357.65A, is amended to read as follows:

Section 2357.65A A. As used in this section:

1. "Federally regulated investment company" means a qualified small business capital company as defined by Section 2357.61 of ~~Title 68 of the Oklahoma Statutes~~ this title and that is licensed by the United States Small Business Administration or the United States

Department of Agriculture and which qualifies as one of the following types of entities:

- a. a Small Business Investment Company, or
- b. a Specialized Small Business Investment Company, or
- c. a Rural Business Investment Company, or
- d. a Community Development Entity as defined by Section 45D of the Internal Revenue Code of 1986, as amended; and

2. "Qualified small business capital company" means an entity meeting the requirements of Section 2357.61 of ~~Title 68 of the Oklahoma Statutes~~ this title.

B. Federally regulated investment companies shall be exempt from the reporting requirements of subsections C and G of Section 2357.64 of ~~Title 68 of the Oklahoma Statutes~~ this title.

C. As a condition of the exemption authorized by this section, the federally regulated investment company shall provide to the Oklahoma Tax Commission not later than March 15 each year:

1. A copy of the federal license issued by the applicable federal regulatory entity;

2. A copy of all reports and compliance documents required by the federal regulators; and

3. A copy of the annual financial audit of the federally regulated investment company.

D. A federally regulated investment company shall also prepare an annual summary report that discloses:

1. All investments made in for-profit business entities during the preceding calendar year;

2. The primary business address of each for-profit business entity in which any investment was made;

3. A statement of the business activity of each of the for-profit business entities described in paragraphs 1 and 2 of this subsection;

4. The type of investment instrument used to make the investment; and

5. A status report of all investments made by the federally regulated investment company.

E. The federally regulated investment company shall transmit a copy of the annual summary prescribed by subsection D of this section to the committees or subcommittees of the Oklahoma House of Representatives and the Oklahoma State Senate having primary jurisdiction over the Small Business Capital Formation Incentive Act, the State Treasurer, the State Auditor and Inspector, the Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services and the Oklahoma Tax Commission.

F. The report required by subsection D of this section shall be prepared and submitted until all of the monies available to the federally regulated investment fund have been fully invested, all of the investments have been completed and the proceeds from the investment have been disbursed to the equity investors.

SECTION 548. AMENDATORY 68 O.S. 2011, Section 2357.76A, is amended to read as follows:

Section 2357.76A A. As used in this section:

1. "Federally regulated investment company" means a qualified rural small business capital company as defined by Section 2357.72 of ~~Title 68 of the Oklahoma Statutes~~ this title and that is licensed by the United States Small Business Administration or the United States Department of Agriculture and which qualifies as one of the following types of entities:

- a. a Small Business Investment Company, or
- b. a Specialized Small Business Investment Company, or
- c. a Rural Business Investment Company, or

- d. a Community Development Entity as defined by Section 45D of the Internal Revenue Code of 1986, as amended; and

2. "Qualified rural small business capital company" means an entity meeting the requirements of Section 2357.72 of ~~Title 68 of the Oklahoma Statutes~~ this title.

B. Federally regulated investment companies shall be exempt from the requirements of subsections C and G of Section 2357.75 of ~~Title 68 of the Oklahoma Statutes~~ this title.

C. As a condition of the exemption authorized by this section, the federally regulated investment company shall provide to the Oklahoma Tax Commission not later than March 15 each year:

1. A copy of the federal license issued by the applicable federal regulatory entity;

2. A copy of all reports and compliance documents required by the federal regulators; and

3. A copy of the annual financial audit of the federally regulated investment company.

D. A federally regulated investment company shall also prepare an annual summary report that discloses:

1. All investments made in for-profit business entities during the preceding calendar year;

2. The primary business address of each for-profit business entity in which any investment was made;

3. A statement of the business activity of each of the for-profit business entities described in paragraphs 1 and 2 of this subsection;

4. The type of investment instrument used to make the investment; and

5. A status report of all investments made by the federally regulated investment company.