

6. Such other provisions as the Department of Human Services considers just and proper.

SECTION 821. AMENDATORY 74 O.S. 2011, Section 129.8, is amended to read as follows:

Section 129.8 A. For purposes of this section the following definitions shall apply:

1. Property Number One (1): The Southwest Quarter (SW 1/4) of the Northwest Quarter (NW 1/4) containing forty acres, and Lot Two (2) containing eleven and forty hundredths acres, and a parcel described as beginning at the Southeast corner (SE/c) of the Northwest Quarter (NW 1/4) of the Northwest Quarter (NW 1/4), thence due North two hundred fifty (250) feet, thence due West four hundred twenty-five (425) feet, thence due South two hundred fifty (250) feet, thence due East four hundred twenty-five (425) feet to the place of beginning, of Section Twenty-five (25); and that part of the Southeast Quarter (SE 1/4) of the Northeast Quarter (NE 1/4) designated in the patent and Government plat as Lot Six (6) containing thirty-four acres of Section Twenty-six (26); and the Southwest Quarter (SW 1/4) of the Northwest Quarter (NW 1/4) of Section Thirteen (13) containing forty acres, all in Township Thirteen (13) North, Range Eight (8) West of the Indian Meridian, Canadian County, Oklahoma, together with all incorporeal hereditaments and appurtenances thereunto belonging.

2. Property Number Two (2): A part of the Northwest Quarter (NW 1/4) and of Government Lot Number 2, both being a portion of Section Twenty-five (25), Township Thirteen (13) North, Range Eight (8) West of the Indian Meridian, Canadian County, Oklahoma, together with all incorporeal hereditaments and appurtenances thereunto belonging; more particularly described as follows: beginning at a point whence the Northeast corner of said Section Twenty-five (25), bears North 64 degrees 44' 23" East a distance of 5635.49 feet, and whence the North Quarter corner of said Section Twenty-five (25) bears North 45 degrees 30' 19" East, a distance of 3431.34 feet; thence, South 66 degrees 23' 43" East a distance of 468.43 feet; thence, South 74 degrees 49' 33" East, a distance of 391.69 feet; thence, South 77 degrees 30' 00" East, a distance of 280.00 feet to an existing fenceline; thence, along said existing fenceline, South 02 degrees 43' 49" West a distance of 529.30 feet to a point on the Northerly bank of the North Canadian River; thence, along said Northerly bank the following five (5) courses: 1) thence, North 89

degrees 55' 14" West, a distance of 284.55 feet; 2) thence, North 64 degrees 59' 36" West, a distance of 122.62 feet; 3) thence, North 49 degrees 26' 16" West, a distance of 164.58 feet; 4) thence, North 34 degrees 49' 02" West, a distance of 653.61 feet; 5) thence, North 62 degrees 35' 07" West, a distance of 227.90 feet; thence, departing from said Northerly bank, North 27 degrees 24' 53" East, a distance of 88.56 feet to the point of beginning; containing 9.93 acres, more or less.

B. The authority of the Oklahoma Wildlife Conservation Commission to use Property Number One (1) granted pursuant to Section 1, Chapter 8, O.S.L. 1933 to the State Game and Fish Commission and succeeded to by the Oklahoma Wildlife Conservation Commission is hereby terminated.

C. The authority and empowerment over the use of Property Number One (1) shall be transferred to Redlands Community College to be used for agricultural and equine educational purposes. Such use shall exclude the use of Property Number Two (2) and acknowledge the authority of the Oklahoma Historical Society to access Property Number Two (2) from Property Number One (1). Redlands Community College shall notify the Department of Central Services Office of Management and Enterprise Services if it determines that the use of the property is no longer needed.

D. The authority and empowerment over the use of Property Number Two (2) shall be transferred to the Oklahoma Historical Society together with the authority to access Property Number Two (2) from Property Number One (1). The Oklahoma Historical Society shall notify the Department of Central Services Office of Management and Enterprise Services if it determines that the use of the property is no longer needed.

SECTION 822. AMENDATORY 74 O.S. 2011, Section 130, is amended to read as follows:

Section 130. All powers, duties, and responsibilities of the Oklahoma Alternative Fuels Conversion Act and the Alternative Fuels Technician Certification Act now exercised by the ~~Oklahoma~~ Corporation Commission pursuant to law are hereby transferred to the Office of Public Affairs Office of Management and Enterprise Services, together with all unexpended funds, property, records, personnel, and any outstanding financial obligations and encumbrances related thereto.

SECTION 823. AMENDATORY 74 O.S. 2011, Section 130.4, is amended to read as follows:

Section 130.4 A. There is hereby created in the State Treasury a revolving fund for the ~~Department of Central Services~~ Office of Management and Enterprise Services to be designated as the "Oklahoma Alternative Fuels Conversion Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies received by the ~~Department of Central Services~~ Office of Management and Enterprise Services pursuant to Section 130.5 of this title.

B. All monies accruing to the credit of the revolving fund shall be expended by the ~~Department of Central Services~~ Office of Management and Enterprise Services to reimburse expenses relative to the conversion of government vehicles and school vehicles to have the capability of being fueled or charged by alternative fuels and/or the expenses relative to the installation of a fill station or charge station. The maximum amount expended per vehicle shall be the actual cost of vehicle conversion or Ten Thousand Dollars (\$10,000.00), whichever is less. The maximum amount expended per fill station or charge station shall be the actual cost of the installation or Three Hundred Thousand Dollars (\$300,000.00), whichever is less. The balance on deposit in the fund shall never exceed the sum of Five Million Dollars (\$5,000,000.00).

C. Expenditures from the revolving 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 824. AMENDATORY 74 O.S. 2011, Section 130.9, is amended to read as follows:

Section 130.9 Except as provided for in subsection F of Section ~~605~~ 130.5 of this title, the ~~Office of Public Affairs~~ Office of Management and Enterprise Services shall adopt rules and regulations necessary to carry out the provisions of the Oklahoma Alternative Fuels Conversion Act.

SECTION 825. AMENDATORY 74 O.S. 2011, Section 130.14, is amended to read as follows:

Section 130.14 A. There is hereby established the Committee of Alternative Fuels Technician Examiners which shall consist of eight

(8) members. All members of the Committee shall be residents of this state.

B. Five voting members of the Committee shall be appointed by the Director of the ~~Department of Central Services~~ Office of Management and Enterprise Services as follows:

1. Beginning September 1, 1994, three members shall be alternative fuels technicians selected from a list of names submitted by the State Board of Career and Technology Education, with at least one member being an alternative fuels equipment technician and at least one member being an alternative fuels compression technician;

2. One member shall be a person involved in compressed natural gas technology in an oil and/or gas industry; and

3. One member shall be a person involved in liquefied petroleum gas technology in an oil and/or gas industry.

C. Beginning November 1, 1998, two additional voting members shall be appointed by the Director of the ~~Department of Central Services~~ Office of Management and Enterprise Services, one of whom shall be selected from a list of names submitted by the State Board of Career and Technology Education and shall be an electric vehicle technician, and one of whom shall be a person involved in manufacturing, conversion, or research in the electric vehicle industry.

D. All members shall each have at least two (2) years of active experience in alternative fuels technology. The terms of the voting members initially appointed to the Committee shall be staggered as follows:

1. One alternative fuels technician shall be appointed for a term of two (2) years;

2. One alternative fuels technician shall be appointed for a term of three (3) years;

3. One alternative fuels technician shall be appointed for a term of four (4) years;

4. One person involved in compressed natural gas technology in an oil and/or gas industry shall be appointed for a term of three (3) years;

5. One person involved in liquefied petroleum gas technology in an oil and/or gas industry shall be appointed for a term of four (4) years;

6. One electric vehicle technician shall be appointed for a term of (2) years; and

7. One person involved in manufacturing, conversion, or research in the electric vehicle industry shall be appointed for a term of three (3) years.

Thereafter, each voting member of the Committee shall be appointed for a term of five (5) years, or until their successors are appointed and qualified.

The nonvoting member shall be designated by the Director of the ~~Department of Central Services~~ Office of Management and Enterprise Services to serve as Program Administrator and Recording Secretary to the Committee. It is the intent of the Legislature that the person acting as the Program Administrator and Recording Secretary to the Committee as of the effective date of this act be transferred to the ~~Department of Central Services~~ Office of Management and Enterprise Services to continue in his or her capacity.

E. Vacancies which may occur in the membership of the Committee shall be filled by appointment of the Director of the ~~Department of Central Services~~ Office of Management and Enterprise Services. Each person who has been appointed to fill a vacancy shall serve for the remainder of the term for which the member such person succeeds was appointed and until a successor has been appointed and has qualified. Members of the Committee may be removed from office by the Director of the ~~Department of Central Services~~ Office of Management and Enterprise Services for cause in the manner provided by law for the removal of officers not subject to impeachment.

F. The Committee shall assist and advise the ~~Department of Central Services~~ Office of Management and Enterprise Services on all matters relating to the formulation of rules and standards in accordance with the Alternative Fuels Technician Certification Act. The Committee shall administer the examinations of applicants for certification as alternative fuels equipment technicians,

alternative fuels compression technicians, and electric vehicle technicians provided that such examinations shall be in accordance with the provisions of the Alternative Fuels Technician Certification Act.

G. All members of the Committee shall be reimbursed for expenses incurred while in the performance of their duties in accordance with the State Travel Reimbursement Act.

H. A majority of the total membership of the Committee shall constitute a quorum for the transaction of business.

SECTION 826. AMENDATORY 74 O.S. 2011, Section 130.15, is amended to read as follows:

Section 130.15 A. Examinations for certification as alternative fuels equipment technicians shall be uniform and practical in nature for alternative fuels equipment technician certification and shall be sufficiently strict to test the qualifications and fitness of the applicants for certificates.

B. Examinations for certification as alternative fuels compression technicians shall be uniform and practical in nature for alternative fuels compression technician certification and shall be sufficiently strict to test the qualifications and fitness of the applicants for certificates.

C. Examinations for certification as electric vehicle technicians shall be uniform and practical in nature for electric vehicle technician certification and shall be sufficiently strict to test the qualifications and fitness of the applicants for certificates.

D. Examinations shall be in whole or in part in writing. The Committee shall conduct examinations twice a year and at such other times as it deems necessary. Any applicant initially failing to pass the examination shall not be permitted to take another examination for a period of thirty (30) days. Any applicant subsequently failing to pass the examination shall not be permitted to take another examination for a period of ninety (90) days.

E. ~~The Department of Central Services~~ Office of Management and Enterprise Services shall enforce the provisions of this section.

SECTION 827. AMENDATORY 74 O.S. 2011, Section 130.16, is amended to read as follows:

Section 130.16 A. ~~The Department of Central Services~~ Office of Management and Enterprise Services shall issue a certificate as an alternative fuels equipment technician to any person who:

1. Has been licensed by the Oklahoma Liquefied Petroleum Gas Board and has successfully passed the appropriate examination as provided in the Alternative Fuels Technician Certification Act; or

2. Has been certified by the Committee as either having successfully passed the appropriate examination or having a valid license or certificate issued by another governmental entity with licensing or certification requirements similar to those provided in the Alternative Fuels Technician Certification Act;

3. Has paid the certification fee and otherwise complied with the provisions of the Alternative Fuels Technician Certification Act; and

4. Has provided proof of liability insurance with limits of not less than Fifty Thousand Dollars (\$50,000.00) general liability.

B. ~~The Department of Central Services~~ Office of Management and Enterprise Services shall issue a certificate as an alternative fuels compression technician to any person who:

1. Has successfully passed the appropriate examination as provided in the Alternative Fuels Technician Certification Act or has been certified by the Committee as having a valid license or certificate issued by another governmental entity with licensing or certification requirements similar to those provided in the Alternative Fuels Technician Certification Act;

2. Has paid the certification fee and otherwise complied with the provisions of the Alternative Fuels Technician Certification Act; and

3. Has provided proof of liability insurance with limits of not less than Fifty Thousand Dollars (\$50,000.00) general liability.

C. ~~The Department of Central Services~~ Office of Management and Enterprise Services shall issue a certificate as an electric vehicle technician to any person who:

1. Has been certified by the Committee as either having successfully passed the appropriate examination or having a valid license or certificate issued by another governmental entity with licensing or certification requirements similar to those provided in the Alternative Fuels Technician Certification Act;

2. Has paid the certification fee and otherwise complied with the provisions of the Alternative Fuels Technician Certification Act; and

3. Has provided proof of liability insurance with limits of not less than Fifty Thousand Dollars (\$50,000.00) general liability.

D. In the case of a company, partnership or corporation engaged in the business of installing, servicing, repairing, modifying or renovating equipment used in the conversion of engines to engines fueled by alternative fuels, a separate certificate shall be issued by the ~~Department of Central Services~~ Office of Management and Enterprise Services to that individual company, partnership or corporation. This certificate is for the express purpose of recognizing that the company, partnership or corporation is an authorized alternative fuels conversion business and employs state-certified alternative fuels equipment technicians. Any violations by a certified alternative fuels equipment technician shall be deemed a violation by the certified company, partnership or corporation employing such certified technician.

E. In the case of a company, partnership or corporation engaged in the business of installing, servicing, repairing, modifying or renovating fill stations, a separate certificate shall be issued by the ~~Department of Central Services~~ Office of Management and Enterprise Services to that individual company, partnership or corporation. This certificate is for the express purpose of recognizing that the company, partnership or corporation is an authorized fill station installation business and employs state-certified alternative fuels compression technicians or electric vehicle technicians. Any violations by a certified alternative fuels compression technician or electric vehicle technician shall be deemed a violation by the certified company, partnership or corporation employing such certified technician.

F. In conjunction with subsection A of this section, the ~~Department of Central Services~~ Office of Management and Enterprise Services shall issue an Alternative Fuels Equipment Installation

Certification to any public entity or private company, partnership or corporation that operates commercial, private or public fleets of vehicles and employs ten (10) or more auto service technicians per location. The certification shall be based on the ability of the applicant to provide their own alternative fuels equipment technician training program which shall be certified by the ~~Department of Central Services~~ Office of Management and Enterprise Services, Committee of Alternative Fuels Technician Examiners. This subsection shall not apply to allow certification of any alternative fuels compression technician training programs.

G. All alternative fuels equipment technician certificates, alternative fuels compression technician certificates, and electric vehicle technician certificates shall be nontransferable and it shall be unlawful for any person certified pursuant to the provisions of the Alternative Fuels Technician Certification Act to loan or allow the use of such certificate by any other person, except as specifically provided in the Alternative Fuels Technician Certification Act.

H. The standards for the storage and handling of liquefied petroleum gases adopted by the National Fire Protection Association and published in the latest edition of its Pamphlet No. 58 and the standards for the installation of compressed natural gas vehicular fuel systems adopted by the National Fire Protection Association and published in its Pamphlet No. 52 shall be the accepted standards for this state. The accepted standards for this state for electric vehicle charge stations shall be the National Electric Code (NEC). The ~~Department of Central Services~~ Office of Management and Enterprise Services is authorized, and it shall be its duty to adopt and promulgate such rules or specifications relating to safety in the manufacture, assembly, sale, installation and use of vehicular alternative fuel systems. The ~~Department of Central Services~~ Office of Management and Enterprise Services is further authorized to modify or amend such rules or specifications as it deems reasonable and necessary.

SECTION 828. AMENDATORY 74 O.S. 2011, Section 130.17, is amended to read as follows:

Section 130.17 A. 1. All applications for examination, certification or renewal of certification shall be made in writing to the ~~Department of Central Services~~ Office of Management and Enterprise Services on forms provided, if necessary, by the ~~Department of Central Services~~ Office of Management and Enterprise

Services. All applications shall be accompanied by the appropriate fee.

2. If a person holds a valid Class I Dealer Permit properly issued by the Oklahoma Liquefied Petroleum Gas Board, pursuant to Section 420.4 of Title 52 of the Oklahoma Statutes, the requirements of this section for certification or renewal of certification shall not be required.

B. The following shall be the fees charged under the Alternative Fuels Technician Certification Act.

Alternative Fuels Equipment Technician Examination	\$50.00
Alternative Fuels Compression Technician Examination	\$50.00
Electric Vehicle Technician Examination	\$50.00
Alternative Fuels Equipment Technician Certificate	\$50.00
Alternative Fuels Compression Technician Certificate	\$50.00
Electric Vehicle Technician Certificate	\$50.00
Certificate renewal, if made within thirty (30) days after expiration:	
Alternative Fuels Equipment Technician Certificate	\$50.00
Alternative Fuels Compression Technician Certificate	\$50.00
Electric Vehicle Technician Certificate	\$50.00
Penalty for Late Certification Renewal:	
Alternative Fuels Equipment Technician Certificate	\$10.00
Alternative Fuels Compression Technician Certificate	\$10.00
Electric Vehicle Technician Certificate	\$10.00
Certificate fee if certified after March 1 of each year:	
Alternative Fuels Equipment Technician Certificate	\$25.00

Alternative Fuels Compression Technician Certificate	\$25.00
Electric Vehicle Technician Certificate	\$25.00
Certificate fee if certified after June 1 of each year:	
Alternative Fuels Equipment Technician Certificate	\$12.50
Alternative Fuels Compression Technician Certificate	\$12.50
Electric Vehicle Technician Certificate	\$12.50
Company, Partnership or Corporation Certificate	\$100.00
Annual Renewal for Company, Partnership or Corporation Certificate	\$100.00
Training Program Certification (one-time fee)	\$500.00
Alternative Fuels Installation Certification	
Per Location	\$1,000.00
Annual Renewal of Alternative Fuels Installation Certification Per Location	\$1,000.00

SECTION 829. AMENDATORY 74 O.S. 2011, Section 130.18, is amended to read as follows:

Section 130.18. The Department of Central Services Office of Management and Enterprise Services shall adopt rules and guidelines for the expiration of certificates for alternative fuels equipment technicians, alternative fuels compression technicians, and electric vehicle technicians, and for determining the recertification of alternative fuels equipment technicians, alternative fuels compression technicians, and electric vehicle technicians.

SECTION 830. AMENDATORY 74 O.S. 2011, Section 130.19, is amended to read as follows:

Section 130.19 A. A person or persons designated by the Director of the Department of Central Services Office of Management and Enterprise Services and the Committee shall act as the

Alternative Fuels Technician Hearing Board and shall comply with the provisions of the Administrative Procedures Act.

B. The Alternative Fuels Technician Hearing Board may, upon its own motion, and shall, upon written complaint filed by any person, investigate the business transactions of any certified alternative fuels equipment or compression technician, or electric vehicle technician. The Board shall suspend or revoke any certificate or registration obtained by false or fraudulent representation. The Board shall also suspend or revoke any certificate or registration for any of the following:

1. Making a material misstatement in the application for a certificate or registration, or the renewal of a certificate or registration;

2. Loaning or illegally using a certificate;

3. Demonstrating incompetence to act as an alternative fuels equipment technician, alternative fuels compression technician, or electric vehicle technician;

4. Violating any provisions of the Alternative Fuels Technician Certification Act, or any rule or order prescribed by the ~~Department of Central Services~~ Office of Management and Enterprise Services; or

5. Willfully failing to perform normal business obligations without justifiable cause.

Any person whose alternative fuels equipment technician certificate, alternative fuels compression technician certificate, or electric vehicle technician certificate has been revoked by the Alternative Fuels Technician Hearing Board may apply for a new certificate one (1) year from the date of such revocation.

SECTION 831. AMENDATORY 74 O.S. 2011, Section 130.21, is amended to read as follows:

Section 130.21 Any holder of a certificate or registration issued in accordance with the provisions of the Alternative Fuels Technician Certification Act shall promptly notify the ~~Office of Public Affairs~~ Office of Management and Enterprise Services of any change in such holder's address.

SECTION 832. AMENDATORY 74 O.S. 2011, Section 130.22, is amended to read as follows:

Section 130.22 All monies received by the ~~Department of Central Services~~ Office of Management and Enterprise Services under the Alternative Fuels Technician Certification Act shall be deposited with the State Treasurer and credited to the "Alternative Fuels Technician Certification Revolving Fund". The revolving fund shall be a continuing fund not subject to fiscal year limitations and shall be under the control and management of the ~~Department of Central Services~~ Office of Management and Enterprise Services. Expenditures from this fund shall be made pursuant to the purposes of the Alternative Fuels Technician Certification Act and shall include, but not be limited to, payment of operating costs, costs of programs designed to promote public awareness of the alternative fuels industry, expenditures for the preparation and printing of regulations, bulletins or other documents and the furnishing of copies of the documents to those persons engaged in the alternative fuels industry or the public, and expenses the ~~Department Office~~ incurs to support program operations. Warrants for expenditures shall be drawn by the State Treasurer based on claims signed by the ~~Department of Central Services~~ and approved for payment by the Director of ~~State Finance~~ the Office of Management and Enterprise Services.

SECTION 833. AMENDATORY 74 O.S. 2011, Section 150.19a, is amended to read as follows:

Section 150.19a There is hereby created in the State Treasury a revolving fund for the Oklahoma State Bureau of Investigation to be designated the "OSBI 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 property, fees and receipts collected pursuant to the Oklahoma Open Records Act, fines, forfeitures, fees, charges, receipts, donations, gifts, bequests, contributions, devises, interagency reimbursements, federal funds unless otherwise provided by federal law or regulation, or 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 Investigation for operating expenses of the Bureau, for the purpose of implementing the Oklahoma Reward System pursuant to Section 150.18 of this title, and to purchase equipment and provide training to law enforcement agencies located in the state, pursuant to Section 62.9 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 834. AMENDATORY 74 O.S. 2011, Section 150.25, is amended to read as follows:

Section 150.25 There is hereby created in the State Treasury a revolving fund for the Oklahoma State Bureau of Investigation, to be designated the "A.F.I.S. 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 Investigation, from appropriations, federal grants and assessments levied to said fund pursuant to law. All monies accruing to the credit of said fund are hereby appropriated and shall be budgeted and expended by the Oklahoma State Bureau of Investigation for the purpose of maintaining and operating the Automated Fingerprint Identification System (A.F.I.S.) until the indebtedness for the purchase of the automated fingerprint identification system equipment has been satisfied and to purchase equipment and provide training to law enforcement agencies located in the state, pursuant to Section 62.9 of this title. After the indebtedness has been satisfied, any monies not necessary for the maintenance, operating and upgrading expenses of the A.F.I.S. may be used for purchase, renovation or leasing of buildings, upgrading of laboratory equipment, and other capital expenditures of the Oklahoma State Bureau of Investigation and to purchase equipment and provide training to law enforcement agencies located in the state, pursuant to Section 62.9 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 835. AMENDATORY 74 O.S. 2011, Section 150.32, is amended to read as follows:

Section 150.32 A. There is hereby established the "Firearms Laboratory Improvement Fund". The fund shall be a continuing fund for the Oklahoma State Bureau of Investigation. The fund shall not be subject to fiscal year limitations and shall consist of monies received from all state agencies which seize assets pursuant to the Uniform Controlled Dangerous Substances Act during the fiscal year ending June 30, 1994. Each agency's contribution shall be determined on a pro rata basis based on the percentage of forfeitures collected by the agency during the fiscal year ending

June 30, 1993, in relation to the total monetary value of all forfeitures collected by all agencies contributing to the fund. The amount each agency is to contribute shall be determined by the Director of ~~State Finance~~ the Office of Management and Enterprise Services and the Cabinet Secretary for Safety and Security. Funds shall be transferred pursuant to a time schedule established by the Director of ~~State Finance~~ the Office of Management and Enterprise Services and the Cabinet Secretary for Safety and Security, but all such funds shall be transferred as available. The total amount of money to be paid into the fund shall not exceed One Hundred Forty-five Thousand Dollars (\$145,000.00). Funds collected in the Drugfire Project Fund during the 1994 fiscal year shall be carried over into the Firearms Laboratory Improvement Fund. 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 Firearms Laboratory Improvement Fund shall be used to upgrade the firearms laboratory services of the Oklahoma State Bureau of Investigation criminalistics laboratory. Expenditures from the fund shall be used only for training of personnel, matching funds for federal grants to obtain laboratory instrumentation, the purchase of laboratory instrumentation and equipment, and to upgrade existing laboratory instrumentation and equipment. If the Firearms Laboratory Improvement Fund is not expended by June 30, 1996, funds contributed by agencies shall be repaid to the agencies.

SECTION 836. AMENDATORY 74 O.S. 2011, Section 150.35, is amended to read as follows:

Section 150.35 There is hereby created in the State Treasury a revolving fund for the Oklahoma State Bureau of Investigation to be designated the "Forensic Science Improvement Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all appropriated funds, any funds from state, federal or other grants, the funds collected from assessments provided by Section 1313.4 of Title 20 of the Oklahoma Statutes, any monies transferred from the OSBI Revolving Fund; and any other monies designated to or deposited to the benefit of this fund. All monies accruing to the credit of this fund are hereby appropriated and may be budgeted and expended by the Oklahoma State Bureau of Investigation for the purpose of improvement of the forensic science services of the Oklahoma State Bureau of Investigation including, but not limited to:

1. Purchase, construction, renovation, financing or leasing of facilities and equipment;

2. Purchase, rental, upgrades, repair, and maintenance of instrumentation and equipment;

3. Salaries, benefits, training, equipment, supplies, and overhead expenses for agency personnel;

4. Education, training and development of OSBI personnel;

5. Destruction of seized property and chemicals;

6. Accreditation and quality assurance expenses;

7. Professional services contracts;

8. Purchase equipment and provide training to law enforcement agencies located in this state, pursuant to Section 62.9 of this title; and

9. Enhancement or implementation of forensic technologies.

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 837. AMENDATORY 74 O.S. 2011, Section 152.5, is amended to read as follows:

Section 152.5 A. All monies received from fines and forfeitures for violations of the provisions of this act on behalf of the Bureau, when collected by the court clerk, shall be deposited by such clerk as follows:

1. Fifty percent (50%) thereof with the county treasurer to be credited to the general fund of the county and so reported; and

2. Fifty percent (50%) shall be transmitted to the Oil and Gas Theft Recovery Fund by cash voucher and so reported.

B. All transmittals of monies under this section shall be accompanied by a report showing the name of the court, the number of

the case, the style of the case and the amount of fine and forfeiture in each separate instance.

C. There is hereby created in the State Treasury a revolving fund for the Bureau, to be designated the "Oil and Gas Theft Recovery Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies received by the Bureau, from fines and forfeitures received pursuant to this act. All monies accruing to the credit of said fund are hereby appropriated and may be budgeted and expended by the Bureau for the purpose of effectuating 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 838. AMENDATORY 74 O.S. 2011, Section 166.5, is amended to read as follows:

Section 166.5 A. The Commission for Rehabilitation Services 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. Formulate policies and adopt rules for the effective administration of the duties of the State Department of Rehabilitation Services;
3. Adopt an official seal;
4. Establish an office;
5. Sue and to be sued, subject to the provisions of The Governmental Tort Claims Act;
6. Make and enter into all contracts necessary or incidental to the performance of its duties and the execution of its powers;
7. Purchase or lease equipment, furniture, materials and supplies, and incur such other expenses as may be necessary to maintain and operate the Commission and the State Department of Rehabilitation Services, or to discharge its duties and responsibilities or to make any of its powers effective;

8. Acquire by purchase, lease, gift, solicitation of 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 this act; provided that, all contracts for real property shall be subject to the provisions of Section 63 of this title;

9. Appoint such officers, agents and employees as it deems necessary to operate and maintain the Commission and to prescribe their duties and to fix their compensation;

10. Perform such other acts as shall be necessary for the accomplishment of the purposes of Chapter 5A of this title; and

11. Serve as trustee for the trust created in subsection B of this section for the benefit of the Oklahoma School for the Blind and the Oklahoma School for the Deaf.

B. 1. The Commission for Rehabilitation Services is hereby authorized and directed to create a trust into which all real property held by the Commission for the benefit of the Oklahoma School for the Blind and the Oklahoma School for the Deaf shall be transferred.

2. The property placed in trust:

- a. shall be held for the sole benefit of the Oklahoma School for the Blind and the Oklahoma School for the Deaf,
- b. if not needed for use by the schools, may be leased or rented to others and all income received from such leases or rentals shall be payable to the Commission and deposited in the Rehabilitation Services Disbursing Fund for use by the Commission to fulfill the purposes of the Oklahoma School for the Blind and the Oklahoma School for the Deaf, and
- c. may be sold if the commissioners, acting as trustees, determine that the sale is in the best interest of the Oklahoma School for the Blind or the Oklahoma School for the Deaf. The proceeds from the sale of the property shall be held in the trust corpus and shall be invested by the State Treasurer. Income derived

from the corpus shall be used by the Commission for the purposes of the Oklahoma School for the Blind and the Oklahoma School for the Deaf.

3. The corpus of the trust may be disbursed only upon legislative approval.

4. The trust may be dissolved only upon legislative approval.

C. Upon the creation of the trust authorized in subsection B of this section, the ~~Department of Central Services~~ Office of Management and Enterprise Services shall provide all necessary assistance to the Department of Rehabilitation Services to identify and transfer all real property held by or for the benefit of the Oklahoma School for the Blind and the Oklahoma School for the Deaf to the trust.

SECTION 839. AMENDATORY 74 O.S. 2011, Section 166.7, is amended to read as follows:

Section 166.7 There is hereby created in the State Treasury a revolving fund for the Commission on Rehabilitation Services, to be designated the "Rehabilitation Services Disbursing Fund" provided that the fund may be designated by fiscal year designations as the Commission may determine. The fund shall be a continuing fund, not subject to fiscal year limitations. The fund shall consist of receipts from the federal government, monies appropriated to the Department of Rehabilitation Services by the State Legislature, and other receipts of the Department of Rehabilitation Services as shall be directed by the Commission for Rehabilitation Services. All monies accruing to the credit of said fund are hereby appropriated and may be budgeted and expended by the Commission for Rehabilitation Services as may be necessary in order to carry out the duties imposed upon the said Commission by law. Expenditures from the Rehabilitation Services Disbursing 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 840. AMENDATORY 74 O.S. 2011, Section 166.9, is amended to read as follows:

Section 166.9 A. Each state individual income tax return form and each corporate income tax return form for tax years commencing after December 31, 2001, shall contain a designation for donations

of tax refunds to the Oklahoma School for the Blind/Oklahoma School for the Deaf.

B. The monies generated pursuant to subsection A of this section shall be paid to the State Treasurer by the Oklahoma Tax Commission and placed to the credit of the Oklahoma School for the Deaf/Oklahoma School for the Blind Revolving Fund.

C. There is hereby created in the State Treasury a revolving fund for the State Department of Rehabilitation Services to be designated the "Oklahoma School for the Deaf/Oklahoma School for the Blind Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies apportioned to the fund pursuant to the provisions of this section. All monies accruing to the credit of the fund are hereby appropriated and may be budgeted and expended by the State Department of Rehabilitation Services for the purpose of funding programs at the Oklahoma School for the Deaf and the Oklahoma School for the Blind. Such monies shall be equally divided between the two designated schools. Expenditures from the fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

D. If a taxpayer makes a donation pursuant to subsection A of this section in error, such taxpayer may file a claim for refund at any time within three (3) years from the due date of the tax return pursuant to Section 2373 of Title 68 of the Oklahoma Statutes. Prior to the apportionment set forth in this section, an amount equal to the total amount of refunds made pursuant to this subsection during any one (1) year shall be deducted from the total donations received pursuant to this section during the following year and such amount deducted shall be paid to the State Treasurer and placed to the credit of the Income Tax Withholding Refund Account.

SECTION 841. AMENDATORY 74 O.S. 2011, Section 168, is amended to read as follows:

Section 168. A. ~~The Department of Central Services~~ Office of Management and Enterprise Services is hereby authorized to transfer to the Oklahoma Capitol Improvement Authority, for the purpose of erecting, operating and maintaining a building for the Library for the Blind and Physically Handicapped, the land described as a part of the Northwest Quarter of Section 27, Township 12 North, Range 3

West of the Indian Meridian, Oklahoma County, Oklahoma, more particularly described as follows: Beginning at the Southeast corner of the said NW 1/4 of the said Section 27; thence S 89 degrees 59' 33" W, a distance of 152.77 feet to a point; thence S 89 degrees 59' 29" W, a distance of 479.34 feet to a point; thence N 0 degrees 46' 09" E, a distance of 341.21 feet to the point and place of beginning; thence S 89 degrees 59' 29" W, a distance of 121.90 feet to a point; thence N 0 degrees 03' 26" W, a distance of 138.82 feet to a point; thence S 89 degrees 59' 29" W, a distance of 290.00 feet to a point; thence W 0 degrees 07' 52" W, a distance of 334.28 feet to a point; thence N 89 degrees 59' 29" E, a distance of 320.00 feet to a point; thence N 89 degrees 58' 51" E, a distance of 99.15 feet to a point; thence S 0 degrees 46' 09" W, a distance of 473.17 feet to the point and place of beginning, retaining an easement for vehicular access over and across a ~~forty (40) feet~~ forty-foot-wide strip of land, said strip being the Westerly forty (40) feet of the above described property, containing three and fifty-nine one-hundredths (3.59) acres.

B. For the purpose of paying the costs of the project authorized in subsection A of this section, the Oklahoma Capitol Improvement Authority is hereby authorized to borrow money on the credit of rental payments made by the Department of Human Services and, in anticipation of the collection of such rental payments, to issue negotiable bonds not to exceed the sum of Two Million Five Hundred Thousand Dollars (\$2,500,000.00) as may be necessary for such purpose as determined by the Authority. The Authority may retain such legal counsel as it deems necessary for this purpose subject to all requirements of the Public Competitive Bidding Act of 1974.

In order to prevent any defaults or threatened defaults in the payment of said bonds, the Authority is hereby authorized to require the State Department of Rehabilitation Services to be housed in said building and to pay rent for the use and occupancy of said building. Rents paid by the State Department of Rehabilitation Services shall be placed in the Oklahoma Capitol Improvement Authority Fund for the purpose of maintenance of the building, retiring said bonds, and related expenses. When all bonds issued for the construction of this building have been paid in full, the building shall become the property of the State Department of Rehabilitation Services and shall thereafter be under the full and exclusive supervision of the State Department of Rehabilitation Services.

C. The State Treasurer is hereby authorized to purchase said negotiable bonds.

D. The interest rate on the bonds issued pursuant to this section shall not exceed ten percent (10%) per annum.

E. Insofar as they are not in conflict with the provisions of this section, the provisions of Section 151 et seq. of Title 73 of the Oklahoma Statutes shall apply to this section.

SECTION 842. AMENDATORY 74 O.S. 2011, Section 212, is amended to read as follows:

Section 212. A. STATE TREASURER AND OKLAHOMA TAX COMMISSION

1. The State Treasurer and the Oklahoma Tax Commission shall prepare annual financial statements in accordance with the reporting requirements set forth by the Governmental Accounting Standards Board (GASB). The State Treasurer and the Tax Commission shall prescribe and implement sound internal control, accounting and recordkeeping practices consistent with and to facilitate compliance with all reporting requirements as set forth by law.

2. The annual financial statements of the State Treasurer and the Tax Commission shall be delivered by the State Treasurer and the Tax Commission to the State Auditor and Inspector within ninety (90) calendar days after the close of the state fiscal year.

3. The State Auditor and Inspector shall perform an audit of the annual financial statements of the State Treasurer and the Tax Commission for each state fiscal year. Such audits shall be conducted in accordance with auditing standards generally accepted in the United States and the standards applicable to financial audits contained in Government Auditing Standards, latest revised edition, issued by the Comptroller General of the United States. The State Auditor and Inspector shall complete the audits not later than ninety (90) calendar days after the financial statements are delivered to the State Auditor and Inspector. The annual audit reports and related financial statements shall be delivered by the State Auditor and Inspector to the Governor, President Pro Tempore of the Senate, and Speaker of the House of Representatives. The annual audit report and related financial statements of the State Treasurer shall also be delivered to the Attorney General and the members of the Cash Management and Investment Oversight Commission created by Section 71.1 of Title 62 of the Oklahoma Statutes. The

annual audit report and related financial statements of the Tax Commission shall also be delivered to the Director of ~~State Finance~~ the Office of Management and Enterprise Services and the Legislative Service Bureau. The State Auditor and Inspector shall conduct unannounced cash audits of the State Treasury at least once each quarter.

4. The audit of the Tax Commission shall be continuous in nature. The Tax Commission shall furnish the necessary office space for the employees of the State Auditor and Inspector making the audit and, to the extent of the amount included in the Tax Commission's appropriation therefor, the Tax Commission shall pay the expenses of the audits, including personal services, equipment and supplies, from the appropriation.

B. STATE AGENCIES

1. Except as otherwise provided by law, the State Auditor and Inspector shall audit at least once every two (2) fiscal years the books and accounts of all state agencies whose duty it is to collect, disburse or manage funds of the state. The State Auditor and Inspector shall audit a state agency each fiscal year if that state agency is required to be audited on an annual basis pursuant to the federal Single Audit Act of 1984, as amended, 31 U.S.C., Section 7501 et seq. If the state agency is audited only once every two (2) fiscal years, the audit shall cover both fiscal years.

2. Except as otherwise provided by law, the scope of audits performed by the State Auditor and Inspector shall include all funds collected, disbursed, or managed by a state agency including, but not limited to, all special, revolving, depository, canteen, or other nonstate funds.

3. As used in this section, "state agency" means every agency, board, or commission included in the primary government of the State of Oklahoma. For purposes of this paragraph, the primary government of the State of Oklahoma includes all agencies, boards, and commissions included in the primary government in the State of Oklahoma Comprehensive Annual Financial Report. The agencies, boards, and commissions included in the primary government of the State of Oklahoma shall be determined using criteria set by the Governmental Accounting Standards Board.

4. As used in this subsection, "audit" means any of the following:

- a. "financial audit", which means an audit of financial statements in order to express an opinion on the fairness with which they are presented in conformity with generally accepted accounting principles or any other comprehensive basis of accounting, as defined by the American Institute of Certified Public Accountants' Professional Standards, latest revised edition. Financial audits must be conducted in accordance with auditing standards generally accepted in the United States and the standards applicable to financial audits contained in Government Auditing Standards, latest revised edition, issued by the Comptroller General of the United States,
- b. "operational audit", which means an audit conducted in accordance with applicable Government Auditing Standards, the purpose of which is to evaluate management's performance in administering assigned responsibilities in accordance with applicable laws, administrative rules, and other policies and guidelines and to determine the extent to which the internal control, as designed and placed in operation, promotes and encourages the achievement of management's control objectives in the categories of compliance, reliability of financial records and reports, and safeguarding of assets,
- c. "performance audit", which means an audit of a program, activity, or function of a state agency conducted in accordance with applicable Government Auditing Standards. The term includes, but is not limited to, an audit to assess program, activity, or function effectiveness, economy and efficiency, internal control, or compliance,
- d. "special or investigative audit", which means an audit with respect to a particular situation which may be, but is not required to be, conducted in accordance with applicable Government Auditing Standards, and
- e. any other type of engagement conducted in accordance with Government Auditing Standards.

C. GUBERNATORIAL REQUEST

Whenever called upon to do so by the Governor, it shall be the duty of the State Auditor and Inspector to examine the books and accounts of any officer of the state or any of the officer's predecessors. The cost of the audit shall be borne by the entity to be audited.

D. COUNTY TREASURER

The State Auditor and Inspector shall examine without notice all books and accounts of each county treasurer of the state twice each year.

E. DISTRICT ATTORNEYS

1. The State Auditor and Inspector shall annually audit the books and accounts of the several offices of the district attorneys of this state. The audits shall be reported in separate reports for each entity. The audit may include, but shall not be limited to, the audit of the financial records, performance measures, and compliance with state or federal statutes and rules, and compliance with any regulations of state or federal programs. The expense of the audits shall be paid by the entity audited.

2. The State Auditor and Inspector shall examine and file a report of the accounts established within the office of each district attorney for bogus check programs, drug task force programs, child support collection programs, and any other programs receiving any nonstate funds. The reports shall be filed with the President Pro Tempore of the Senate, the Speaker of the House of Representatives, and the Executive Coordinator of the District Attorneys Council.

F. DEPARTMENT OF CORRECTIONS

The State Auditor and Inspector shall perform an annual audit, as defined in paragraph 4 of subsection B of this section, of the books and accounts of the Department of Corrections. The scope of the audit shall be determined by the State Auditor and Inspector using a risk-based approach. The audit may include, but shall not be limited to, the audit of the financial records, performance measures, and compliance with any state or federal statutes and rules, and compliance with any regulations of state or federal programs. The expense of the audits shall be paid by the Department of Corrections.

G. OKLAHOMA STATE AND EDUCATION EMPLOYEES GROUP INSURANCE AND BENEFITS BOARD

The State Auditor and Inspector shall cause to be audited the books and accounts of the office of the ~~Oklahoma State and Education Employees Group Insurance Board (OSEEGIB)~~ Oklahoma Employees Insurance and Benefits Board. The audit may include, but shall not be limited to, the audit of the financial records, performance measures, compliance with any state or federal statutes and rules, and compliance with any regulations of state programs. The audit shall be contracted out to private audit firms. The cost of the audit shall be borne by the ~~Oklahoma State and Education Employees Group~~ Insurance and Benefits Board.

H. DISTRICT ATTORNEY REQUEST

Whenever called upon to do so by any of the several district attorneys of the state, it shall be the duty of the State Auditor and Inspector to examine the books and accounts of any officer of any public entity. The cost of the audit shall be borne by the entity audited.

I. COUNTY OFFICERS BY REQUEST

Upon request of the county commissioners of any county or the Governor, the State Auditor and Inspector shall examine the books and accounts of all or any of the officers or custodians of the various funds of the county; and payment for such examination shall be made by the county so examined.

J. AUDITORS

The State Auditor and Inspector shall have power to employ auditors. No auditor shall examine the books or records of the county of the auditor's residence in counties of under two hundred thousand (200,000) population according to the most recent Federal Decennial Census. The State Auditor and Inspector may employ on an as-needed basis only, legal counsel to carry out the statutory duties of the Office of the State Auditor and Inspector.

K. EXAMINATION OF LEVIES

It shall be the duty of the State Auditor and Inspector to examine all levies to raise public revenue to see that they are made

according to law and constitutional provisions. The State Auditor and Inspector shall have the power to order all excessive or erroneous lines (levies) to be corrected by the proper officers, and shall report any irregularities to the Governor, the Speaker of the House of Representatives and the President Pro Tempore of the Senate.

L. PETITION AUDITS

1. The State Auditor and Inspector shall audit the books and records of any subdivision of the State of Oklahoma upon petition signed by the requisite number of voters registered in the subdivision and meeting the requirements set out in this subsection.

2. The petition must contain the number of signatures equivalent to ten percent (10%) of the registered voters of the subdivision as determined by the county election board or, if the county election board determines that the number of registered voters in the subdivision cannot be determined due to boundary lines not conforming to precinct lines, the required number of petitioners shall be twenty-five percent (25%) of the total number of persons voting in the last subdivision-wide general election held in the subdivision. If the subdivision is a public trust, the required number of petitioners shall be the same as those required for an audit of its beneficiary. The appropriate county election board shall provide the number of signatures so required upon request.

3. The petition shall be in the form of an affidavit wherein the signatory shall declare upon oath or affirmation that the information given is true and correct and that he or she is a citizen of the entity to be audited. The petition shall clearly state that falsely signing shall constitute perjury. It shall include the signature of the individual, the name of the signatory in printed form, the individual's residential address, the date of signing, the public entity to be audited and the anticipated range of the cost of the audit provided by the State Auditor and Inspector.

4. Any person desiring to petition for an audit shall list the areas, items or concerns they want to be audited, and request from the State Auditor and Inspector the anticipated range of cost of the audit. Within thirty (30) days from the receipt of the request, the State Auditor and Inspector shall mail a petition form to the person requesting the information which shall state the anticipated range of the cost and the items or concerns to be audited. The

circulators of the petition shall have thirty (30) days from the date the petition is mailed by the State Auditor and Inspector to obtain the requisite number of signatures and return it to the State Auditor and Inspector.

5. Upon collection of the required number of signatures, the person desiring the audit shall present the signed petitions to the State Auditor and Inspector. Within thirty (30) days of receipt of the petitions, the State Auditor and Inspector shall present the petitions to the county election board located in the county in which the subdivision is located.

6. The county election board shall determine whether the signers of the petition are registered voters of the county in which the subdivision to be audited is located and whether the petition has the requisite number of signatures of such registered voters. The county election board shall certify the petition as having the required number of signatures or as failing to have the required number of signatures and return it to the State Auditor and Inspector.

7. The cost of the audit shall be borne by the public entity audited. Upon notification by the State Auditor and Inspector of receipt of the petition, certified by the county election board as having the required number of signatures, the public entity shall encumber funds in an amount specified by the State Auditor and Inspector, which shall be within the range of anticipated cost stated on the petition from any funds not otherwise specifically appropriated or allocated. Payment for the audit from such encumbered funds shall be made as work progresses, and final payment shall be made on or before its publication.

8. The names of the signers of any petition shall be confidential and neither the State Auditor and Inspector, the county election board nor the county treasurer may release them to any other person or entity except upon an order from a court of competent jurisdiction.

M. PENALTIES FOR NONPAYMENT

Except as otherwise provided by law, the cost of any services provided by the State Auditor and Inspector or as specified in an audit contract shall be borne by the entity or fund audited and shall be due and payable upon receipt of progress billing during the course of an audit. Any such costs not paid within ninety (90) days

of the date of receipt of billing shall incur a penalty of Ten Dollars (\$10.00) per day for each day from the date of receipt of billing.

SECTION 843. AMENDATORY 74 O.S. 2011, Section 212A, is amended to read as follows:

Section 212A. A. 1. Except as otherwise provided by law, all government entities, as defined by the Governmental Accounting Standards Board, shall have an audit conducted in accordance with auditing standards generally accepted in the United States of America and Government Auditing Standards. Copies of any audit, performance audit, agreed-upon-procedures report, or other attestation engagement report produced by a person other than the State Auditor shall be filed with the State Auditor and Inspector by that person. The expense of the audit shall be paid by the government entity. For fiscal years ending after December 31, 1995, all government entities receiving public funds that are included in the reporting entity of the State of Oklahoma shall file a copy of the audit required by this paragraph with the Director of ~~State Finance~~ the Office of Management and Enterprise Services no later than four (4) months after the end of the fiscal year of the government entity. For purposes of this paragraph, the reporting entity of the State of Oklahoma includes all government entities included in the State of Oklahoma Comprehensive Annual Financial Report. The government entities included in the State of Oklahoma reporting entity shall be determined by the Director of ~~State Finance~~ the Office of Management and Enterprise Services using criteria set by the Governmental Accounting Standards Board.

2. Any public accountant or certified public accountant filing an audit, performance audit, agreed-upon-procedures report or other attestation engagement report with the State Auditor and Inspector pursuant to this section shall be required to pay a filing fee of One Hundred Dollars (\$100.00) for the purposes of processing such reports and ensuring compliance with the provisions of this section. Such payments shall be deposited in the State Auditor and Inspector Revolving Fund, created pursuant to Section 227.9 of this title.

B. All registrants, as defined in the Oklahoma Accountancy Act, before entering into audit contracts required under this section, shall satisfy the Oklahoma Accountancy Board and the State Auditor and Inspector that such registrant meets Government Auditing Standards and has a current permit to practice issued by the Oklahoma Accountancy Board.

The State Auditor and Inspector shall receive annual reports from the Oklahoma Accountancy Board of all registrants meeting the requirements of this subsection. The Oklahoma Accountancy Board shall provide changes and updates to the annual report to the State Auditor and Inspector upon request.

C. Schedules of federal awards expended will be in a form consistent with the guidance in the most recent audit guide for state and local governments prepared by "The American Institute of Certified Public Accountants". State agencies or other pass-through grantors of federal awards expended will not place reporting requirements on a grantee or subrecipients in addition to the required federal compliance reports and schedules of federal awards expended, without approval of the State Auditor and Inspector.

D. All governmental entities shall report grant funds received, administered or used by the entity and all grant funds under the direct or indirect control of the governmental entity or any of its employees in their employment capacity. A copy of the report shall be filed with the State Auditor and Inspector and the Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services within four (4) months after the end of the fiscal year of the governmental entity. The State Auditor and Inspector may audit any funds reported. The cost of the audit shall be paid by the governmental entity unless the grant provides for the cost of audits from grant funds.

SECTION 844. AMENDATORY 74 O.S. 2011, Section 213.2, is amended to read as follows:

Section 213.2 A. There is hereby created in the Office of the State Auditor and Inspector a Performance Audit Division, subject to the discretion of the State Auditor and Inspector. An Assistant State Auditor and Inspector may be appointed to direct the operations of the Division, subject to the supervision and control of the State Auditor and Inspector at all times.

B. The State Auditor and Inspector, deputies and agents of the Performance Audit Division may examine all books and accounts of all public officers, institutions and other governmental entities specified in Sections 212 through 227.9 of this title to instruct the proper officers thereof in the performance of their duties and to prescribe cost-effective methods of operating such governmental entities; provided, however, the State Auditor and Inspector shall

perform the examinations authorized in this subsection upon receiving a written request to do so by the Governor, the chief executive officer of a governmental entity or pursuant to a joint or concurrent resolution of the Legislature. A copy of the examination shall be given to the examined entity. A copy of any examination conducted pursuant to this subsection shall be submitted to the Governor, the Speaker of the House of Representatives, the President Pro Tempore of the Senate, the appropriations and budget chairs of the House of Representatives and the Senate, and the Minority Leader of the House of Representatives and of the Senate.

C. The cost of the examinations authorized pursuant to subsection B of this section shall be borne by the examined agency in an amount not to exceed the actual costs of the examination. Prior to the start of such an examination, the State Auditor and Inspector shall prepare in writing and present to the affected state agency an estimate of the cost of the examination. If the estimate requires revision, the State Auditor and Inspector shall notify the agency in a prompt manner. Except as otherwise provided, the State Auditor and Inspector shall recover its costs for the examination pursuant to monthly progress billings presented by the State Auditor and Inspector to the ~~Office of State Finance~~ Office of Management and Enterprise Services detailing current monthly costs for each examination. In addition, the State Auditor and Inspector shall provide a copy of the billing to the affected state agency. The ~~Office of State Finance~~ Office of Management and Enterprise Services may deduct the amounts billed from the next subsequent allotment for the corresponding state agency and transfer the funds to the State Auditor and Inspector Revolving Fund.

D. The salaries and traveling expenses of the Assistant State Auditor and Inspector, deputies and agents of the Performance Audit Division and the costs of material, supplies and equipment for the Division shall be paid from funds made available through appropriation by the Legislature.

E. The State Auditor and Inspector shall submit an annual report of the Performance Audit Division to the Governor, the President Pro Tempore of the Senate, the Speaker of the House of Representatives, appropriations and budget chairs of the House of Representatives and the Senate, and the Minority Leader of the Senate and of the House of Representatives.

SECTION 845. AMENDATORY 74 O.S. 2011, Section 227.9, is amended to read as follows:

Section 227.9 There is hereby created in the State Treasury a revolving fund for the Office of the State Auditor and Inspector to be designated the "State Auditor and Inspector Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all money paid to and received by the State Auditor and Inspector from state agencies, boards and commissions authorized by statute to pay the expense of audits and consulting services, money received for performance of audits and consulting services pursuant to contract entered into under the authority of Section 227.8 of this title, funds received from state agencies, boards and commissions receiving federal grants of funds which require periodic audits under said grants or any federal regulations, all money received from counties, cities, towns and public trusts in payment of audit expense, funds appropriated to state agencies, boards and commissions for payment of audit expense, and fees collected pursuant to Section 212A 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 State Auditor and Inspector for expenses necessary for the performance of duties imposed upon the Office of the State Auditor and Inspector 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. The State Auditor and Inspector shall at the close of each fiscal year pay into the General Revenue Fund of the state any unencumbered balance remaining in said revolving fund in excess of Eight Hundred Fifty Thousand Dollars (\$850,000.00).

SECTION 846. AMENDATORY 74 O.S. 2011, Section 291.2, is amended to read as follows:

Section 291.2 The Board on Legislative Compensation created by ~~Article 5,~~ Section 21, of Article V of the Oklahoma Constitution shall meet on the third Tuesday of October in every odd-numbered year at nine o'clock a.m. in the State Capitol Building, at which meeting the Board shall review the compensation paid to members of the State Legislature and, if necessary, change the compensation. The Board may, at the call of its chairman or upon a majority vote of its membership, hold such additional meetings as are necessary to carry out its official duties. Any change in legislative compensation shall be made by the Board no later than the third Tuesday of November in said odd-numbered year. Five members of the Board shall constitute a quorum and a majority vote of such quorum

shall be necessary for the Board to act. The appointed members of said Board shall serve terms which run concurrently with the terms of the respective appointing authorities and shall serve at their pleasure. The Director of ~~State Finance~~ the Office of Management and Enterprise Services shall serve as Secretary to the Board. The Board shall elect such other officers as they deem needed from their membership. No member of the Board shall be a lobbyist as required to be registered pursuant to the Oklahoma Campaign Compliance and Ethical Standards Act.

SECTION 847. AMENDATORY 74 O.S. 2011, Section 292.12, is amended to read as follows:

Section 292.12 A. The ~~Administrator~~ Director of the ~~Office of Personnel Management~~ Office of Management and Enterprise Services is hereby directed to implement a direct deposit system for employees who are subject to the provisions of the Oklahoma State Employees' Direct Deposit Act. There shall be no service charge of any type paid by the state employee at any time which shall decrease the net amount of the employee's salary deposited to the financial institution of the personal choice of the employee as a result of the implementation and administration of the Oklahoma State Employees' Direct Deposit Act.

1. Employees hired after December 31, 2004, shall participate in the direct deposit system. At the time the employee enters on duty, the employee shall identify a financial institution that will serve as a personal depository agent for the employee.

2. Employees hired before December 31, 2004, shall participate in the direct deposit system. No later than June 30, 2007, each employee hired before December 31, 2004, who is not a participant in the direct deposit system, shall identify a financial institution that will serve as a personal depository agent for the employee.

B. The ~~Administrator~~ Director of the ~~Office of Personnel Management~~ Office of Management and Enterprise Services shall promulgate rules as necessary for implementation and administration of the system, which shall include limited exceptions to required participation by employees.

C. All employers shall begin offering direct deposit to any eligible employee not later than January 1, 1992.

SECTION 848. AMENDATORY 74 O.S. 2011, Section 324.20b, is amended to read as follows:

Section 324.20b There is hereby created in the State Treasury a revolving fund for the State Fire Marshal to be designated the "State Fire Marshal Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of monies received from the sale of surplus property, fees and receipts collected pursuant to the Oklahoma Open Records Act, fines, forfeitures, fees, charges, receipts, donations, gifts, bequests, contributions, devises, interagency reimbursements, federal funds unless otherwise provided by federal law or regulation, or any other source. The fund shall consist of no more than Five Hundred Fifty Thousand Dollars (\$550,000.00). All monies accruing to the credit of the fund are hereby appropriated and may be budgeted and expended by the State Fire Marshal for authorized purposes. 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 849. AMENDATORY 74 O.S. 2011, Section 325.4, is amended to read as follows:

Section 325.4 There is hereby created in the State Treasury a revolving fund for the Office of the State Fire Marshal to be designated the "Firefighter Training Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of monies received by the Office of the State Fire Marshal from the General Revenue Fund or any source pursuant to the provisions of any law or agreement. All monies accruing to the credit of the fund are hereby appropriated and may be budgeted and expended by the Office of the State Fire Marshal for payment of the firefighter training programs through Oklahoma State University Fire Service Training. 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 850. AMENDATORY 74 O.S. 2011, Section 452.10, is amended to read as follows:

Section 452.10 A. Each state agency shall furnish copies of financial audits, compliance audits, and program reviews on its entity to the ~~Office of State Finance~~ Office of Management and

Enterprise Services, the State Auditor and Inspector, and the Legislative Service Bureau.

B. Each state agency shall furnish copies of all audits performed on its entity to the Legislature as required by the Legislative Review of State Audits Act.

C. Copies of audits furnished to the State Auditor and Inspector shall be furnished in accordance with the provisions of Section 212A of this title.

SECTION 851. AMENDATORY 74 O.S. 2011, Section 452.12, is amended to read as follows:

Section 452.12 For purposes of the Legislative Review of State Audits Act:

1. "Agency" includes, but is not limited to, any constitutionally or statutorily created board, bureau, commission, office, institution, authority, university, college, and any other person or administrative division of state government expending or encumbering state funds, handling money on behalf of the state, or holding any trust funds on behalf of the state from any source derived. The term "agency" shall not include the Governor, the Legislature or any branch, committee or officer thereof, the courts or any political subdivision of the state;

2. "Audit" includes all types of audits as defined by Government Auditing Standards issued by the United States Comptroller General and includes, but is not limited to, an examination, an investigation or a review required by or performed as a result of state or federal law or program or rules thereof or any examination, investigation or review in which any agency, state or federal funds or both state and federal funds are expended for any agency matter relating to:

- a. compliance by an agency with all applicable state and federal laws and rules,
- b. internal controls,
- c. the efficiency and the economy of agency financial operations. Economy and efficiency audits include determining:

- (1) whether the agency is acquiring, protecting and using its resources economically and efficiently,
 - (2) the causes of inefficiencies or uneconomical practices, and
 - (3) whether the agency has complied with laws and rules concerning economy and efficiency, or
- d. the effectiveness of an agency in achieving desired program results. Program audits include determining:
- (1) the extent to which the desired results or benefits established by the Legislature or other body are being achieved,
 - (2) the effectiveness of organizations, programs, activities or functions, and
 - (3) whether the agency has complied with significant laws and rules applicable to the program.

The term "audit" shall not include position audits or payroll audits performed by the ~~Office of Personnel Management~~ Office of Management and Enterprise Services, inmate sentence audits conducted by the Oklahoma Department of Corrections or confidential requests made by any member of the Legislature or the Governor's office;

3. "Auditor" means any person, corporation, partnership, federal agency or state agency, or other legal public or private entity performing any service meeting the definition of "practice of public accounting" in the Oklahoma Accountancy Act on an agency;

4. "Audit report" means the final report in a written document which contains the comments and recommendations of the auditor. The audit report shall also include, if any, comments of the agency on which the audit was performed; and

5. "Records" includes, but is not limited to, books, papers, maps, photographs, cards, tapes, recordings, or other documentary materials, regardless of physical form or characteristics, prepared, owned, used, or in the possession of or retained by the auditor, or the agency, or both the auditor and agency.

SECTION 852. AMENDATORY 74 O.S. 2011, Section 456.7, is amended to read as follows:

Section 456.7 A. For purposes of this section, the term "unit of state government" shall mean the state, or any department, board, commission, institution or agency thereof.

B. A copy of the inventory required pursuant to Section 204 of Title 61 of the Oklahoma Statutes shall be sent to the Director of the Division of Planning and Management Analysis in the Office of the Governor.

C. Upon the determination, by any unit of state government that:

1. Any real property owned or under its control is surplus;
2. It is anticipated that such property will no longer be used for its current purpose; or
3. The operation of such property is no longer necessary or economically feasible;

the unit of state government shall send written notice of such determination to the ~~Department of Central Services~~ Office of Management and Enterprise Services. Upon receipt of such determination, the ~~Department of Central Services~~ Office of Management and Enterprise Services shall notify the Director of the Division of Planning and Management Analysis in the Office of the Governor of the information. The Director of the Division of Planning and Management Analysis shall then conduct a study, in cooperation with any affected community in which the real property is located, detailing and prescribing alternate uses of such real property. The Director of the Division of Planning and Management Analysis shall provide for the public notification of such study and shall notify other units of state government, and the county governmental officials and any officers of the municipality in which such real property is located. The study shall also include whether the real property is especially suited to the special needs of any particular unit of state government or may be used advantageously by a particular unit of state government in carrying out its assigned duties or functions. Upon completion of such study, the Director of the Division of Planning and Management Analysis shall submit a written report to the Speaker of the House of Representatives, the President Pro Tempore of the Senate, the Governor and the affected

unit of state government detailing his findings and recommendations concerning such real property.

- D. The provisions of this section shall apply to all real property and interests in real property except railroad and highway right-of-ways owned by the state or by any department, board, commission, institution or agency thereof or the real property and improvements described in subsection C of Section ~~±~~ 6201 of this ~~act~~ title.

SECTION 853. AMENDATORY 74 O.S. 2011, Section 500.2, is amended to read as follows:

Section 500.2 A. Officials and employees of the state, traveling on authorized state business, may be reimbursed for expenses incurred in such travel in accordance with the provisions of the State Travel Reimbursement Act and existing statutes relating to state travel. Persons who are not state employees, but who are performing substantial and necessary services to the state which have been directed or approved by the appropriate department official shall enjoy the protection of the sovereign immunity of the state to the same extent as a paid employee. Such persons may be reimbursed for expenses incurred during authorized official travel under these same statutory provisions, provided it is indicated on the claim the person is not a state employee, a description of services performed is entered, and the agency head by approval of the claim certifies such services were substantial and necessary, and germane to the duties and functions of the reimbursing agency. Travel expenses incurred by a person during the course of seeking employment with a state agency, unless such travel is performed at the request of the employing agency, shall not be considered expenses incurred in performing substantial and necessary services to the state and shall not be reimbursed under the provisions of the State Travel Reimbursement Act.

B. The chief administrative officer of the Department of Public Safety, the Oklahoma State Bureau of Investigation, the Oklahoma State Bureau of Narcotics and Dangerous Drugs Control, the Military Department of the State of Oklahoma, the Department of Corrections, the ~~Department of Central Services~~ Office of Management and Enterprise Services, the Alcoholic Beverage Laws Enforcement Commission, the Oklahoma Department of Agriculture, Food, and Forestry, the Oklahoma Department of Emergency Management, the State Fire Marshal, and the State Department of Health may arrange for and charge meals and lodging for a contingent of state personnel moved

into an area for the purpose of preserving the public health, safety, or welfare or for the protection of life or property. The cost for meals or lodging so charged shall not exceed the amount authorized in the State Travel Reimbursement Act. The chief administrative officer of each agency involved in such an operation shall require the vendor furnishing meals, lodging, or both meals and lodging to submit an itemized statement for payment. When a claim for lodging is made for a contingent of state personnel, individual members of the contingent may not submit a claim for lodging. When a claim for meals is made for a contingent of state personnel, individual members of the contingent may not submit a claim for meals.

C. The Oklahoma Department of Commerce, the Oklahoma Center for the Advancement of Science and Technology, and the Oklahoma Department of Agriculture, Food, and Forestry are hereby authorized to enter into contracts and agreements for the payment of food, lodging, meeting facility and beverage expenses as may be necessary for sponsoring seminars and receptions relating to economic development and science and technology issues. Such expenses may be paid directly to the contracting agency or business establishment. The Director of the Oklahoma Department of Commerce, the President of the Oklahoma Center for the Advancement of Science and Technology, and the Commissioner of Agriculture shall each provide a quarterly report of such expenditures to the Governor, the Speaker of the House of Representatives and the President Pro Tempore of the Senate.

D. The Native American Cultural and Educational Authority is hereby authorized to enter into contracts and agreements for the payment of food, lodging, and meeting facility as may be necessary to pursue the promotion of fund-raising, marketing, and development of Native American educational programs and cultural projects, or to sponsor luncheons, seminars, and receptions relating to Native American educational, cultural, museum, and economic development issues. Such expenses may be paid directly to the contracting agency or business establishment. The Executive Director shall provide a monthly report of expenditures to the Board.

E. For purposes of this section:

1. "State agency" means any constitutionally or statutorily created state board, commission, or department, including the Legislature and the Courts;

2. State agencies are authorized to enter into contracts and agreements for the payment of food and lodging expenses as may be necessary for employees or other persons who are performing substantial and necessary services to the state by attending official conferences, meetings, seminars, workshops, or training sessions or in the performance of their duties. Such expenses may be paid directly to the contracting agency or business establishment, provided the meeting qualifies for overnight travel for the employees and the cost for food and lodging for each employee shall not exceed the total daily rate as provided in the State Travel Reimbursement Act;

3. State agencies are authorized to enter into contracts and agreements for the payment of conference registration expenses as may be necessary for employees or other persons who are performing substantial and necessary services to the state by attending official conferences, meetings, seminars, workshops, or training sessions. Such expenses may be paid directly to the contracting agency or business establishment; and

4. State agencies are authorized to enter into contracts and agreements for the payment of food and lodging expenses as may be necessary for employees attending an official course of instruction or training conducted or sponsored by any state agency. Expenses may be paid directly to the contracting agency or business establishment. The cost for food and lodging for each employee shall not exceed the total daily rate as provided in the State Travel Reimbursement Act.

F. State agencies are authorized to make direct purchases of commercial airline tickets for use by employees in approved out-of-state travel. Each claim or invoice submitted to the Director of ~~State Finance~~ the Office of Management and Enterprise Services for the payment of the purchase shall bear the airline identifying ticket number, the name of the airline, total cost of each ticket purchased, class of accommodation, social security number, and name of the employee for whom the ticket was purchased, and shall be filed on claim forms as prescribed by the Director of ~~State Finance~~ the Office of Management and Enterprise Services. The employee shall sign an affidavit stating that the employee did use any direct purchase commercial airline ticket received for his or her approved out-of-state travel.

G. 1. ~~The Administrator of the Office of Personnel Management~~ Director of the Office of Management and Enterprise Services is

hereby authorized to enter into contracts and agreements for the payment of food, lodging, and other authorized expenses as may be necessary to host, conduct, sponsor, or participate in conferences, meetings, or training sessions. The ~~Administrator~~ Director may establish accounts as necessary for the collection and distribution of funds, including funds of sponsors and registration fees, related to such conferences, meetings, and training sessions. Expenses incurred may be paid directly to the contracting agency or business establishment.

2. The cost of food for persons attending any conferences, meetings, and training sessions that do not require overnight travel shall not exceed the total daily rate as provided in the State Travel Reimbursement Act.

H. 1. The Commissioner of the Department of Mental Health and Substance Abuse Services is hereby authorized to enter into contracts and agreements for the payment of food, lodging, and other authorized expenses as may be necessary to host, conduct, sponsor, or participate in conferences, meetings, or training sessions. The Commissioner may establish accounts as necessary for the collection and distribution of funds, including funds of sponsors and registration fees, related to such conferences, meetings, and training sessions. Any expenses incurred may be paid directly to the contracting agency or business establishment.

2. The cost of food for persons attending any conferences, meetings, and training sessions that do not require overnight travel shall not exceed the total daily rate as provided in the State Travel Reimbursement Act.

I. The Oklahoma Indigent Defense System is hereby authorized to enter into contracts and agreements for the payment of lodging as necessary for employees to carry out their duties in representing any client whom the System has been properly appointed to represent. Such expenses may be paid directly to the contracting agency or business establishment. The cost for lodging for each employee shall not exceed the daily rate as provided in the State Travel Reimbursement Act.

J. The Oklahoma Tourism and Recreation Department is hereby authorized to enter into contracts and agreements for the payment of food, lodging, and meeting facility and beverage expenses as may be necessary for seminars and receptions relating to familiarization tours and tourism development. The expenses may be paid directly to

the contracting agency or business establishment. The Executive Director of Oklahoma Tourism and Recreation Department shall provide a monthly report of any such expenditures to the Oklahoma Tourism and Recreation Commission.

K. The Oklahoma Tourism and Recreation Department is hereby authorized to enter into contracts and agreements for the payment of exhibitor fees and display space charges at expositions to promote the Department's recreational facilities and the tourism and recreation industry. The expenses may be paid directly to the contracting agency or business establishment; provided that no payment shall be made prior to the event unless it conveys a property right to the state for future availability and use.

L. 1. The Oklahoma Highway Safety Office of the Department of Public Safety is hereby authorized to enter into contracts and agreements for the payment of food, lodging, and other authorized expenses as may be necessary, to host, conduct, sponsor, or participate in highway-safety-related conferences, workshops, seminars, meetings, or training sessions. The payments shall be for all persons in attendance, including, but not limited to, employees of political subdivisions or employees of the state or federal government. For purposes specified in this paragraph, only federal highway safety funds may be used in accordance with federal guidelines and regulations, and no appropriated state funds shall be used.

2. The cost of food for persons attending any highway safety conferences, workshops, seminars, meetings, and training sessions that do not require overnight travel shall not exceed the total daily rate as provided in the State Travel Reimbursement Act.

M. 1. The Director of the Oklahoma State Bureau of Investigation is hereby authorized to enter into contracts and agreements for the payment of food, lodging and other authorized expenses as may be necessary to host, conduct, sponsor or participate in any conference, meeting, training session or initiative to promote the mission and purposes of the Bureau. The payments may be for all persons in attendance, including, but not limited to, employees of political subdivisions or employees of the state or federal government.

2. The cost of food for persons that do not require overnight travel shall not exceed the total daily rate as provided in the State Travel Reimbursement Act.

N. The Oklahoma Homeland Security Director is hereby authorized to enter into contracts and agreements for the payment of food, lodging and other authorized expenses as may be necessary to host, conduct, sponsor, or participate in homeland security related conferences, meetings, workshops, seminars, exercises or training sessions. The expenses may be paid directly to the contracting agency or business establishment.

O. 1. The Insurance Commissioner of the Insurance Department of the State of Oklahoma is hereby authorized to enter into contracts and agreements for the payment of food, lodging, and other authorized expenses as may be necessary to host, conduct, sponsor, or participate in conferences, meetings, or training sessions. The Commissioner may establish accounts as necessary for the collection and distribution of funds, including funds of sponsors and registration fees, related to such conferences, meetings, and training sessions. Any expenses incurred may be paid directly to the contracting agency or business establishment.

2. The cost of food for persons attending any conferences, meetings, and training sessions that do not require overnight travel shall not exceed the total daily rate as provided in the State Travel Reimbursement Act.

P. 1. The State Regents for Higher Education is hereby authorized to enter into contracts and agreements for the payment of food, lodging, and other authorized expenses as may be necessary to host, conduct, sponsor, or participate in conferences, meetings, or training sessions. The State Regents for Higher Education may establish accounts as necessary for the collection and distribution of funds, including funds of sponsors and registration fees, related to such conferences, meetings, and training sessions. Any expenses incurred may be paid directly to the contracting agency or business establishment.

2. The cost of food for persons attending any conferences, meetings, and training sessions that do not require overnight travel shall not exceed the total daily rate as provided in the State Travel Reimbursement Act.

SECTION 854. AMENDATORY 74 O.S. 2011, Section 500.6A, is amended to read as follows:

Section 500.6A A. No person shall travel on any aircraft owned, leased, chartered, or operated by the state to or from any place where such person:

1. Attends an event sponsored by, or an event in support of or in opposition to, a political party, a political action committee, or a political candidate;

2. Performs a service for which the person or any member of the immediate family of the person has or will receive compensation, including honoraria, other than the salary the person receives from the state;

3. Attends an event at which others in attendance have been or will be charged an admission fee or at which a donation of money or other thing of value is directly or indirectly charged, requested, solicited, demanded, exacted, sought, accepted, assigned, or received, unless:

- a. the admission fee or donation is charged, requested, solicited, demanded, exacted, sought, accepted, assigned, or received by a charitable or nonprofit association, or
- b. the admission fee is the regular and usual fee charged for admission to such event, and such event is not in any manner associated with, sponsored by, or designed to benefit a political party, a political candidate, or is otherwise intended to further a partisan political purpose; and

4. Attends an event at which an audience was charged an admission fee to see or hear the person, unless the admission fee is charged by a charitable or nonprofit association.

B. ~~The Office of State Finance~~ Office of Management and Enterprise Services shall prescribe a travel log form, to be designated the "Travel Use Log", to record information to be used by a state entity providing the aircraft when a person travels on any aircraft owned, leased, chartered, or operated by the state. The information provided by the Travel Use Log form shall include:

1. The date and time of the flight;
2. The registration number of the aircraft flown;

3. The trip itinerary, including the date and time and each location from which the aircraft takes off or at which the aircraft lands during a trip;

4. The purpose of each landing during a trip, including but not limited to whether the landing is:

- a. for the purpose of giving a speech or other presentation,
- b. for attendance at a meeting, event, or other gathering, or
- c. for the performance of a service;

5. The name of the group sponsoring the speech, presentation, meeting, event, or gathering, or receiving the service specified in paragraph 4 of this subsection;

6. The printed name of each person traveling on the aircraft, including the person, each crew member, and any other passengers traveling on the aircraft, and the location at which each such person, crew member, or passenger boarded and disembarked;

7. The state entity on whose behalf the passenger or crew member was traveling;

8. Total flight time;

9. Trip charges, including fuel costs, landing or hangar fees, pilot waiting time and total trip mileage;

10. Beginning and ending tachometer or Hobbs reading; and

11. Flight conditions and number of day and night landings.

C. The state entity providing an aircraft for travel shall promulgate rules establishing procedures to ensure:

1. That those persons who travel on such aircraft provide in a legible manner all information required by the Travel Use Log form;

2. That the Travel Use Log forms are maintained and made available upon request pursuant to the provisions of the Oklahoma Open Records Act;

3. That summaries of the Travel Use Log on the use of the aircraft compiled by a state entity be filed with the Governor, the ~~Office of State Finance~~ Office of Management and Enterprise Services, the Speaker of the House of Representatives and the President Pro Tempore of the Senate annually. The summaries shall contain the following information:

- a. a chronological listing of the date and time of flights,
- b. a listing of each location from which the aircraft takes off or at which the aircraft lands during each trip,
- c. a listing of the names of each passenger,
- d. total flight time, and
- e. total cost of trip based on the number of hours of flight time at a standard hourly rate which shall be approximately the cost of chartering a comparable aircraft.

D. The signature on the Travel Use Log form of each crew member shall constitute certification that the information provided on the Travel Use Log form is true and correct to the best of the information and belief of that crew member.

E. The state entity providing an aircraft for travel by a person shall keep a copy of the completed Travel Use Log form required by this section for the time period required by the Archives and Records Act for each such trip.

F. The provisions of this section shall not be construed to prohibit immediate family members of the Governor or Lieutenant Governor from accompanying the Governor or Lieutenant Governor on a trip made in compliance with the provisions of this section on a state aircraft. As used in this section, "immediate family members" means a parent, a spouse, a child, a stepchild, a foster child, and any individual claimed by the Governor or Lieutenant Governor or the

spouse of the Governor or Lieutenant Governor as a dependent for tax purposes.

G. The provisions of this section shall not be construed to prohibit a person from using an aircraft owned, leased, chartered, or operated by the state to travel to or from any place where the person is attending a function sponsored by an organization to which the State of Oklahoma pays membership dues even though the organization provides time on the agenda for functions separately sponsored by partisan political organizations.

SECTION 855. AMENDATORY 74 O.S. 2011, Section 500.9, is amended to read as follows:

Section 500.9 A. Reimbursement for overnight lodging, while in official travel status, may be made at not to exceed an amount authorized by the provisions of the Internal Revenue Code of 1986, as amended, for deductibility of expenses for travel while away from home without additional documentation or the actual cost, if lower, per night except as provided in subsections C, D and F of this section and Section 500.9A of this title. Receipts issued by the hotel, motel or other public lodging place shall accompany claims for reimbursement.

B. A per diem allowance in lieu of subsistence may be authorized by a travel claim issued in accordance with Section 500.3 of this title, which shall include all charges for meals and lodging. Not to exceed an amount authorized by the provisions of the Internal Revenue Code of 1986, as amended, for deductibility of expenses for travel while away from home without additional documentation may be authorized on the travel claim for the performance of travel within the State of Oklahoma and not to exceed Thirty-six Dollars (\$36.00) per diem may be authorized for the performance of travel outside the State of Oklahoma. In computing the per diem allowance, a day shall be a period of twenty-four (24) hours. Reimbursement for each one-fourth (1/4) day consisting of six (6) hours or major fraction thereof, more than three (3) hours, may be made at the rate of the daily allowable rate. Provided, however, that no per diem shall be allowed pursuant to this section for periods of less than overnight in travel status. Reimbursement for expenses other than meals and lodging may also be made in accordance with the provisions of this act.

C. State officers or employees attending meetings, workshops, conferences or other objectives of trips which are conducted at a

designated hotel, motel or other public lodging place or where lodging has been arranged for by the blocking of rooms or by rate reductions for the participants by the sponsor as evidenced by the announcement or notice of the meeting, workshop, conference or other objective shall be reimbursed the actual lodging expense not to exceed the single occupancy room rate charged by the designated hotel, motel or other public lodging place, provided that the officials or employees are in official travel status approved by the agency head or designee. Provided further, those state officers or employees attending meetings, workshops, conferences or other objectives of trips, which are conducted at a designated hotel, motel or other public lodging place as provided by this subsection, who choose to acquire less expensive lodging at another hotel, motel or other public lodging place shall be reimbursed the actual lodging expense not to exceed the single occupancy room rate charged by the designated hotel, motel or other public lodging place. Provided further, those state officers or employees so choosing this option shall be reimbursed for local transportation costs incurred traveling between such optional lodging and the designated hotel, motel or other public lodging place not to exceed the difference between the cost of the designated lodging and the cost of the optional lodging. Receipts issued by the hotel, motel or other public lodging place shall accompany claims for reimbursement.

D. State officers and employees who have been required to attend hearings or meetings of any congressional committee or subcommittee or any federal agency, board or commission shall be reimbursed for their actual and necessary travel and lodging expenses; however, the agency head must approve any claims in connection with such expenses.

E. Reimbursement for meals and lodging on out-of-state trips shall not begin more than twenty-four (24) hours before the meeting, workshop, conference or other objective of trip begins and shall not continue more than twenty-four (24) hours after said meeting, workshop, conference or other objective of trip ends.

F. Reimbursement for meals and lodging incurred in official travel in areas outside of the United States to implement the objectives of contracts, grants, agreements or gifts for which funds from these sources are furnished shall be reimbursed from said funds at actual cost not to exceed the amount authorized United States Government employees in its periodical publication entitled "Standard Regulations (Government Civilians, Foreign Areas), Department of State, Washington, DC". Provided, however, travel to

points outside of the United States, whether performed under authority of contract, grant, agreement or otherwise, shall not begin more than forty-eight (48) hours before or end more than forty-eight (48) hours after the objective of the trip.

G. Claims submitted to the Director of ~~State Finance~~ the Office of Management and Enterprise Services for payment under the provisions of this section shall be certified to by the principal fiscal officer or contract and grant administrator of each agency. Such officer shall certify that such claim complies with and is authorized under this section.

SECTION 856. AMENDATORY 74 O.S. 2011, Section 500.14, is amended to read as follows:

Section 500.14 The Director of ~~State Finance~~ the Office of Management and Enterprise Services shall reject any travel claim or voucher not in conformity with the provisions of this act or existing statutes relating to reimbursement for travel expenses.

SECTION 857. AMENDATORY 74 O.S. 2011, Section 500.15, is amended to read as follows:

Section 500.15 All claims for reimbursement of travel expenses shall be submitted on the regular authorized form of travel expense claim, and shall be signed by the official or employee performing the travel, and approved by the official or employee designated in 62 O.S. 1971, Section 41.26, for the agency in which the employee works. Receipts may be provided to the ~~Office of State Finance~~ Office of Management and Enterprise Services in electronic form. No travel claim shall be awarded if the filer of the claim has benefited from the personal receipt of frequent travel miles unless those miles are used to offset future claims against the state.

SECTION 858. AMENDATORY 74 O.S. 2011, Section 500.16, is amended to read as follows:

Section 500.16 Standard blank forms of travel claims to be used to carry out the purposes of this act, shall be prescribed by the Director of ~~State Finance~~ the Office of Management and Enterprise Services.

SECTION 859. AMENDATORY 74 O.S. 2011, Section 500.16A, is amended to read as follows:

Section 500.16A A. The Director of ~~State Finance~~ the Office of Management and Enterprise Services shall establish a procedure to expedite payment for a proper claim of a state employee for expenses recompensable pursuant to the provisions of the State Travel Reimbursement Act.

B. The procedure provided for in subsection A of this section shall:

1. Require payment within forty-five (45) days from the date on which a proper claim is submitted by the employee to the appropriate office of the agency for which the expenses were incurred; and

2. Provide for the payment of interest from the thirtieth day after receipt by the appropriate office of a proper claim for which payment has not been mailed, transmitted or delivered to the employee by the close of business on the forty-fifth day. Interest shall be at an annualized rate as reported by the State Treasurer to the Director of ~~State Finance~~ the Office of Management and Enterprise Services based on an average of the interest rate for thirty-day time deposits of state funds during the last calendar quarter of the last preceding fiscal year.

C. For purposes of this section, "proper claim" means a claim for reimbursement of incurred expenses supported by all requisite documentation and complete in all respects for processing for payment.

D. Any employee, after the passage of the forty-five day limit provided for in subsection B of this section, who is aggrieved by the delay in payment of a proper claim with interest or who failed to receive interest as provided for in this section may file a grievance with the Office of the Governor. The grievance shall be transmitted from the Office of the Governor to the Director of ~~State Finance~~ the Office of Management and Enterprise Services who, within fifteen (15) days after receipt of the grievance, shall:

1. Pay the claim with interest as provided for in this section; or

2. Report to the Governor and the aggrieved employee why such payment cannot be made.

SECTION 860. AMENDATORY 74 O.S. 2011, Section 500.18, is amended to read as follows:

Section 500.18 A. Except for members of the Legislature, the Governor and the Lieutenant Governor, provisions of Sections 500.1 through 500.18 of this title shall be mandatory for all officials and employees of all departments, boards, commissions and institutions of the state, regardless of the provisions of any other act of the Legislature, except as provided by this section. The enactment of any measure in the future providing for travel reimbursement of state officers and employees on the basis of "actual and necessary" expenses or in any other manner inconsistent with Sections 500.1 through 500.18 of this title shall be deemed to provide for reimbursement in accordance with Sections 500.1 through 500.18 of this title unless a contrary intent is explicitly expressed in this section. Sections 500.1 through 500.18 of this title shall not apply, however, to travel reimbursements made by political subdivisions of this state, except as otherwise provided by law.

B. The agencies listed below are authorized certain exceptions and/or exemptions to the provisions of Sections 500.1 through 500.18 of this title to the extent specified:

1. Oklahoma Department of Agriculture, Food, and Forestry:

- a. The actual and reasonable expenses of travel and subsistence in pursuing and developing markets for Oklahoma agricultural products incurred by the Commissioner, Deputy Commissioner and such employees designated by the State Board of Agriculture within the marketing development programs of the Oklahoma Department of Agriculture, Food, and Forestry shall be reimbursed to the employee incurring such expenses. Reimbursement of such expenses shall be in accordance with rules adopted by the Board. Expenses claimed shall, prior to reimbursement, be reviewed by the Board at a regular meeting and individually approved or disapproved.
- b. The actual and necessary expenses of out-of-state travel and subsistence incurred by employees of the Forestry Division authorized to evaluate and acquire federal excess property or surplus property in other states for use in its fire protection program, shall be reimbursed to the employee incurring such expenses.

2. Wheat Utilization, Research and Market Development
Commission:

The actual and reasonable expenses of travel, lodging and subsistence in pursuing and developing markets for Oklahoma wheat and wheat products incurred by the Commission, staff and such persons authorized by the Commission shall be reimbursed to the person incurring such expenses. Expenses of wheat trade officials on wheat trade missions from foreign countries and from other states can be reimbursed to the person previously authorized by the Commission to incur the expense. No actual and reasonable expenses shall be paid except for time spent working with wheat trade officials on wheat trade missions. Reimbursement of such expenses shall be made in accordance with rules adopted by the Commission. Expenses claimed shall, prior to reimbursement, be reviewed by the Commission at each regular meeting and individually approved or disapproved.

3. Department of Public Safety:

When traveling with the Governor or at the Governor's request, personnel assigned by the Commissioner for executive security and pilots on executive assignment shall be allowed their actual and necessary traveling expenses, upon claims approved by the Commissioner.

4. Department of Corrections:

The Department of Corrections shall be exempt from limitations of reimbursement for rented automobiles, as set forth in Section 500.5 of this title, when the rental is by a Correctional Officer or Transportation Officer for the limited purpose of transporting inmates. Reimbursement for the expense shall be on the basis of actual cost.

5. Oklahoma Tourism and Recreation Department:

The Oklahoma Tourism and Recreation Commission and Department staff who promote in-state and out-of-state business for Oklahoma's state-operated or state-owned parks, lodges, and golf courses and the tourism and recreation industry, may be reimbursed for the actual and necessary expense of travel, subsistence and entertainment for this purpose. The Director of the Oklahoma Tourism and Recreation Department may reimburse the Publisher of Oklahoma Today magazine and its staff for expenses for meals and

other entertainment in order to gain advertising and promotion for Oklahoma Today magazine. The Oklahoma Tourism and Recreation Department may reimburse the Director of the Office of the Oklahoma Film and Music Commission and staff for the actual and necessary expenses for meals and other entertainment in order to promote the film and music industries in this state. Reimbursement of all actual and necessary expenses shall be in accordance with rules adopted by the Oklahoma Tourism and Recreation Commission.

6. Oklahoma Department of Commerce:

- a. The actual and necessary expenses incurred by the Director and other employees of the Department authorized by the Director for the purpose of business recruitment shall be reimbursed. Reimbursement of expenses shall be in accordance with rules adopted by the Director of the Oklahoma Department of Commerce. Expenses claimed shall, prior to reimbursement, be reviewed by the Director and individually approved or disapproved.
- b. The Department, at the discretion of the Director, may charter aircraft for the purposes of carrying out its duties and responsibilities related to business recruitment and performing the duties of the Director. The cost of such charter shall be exempt from the provisions of Section 500.6 of this title. Claims filed with the ~~Office of State Finance~~ Office of Management and Enterprise Services shall bear the following certification:

The best interests of the citizens of Oklahoma were better served in that conventional ground transportation was not practical or feasible for this trip, aircraft from the Department of Public Safety were not available for this trip, and no other claim has been or will be filed as a payment for the cost of transportation in connection with this trip.

7. ~~Department of Central Services~~ Office of Management and Enterprise Services:

The actual and necessary expenses of travel and subsistence incurred by the Director, any state employee approved by his or her appointing authority, or state officials, for travel outside the

state in performance of duties related to bond financing shall be reimbursed to the employee or state official incurring such expenses. Reimbursement for lodging expenses shall be supported by three telephone bids from hotels within a reasonable distance of the activity for which the travel was approved.

8. Oklahoma Futures:

The actual and necessary expenses incurred by the members of Oklahoma Futures in the performance of their duties shall be reimbursed to the members incurring such expenses. Reimbursement of all actual and necessary expenses shall be in accordance with rules adopted by Oklahoma Futures.

9. Oklahoma Development Finance Authority:

The actual and necessary expenses incurred by the members and employees of the Oklahoma Development Finance Authority in the performance of their duties shall be reimbursed to the person incurring such expenses. Reimbursement of all actual and necessary expenses shall be in accordance with the bylaws of the Authority.

10. Oklahoma Center for the Advancement of Science and Technology:

The actual and necessary expenses incurred by the members and employees of the Oklahoma Center for the Advancement of Science and Technology in the performance of their duties shall be reimbursed to the person incurring such expenses. Reimbursement of all actual and necessary expenses shall be in accordance with the bylaws of the Center.

11. Center for International Trade Development:

The actual and necessary expenses of travel, lodging and subsistence incurred by the Director and authorized employees of the Center for International Trade Development for performance of their duties for the purpose of business recruitment and assistance shall be reimbursed to the person incurring such expenses. Reimbursement of such expenses shall be in accordance with the rules adopted by the Director of the Center for International Trade Development. Expenses claimed shall be reviewed and individually approved or disapproved, prior to reimbursement, first by the Director, and finally by either the Vice President, Business and Finance of

Oklahoma State University or the President of Oklahoma State University.

12. Oklahoma State Bureau of Investigation:

The actual and necessary expenses incurred by the Director and other employees of the Bureau authorized by the Director as a result of conducting investigations shall be reimbursed to each such employee incurring the expenses. Reimbursement of the expenses shall be in accordance with rules adopted by the Director of the Oklahoma State Bureau of Investigation. Prior to reimbursement, expenses claimed shall be reviewed by the Director and individually approved or disapproved.

13. Department of Human Services:

- a. The actual and necessary expenses of travel, lodging and subsistence incurred by employees of the Legal Division in the performance of their duties for the purpose of representing the Department of Human Services or any of its officials, employees, institutions or hospitals at any proceeding, including depositions, held before any court, administrative body or representative thereof, shall be reimbursed to the employee incurring such expenses. Expenses claimed shall be approved by the General Counsel and the Director of Human Services prior to reimbursement.
- b. The Department, at the discretion of the Director, may charter aircraft when determined by the Director such charter would be more practical or less expensive than normal modes of transportation and when aircraft of the Department of Public Safety are unavailable. The costs of such charter shall be exempt from the provisions of Section 500.6 of this title.

14. Oklahoma Health Care Authority:

The actual and necessary expenses of travel, lodging and subsistence incurred by employees of the Legal Division in the performance of their duties for the purpose of representing the Authority or any of its officials or employees, at any proceeding, including depositions, held before any court, administrative body or representative thereof, shall be reimbursed to the employee

incurring such expenses. Expenses claimed shall be approved by the Administrator prior to reimbursement.

15. Oklahoma State Bureau of Narcotics and Dangerous Drugs Control:

The actual and necessary expenses incurred by the Director and other employees of the Bureau authorized by the Director as a result of conducting investigations shall be reimbursed to each employee incurring the expenses. Reimbursement of the expenses shall be in accordance with rules adopted by the Director of the Oklahoma State Bureau of Narcotics and Dangerous Drugs Control. Prior to reimbursement, expenses claimed shall be reviewed by the Director and individually approved or disapproved.

16. University Hospitals:

The actual and necessary expenses of travel, lodging and subsistence incurred by employees of the Legal Office in the performance of their duties for the purpose of representing the University Hospitals or any of its officials, employees, institutions or hospitals at any proceeding, including depositions, held before any court, administrative body or representative thereof, shall be reimbursed to the employee incurring such expenses. Expenses shall be approved by the Chief Executive Officer of the University Hospitals or by the University Hospitals Authority.

17. Oklahoma Historical Society:

The actual and necessary expenses of travel, subsistence and entertainment incurred by the Executive Director, Deputy Director and any employees designated by the Executive Committee of the Oklahoma Historical Society Board of Directors in pursuing and developing programs and projects for the preservation and marketing of Oklahoma history shall be reimbursed to the person incurring the expenses. Reimbursement of expenses shall be in accordance with rules adopted by the Oklahoma Historical Society Board of Directors. Prior to reimbursement, expenses claimed shall be reviewed by the Executive Committee at a regularly scheduled meeting and each claim shall be individually approved or disapproved.

18. The Oklahoma Department of Mines:

The actual and necessary expenses of travel, lodging and subsistence incurred by employees of the Department in the performance of their duties for the purpose of representing the Department or any of its officials or employees, at any proceeding, hearing or meeting with federal agencies, boards, commissions, congressional representatives, congressional committees or staff, shall be reimbursed to the employee incurring such expenses. Expenses claimed shall be approved by the Executive Director prior to reimbursement.

19. The Office of Attorney General:

The actual and necessary expenses of travel, lodging and subsistence incurred by its employees in the performance of their duties for the purpose of representing the state, the Legislature, any state board, agency or commission, or any employee or official of the state entitled to representation, at any proceeding, including depositions, held before any court, administrative body or any representative thereof, and the actual and necessary expenses incurred by employees as a result of conducting investigations shall be reimbursed to the employee incurring the expenses. The expenses shall be approved by the Attorney General prior to reimbursement.

20. District Attorneys Council:

The actual and necessary expenses of travel, lodging and subsistence incurred by each district attorney and other employees of the district attorney authorized by the district attorney in the performance of their duties for any district other than the district for which they are employed for the purpose of representing the state, any county, or any employee or official of the state entitled to representation at any proceeding, including depositions held before any court, administrative body or any representative of a court or administrative body, and the actual and necessary expenses incurred as a result of conducting investigations shall be reimbursed to each employee incurring the expenses. Reimbursement of the expenses shall be in accordance with rules adopted by the District Attorneys Council. Prior to reimbursement, expenses claimed shall be reviewed by the Council and individually approved or disapproved.

21. The Department of Securities:

The actual and necessary expenses of travel, lodging and subsistence incurred by the Administrator and other employees of the

Department of Securities in the performance of their duties for the purpose of representing the Department of Securities, at any proceeding, including depositions, held before any court, administrative body or any representative thereof, conducting on-site examinations, or conducting investigations, shall be reimbursed to each employee incurring the expenses. The expenses shall be approved by the Administrator of the Department of Securities prior to reimbursement.

22. Corporation Commission:

The actual and necessary travel expenses incurred by the staff of the Public Utility Division as a result of conducting audits and/or reviews of utility service providers shall be reimbursed to each such employee incurring the expense. Reimbursement of the expenses shall be as set forth in procedures established by the appointing authority.

23. The Department of Human Services:

Employees of the Department of Human Services shall be reimbursed for their actual and necessary expenses of travel, lodging and subsistence incurred in the performance of their duties for the purpose of escorting and transporting children or adults in the care or custody of the Department:

- a. for out-of-state visitation, care, treatment and placement of a child welfare client,
- b. for out-of-state treatment for or placement of an adult protective services client,
- c. for out-of-state treatment for or placement of a resident of a state resource center, or
- d. for out-of-state treatment for or placement of an individual with a developmental disability who is living in the community in community residential services.

Expenses claimed shall be approved by the appropriate Division Administrator or Associate Director prior to reimbursement.

24. The Banking Department:

The actual and necessary expenses of travel and lodging incurred by the Commissioner and other employees of the Banking Department in the performance of their duties for the Banking Department shall be paid or reimbursed by the Banking Department to each employee incurring the expenses. The expenses shall be approved by the Banking Commissioner prior to payment or reimbursement.

25. Oklahoma Office of Homeland Security:

The actual and necessary expenses of travel, lodging, and subsistence incurred by the Oklahoma Homeland Security Director, as a result of the duties and responsibilities of the Director, shall be paid or reimbursed by the Oklahoma Office of Homeland Security.

26. The Grand River Dam Authority:

The actual and necessary expenses of travel and lodging incurred by the Board of Directors and other employees of the district in the performance of their duties for the Grand River Dam Authority shall be paid or reimbursed by the district to each Director or employee incurring the expenses. The expenses shall be approved by the General Manager of the Grand River Dam Authority prior to payment or reimbursement.

27. The Native American Cultural and Educational Authority:

The actual and necessary expenses incurred by the Directors and employees of the Native American Cultural and Educational Authority in performances of duties. The expenses shall be approved by the Director prior to payment or reimbursement.

28. Oklahoma Department of Career and Technology Education:

The actual and necessary expenses incurred by the Director and other employees of the Department, authorized by the Director, for the purpose of business recruitment, training, and the provision of technical assistance shall be reimbursed. Reimbursement of expenses shall be in accordance with rules adopted by the State Board of Career and Technology Education. Expenses claimed, prior to the reimbursement, will be reviewed by the Board and individually approved or disapproved.

C. The agencies listed in subsection B of this section shall be required to report annually the actual expenses excepted or exempted from Sections 500.1 through 500.18 of this title to the Governor,

the President Pro Tempore of the Senate, and the Speaker of the House of Representatives. The report shall be submitted no later than the first day of September following the end of each fiscal year.

SECTION 861. AMENDATORY 74 O.S. 2011, Section 500.54, is amended to read as follows:

Section 500.54 Any agency transferring an employee who comes under the provisions of Sections 500.51 through 500.55 of this title shall forward to the ~~Office of Public Affairs~~ Office of Management and Enterprise Services a requisition requesting that the household goods and manufactured home of the employee be moved at state expense. Upon receipt of said requisition the ~~Office of Public Affairs~~ Office of Management and Enterprise Services shall obtain bids from carriers registered and approved by the Corporation Commission. The most responsible carrier submitting the lowest bid shall be awarded the moving contract.

SECTION 862. AMENDATORY 74 O.S. 2011, Section 588, is amended to read as follows:

Section 588. As used in the Oklahoma Privatization of State Functions Act:

1. "Agency" means an agency, board, commission or other entity of state government;

2. "Cost analysis" means a study that includes, but is not limited to:

- a. all direct personnel costs, materials and supplies, equipment, capital and equipment depreciation costs, rent, maintenance and repairs, utilities, insurance, travel, operations overhead, and general administrative overhead associated with privatization of a function, program, service, unit, or division,
- b. a feasibility study determining whether other state agencies could perform the function, program, service, unit, or division sought to be privatized,
- c. an analysis of the cost savings and quality enhancements expected to be gained by privatizing, and

- d. any other provisions that may be required by rules adopted by the ~~Department of Central Services Office~~ of Management and Enterprise Services related to privatization;

3. "Cost analysis report" means a written report of the cost analysis; and

4. "Privatize" means to enter into contract for the performance of a duty or function which is currently being performed by a state employee.

SECTION 863. AMENDATORY 74 O.S. 2011, Section 588.1, is amended to read as follows:

Section 588.1 A. Before any agency contracts to privatize a function, program, service, unit, or division valued at One Hundred Thousand Dollars (\$100,000.00) or more, the agency must perform a cost analysis and provide a copy of the cost analysis report to the ~~Department of Central Services~~ Office of Management and Enterprise Services.

B. The ~~Department of Central Services~~ Office of Management and Enterprise Services shall review the cost analysis report and make a finding as to whether it fulfills the content requirements of the Oklahoma Privatization of State Functions Act and the rules of the ~~Department Office~~. If the cost analysis report is found not to meet the requirements of the Oklahoma Privatization of State Functions Act or the rules of the ~~Department Office~~, the ~~Department Office~~ shall return the cost analysis report to the agency with instructions.

C. The Director of the ~~Department of Central Services~~ Office of Management and Enterprise Services shall promulgate rules necessary to implement the provisions of the Oklahoma Privatization of State Functions Act.

SECTION 864. AMENDATORY 74 O.S. 2011, Section 589, is amended to read as follows:

Section 589. A. Upon a finding by the ~~Department of Central Services~~ Office of Management and Enterprise Services pursuant to Section ~~2~~ 588.1 of this ~~act~~ title that the agency has complied with the requirements of the Oklahoma Privatization of State Functions Act, and before any agency can contract to privatize a function,

program, service, unit or division, the agency must allow its employees the opportunity to submit proposals for improving the operations, efficiency or organization of the entity being considered for privatization.

B. The privatization process shall begin with:

1. Notification to employees impacted by the proposed privatization by the agency of its intent to privatize a function, program, service, unit, or division of the agency;

2. A specific statement that employees have an opportunity to submit proposals to the agency; and

3. Notification by the agency simultaneously with the notice required pursuant to paragraph 1 of this subsection, to the Director of the ~~Office of State Finance and the Director of the Department of Central Services~~ Office of Management and Enterprise Services of the intent of the agency to privatize a state function.

C. The agency shall provide information about the delivery of services to its employees as they develop proposals to be considered. This information shall include revenue expenditure data, wage and salary data, an inventory of the supplies, equipment, and facilities associated with the program being privatized, and the cost analysis performed by the agency.

D. Proposals submitted by agency employees shall remain confidential and be considered simultaneously in the bid or proposal process with nonemployee bids.

E. After an agency has decided to privatize a function, program, service, unit or division and has met the requirements of subsection D of this section, the agency shall notify the Director of ~~State Finance~~ the Office of Management and Enterprise Services of its intent to solicit bids by interested parties. Prior to solicitation of bids from other interested parties, the agency shall notify the Governor, President Pro Tempore of the Senate, and Speaker of the House of Representatives of the intent of the agency to solicit bids and a statement that the agency has given the opportunity to its employees to submit proposals pursuant to this section prior to the decision to privatize.

F. The agency shall provide a comprehensive written analysis of the contract cost based upon the designated bid, specifically

including the costs of transition from public to private operation, severance payments to agency employees, and monitoring and otherwise administering contract performance.

G. The agency shall require the following information prior to entering into a contract to privatize a function, program, service, unit, or division:

1. Financial stability of the vendor, past and present litigation, and references related to past government contract performance information; and

2. Detail how the vendor will perform the contract, including staffing and equipment information.

H. The agency shall establish a plan and cost analysis on how to return the privatized function, program, service, unit, or division to the state if there is a contract cancellation.

I. Any contract with a vendor to privatize a function, program, service, unit, or division shall require that the payment to the contractor be linked to performance. The contract shall provide that the amount agreed upon in the contract may be reduced if the agency experiences a budget shortfall.

J. Each privatization contract shall contain provisions requiring the contractor to offer available employee positions pursuant to the contract to qualified regular employees of the agency whose state employment is terminated because of the privatization contract and who satisfy the hiring criteria of the contractor.

SECTION 865. AMENDATORY 74 O.S. 2011, Section 589.1, is amended to read as follows:

Section 589.1 Each agency deciding to privatize an agency function shall certify in writing to the Governor, President Pro Tempore of the Senate, Speaker of the House of Representatives, and the ~~Department of Central Services~~ Office of Management and Enterprise Services that:

1. The provisions of the Oklahoma Privatization of State Functions Act and all other applicable laws regarding the privatization of the respective state functions have been complied with;

2. The quality and cost of the services to be provided by the selected bidder are likely to exceed the quality and cost benefit standards for the state function as formerly delivered by agency employees; and

3. The proposed privatization contract is in the best interest of the public.

SECTION 866. AMENDATORY 74 O.S. 2011, Section 666, is amended to read as follows:

Section 666. A. There is hereby created the Oklahoma Commission on the Status of Women. The Commission shall consist of thirty (30) members. The members shall be appointed as follows: ten members appointed by the Governor, ten members appointed by the President Pro Tempore of the Senate and ten members appointed by the Speaker of the House of Representatives. All members shall be appointed by the appropriate appointing authority for a term of five (5) years commencing with the date that the previous appointee's term expired. In making such appointments to the Commission, consideration shall be given to making the membership broadly representative of the geographic areas of the state and the several racial, religious and ethnic groups residing in the state. Each member shall hold office until the successor of the member is appointed and has qualified. A member of the Commission may be removed by the appropriate appointing authority for cause. A member appointed to fill a vacancy occurring before the expiration of a term of a member separated from the Commission for any cause shall be appointed for the remainder of the term of the member whose office has been so vacated. Members of the Commission shall receive no salary, but shall be entitled to travel reimbursement as provided by the State Travel Reimbursement Act, Section 500.1 et seq. of this title, from funds available to the appropriate appointing authority.

B. ~~The Office of Personnel Management~~ Office of Management and Enterprise Services shall provide staff support to the Oklahoma Commission on the Status of Women.

SECTION 867. AMENDATORY 74 O.S. 2011, Section 669.1, is amended to read as follows:

Section 669.1 There is hereby created in the State Treasury a revolving fund for the Office of ~~Personnel Management~~ Management and Enterprise Services designated the "Oklahoma Commission on the

Status of Women Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all gifts and donations contributed to support the work of the Oklahoma Commission on the Status of Women. All monies accrued to the credit of the fund are hereby appropriated and may be budgeted and expended by the ~~Administrator~~ Director of the ~~Office of Personnel Management~~ Office of Management and Enterprise Services on behalf of the Oklahoma Commission on the Status of Women for the purposes prescribed by the Legislature in creating the Commission. 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 868. AMENDATORY 74 O.S. 2011, Section 840-1.3, is amended to read as follows:

Section 840-1.3 As used in the Oklahoma Personnel Act, unless otherwise provided in Sections 840-1.1 through 840-6.9 of this title:

1. "Agency" means any office, department, board, commission or institution of the executive branch of state government;
2. "Employee" or "state employee" means an elected or appointed officer or employee of an agency unless otherwise indicated;
3. "Appointing authority" means the chief administrative officer of an agency;
4. "Classification" means:
 - a. the process of placing an employee into an appropriate job family and level within the job family, consistent with the allocation of the position to which the employee is assigned, or
 - b. an employee's job family and the level at which work is assigned;
5. "Classification plan" means the orderly arrangement of positions within an agency into separate and distinct job families so that each job family will contain those positions which involve similar or comparable skills, duties and responsibilities;

6. "Classified service" means state employees and positions under the jurisdiction of the Oklahoma Merit System of Personnel Administration;

7. "Copy" means the duplication of an original document or recording. The copy may be provided in an electronic format generated from technology having electrical, digital, magnetic, wireless, optical, electromagnetic, or similar capabilities;

8. "Entrance examination" means any employment test used by the ~~Office of Personnel Management~~ Office of Management and Enterprise Services to rank the names of applicants who possess the minimum requirements of education, experience, or licensure for a job or group of similar jobs on a register of eligibles established by the ~~Office of Personnel Management~~ Office of Management and Enterprise Services;

9. "Job" means a position or job family level in a job family;

10. "Job family" means:

- a. jobs which require similar core skills and involve similar work, and
- b. a logical progression of roles in a specific type of occupation in which the differences between roles are related to the depth and breadth of experience at various levels within the job family and which are sufficiently similar in duties and requirements of the work to warrant similar treatment as to title, typical functions, knowledge, skills and abilities required, and education and experience requirements;

11. "Job family level" means a role in a job family having distinguishable characteristics such as knowledge, skills, abilities, education, and experience;

12. "Job family descriptor" means a written document that:

- a. describes a job family, including, but not limited to, the basic purpose, typical functions performed, various levels within the job family, and the knowledge, skills, abilities, education, and experience required for each level, and

b. identifies the pay band assigned for each level;

13. "Promotional examination" means any employment test designated by the ~~Office of Personnel Management~~ Office of Management and Enterprise Services to determine further the qualifications of a permanent classified employee of a state agency for employment in a different job for which the employee possesses the minimum qualifications of education, experience, or licensure within that agency;

14. "Interagency transfer" means an action in which an employee leaves employment with one agency and enters employment with another agency while continuously employed with the state;

15. "Intra-agency transfer" means moving an employee from one position to another position with the same agency either with or without reclassification;

16. "Job-related organization" means a membership association which collects annual dues, conducts annual meetings and provides job-related education for its members and which includes state employees, including any association for which payroll deductions for membership dues are authorized pursuant to paragraph 5 of subsection B of Section 7.10 of Title 62 of the Oklahoma Statutes;

17. "Lateral transfer" means the reassignment of an employee to another state job with the same pay band assignment as the job family level in which the employee was classified prior to the lateral transfer;

18. "Merit Rules" or "Merit Rules for Employment" or "Merit System of Personnel Administration Rules" means rules adopted by the ~~Administrator~~ Director of the Office of Personnel Management Office of Management and Enterprise Services or the Oklahoma Merit Protection Commission pursuant to the Oklahoma Personnel Act;

19. "Noncompetitive appointment" means the appointment of a person to a noncompetitive job level within a job family;

20. "Noncompetitive job" means an unskilled or semiskilled job designated by the ~~Office of Personnel Management~~ Office of Management and Enterprise Services as noncompetitive. Noncompetitive jobs do not require written examinations for placement on registers of eligibles;

21. "Permanent classified employee" means a classified service employee who has acquired permanent status in accordance with the Oklahoma Personnel Act, and rules adopted pursuant thereto, and who has the right to appeal involuntary demotion, suspension without pay, and discharge to the Commission;

22. "Presiding official" means a person serving the Oklahoma Merit Protection Commission in the capacity of administrative hearing officer, mediator, or other alternative dispute resolution arbitrator or facilitator;

23. "Progressive discipline" means a system designed to ensure the consistency, impartiality and predictability of discipline and the flexibility to vary penalties if justified by aggravating or mitigating conditions;

24. "Reclassification" means the process of changing a classified employee from one job family to another job family or from one job family level to another job family level in the same job family, resulting in a change in the employee's assigned job code;

25. "Regular and consistent" means, in connection with the work assignments of an employee, the usual and normal work assignments of the employee, excluding incidental, casual, or occasional tasks and activities the employee assumes without direction to do so. Temporary work assignments of less than sixty (60) days in any twelve (12) consecutive months period shall not be considered regular and consistent;

26. "Regular unclassified service employee" means an unclassified service employee who is not on a temporary or other time-limited appointment;

27. "Supervisor" means a classified or unclassified officer or employee who has been assigned authority and responsibility for evaluating the performance of subordinates;

28. "Unclassified service" or "exempt service" means employees and positions excluded from coverage of the Oklahoma Merit System of Personnel Administration;

29. "Merit System" means the Oklahoma Merit System of Personnel Administration;

30. ~~"Administrator"~~ "Director" means the appointing authority of the ~~Office of Personnel Management~~ Office of Management and Enterprise Services;

31. "Executive Director" means the appointing authority of the Oklahoma Merit Protection Commission;

32. "Office" means the ~~Office of Personnel Management~~ Office of Management and Enterprise Services;

33. "Commission" means the Oklahoma Merit Protection Commission;

34. "Veteran" means a person who has been honorably discharged from the Armed Forces of the United States and has been a resident of Oklahoma for at least one (1) year prior to the date of the examination; and

35. "Voluntary out" means the voluntary separation of employees from the state service in exchange for benefits offered by an agency in order to reduce or eliminate the adverse impact of an imminent reduction-in-force.

SECTION 869. AMENDATORY 74 O.S. 2011, Section 840-1.18, is amended to read as follows:

Section 840-1.18 A. The administrative expenses and costs of operating the Merit System shall be paid by the various divisions of the state government included within the Merit System, and each such agency shall be authorized to include in its budget estimates its pro rata share of such costs, and shall remit such shares quarterly from departmental or agency funds to the ~~Office of Personnel Management~~ Office of Management and Enterprise Services who shall deposit such shares to the credit of the General Revenue Fund of the State Treasury.

B. The ~~Administrator~~ Director shall maintain accurate records reflecting the costs of administering its provisions, and at the close of each quarter-year period shall summarize said costs, and shall bill each department or agency included within the terms of the Oklahoma Personnel Act with a pro rata share of the administrative costs based on the relationship between the quarterly average number of employees in the classified service of such department or agency, and the quarterly average number of employees in the classified service of the state.

C. The ~~Administrator~~ Director shall separately categorize and estimate expenditures and budget needs for other services performed which are not appropriately charged to state agencies on a pro rata basis.

D. Any state agency for which the ~~Administrator~~ Director provides payroll services shall pay for such services at a rate established by the ~~Administrator~~ Director, which shall be based upon the cost to the ~~Administrator~~ Director of providing such services. Each agency shall remit payment for such services quarterly from departmental or agency funds to the ~~Administrator~~ Director who shall deposit such payments into the ~~Office of Personnel Management~~ Office of Management and Enterprise Services Revolving Fund created in Section 840-1.20 of this title.

E. No state disbursing or auditing officer shall make or approve or take any part in making or approving any payment for personal service to any person holding a position in the state classified service, brought under the Oklahoma Personnel Act unless the payroll voucher or account of such pay bears the certification of the appointing authority or designee, that the persons named therein have been appointed and employed in accordance with the provisions of the Oklahoma Personnel Act and the rules promulgated hereunder. The appointing authority or designee may for proper cause withhold certification from an entire payroll or from any specific item or items thereon.

Any citizen may maintain a suit to restrain a disbursing officer from making any payment in contravention of any provision of the Oklahoma Personnel Act or rules promulgated hereunder. Any sum paid contrary to any provision of the Oklahoma Personnel Act or any rule promulgated hereunder may be recovered in an action maintained by any citizen, from any officer who made, approved or authorized such payment or who signed or countersigned a voucher, payroll, check or warrant for such payment, or from the sureties on the official bond of any such officer. All monies recovered in any such action shall be paid into the State Treasury.

Any person appointed or employed in contravention of any provision of the Oklahoma Personnel Act or any rules or orders promulgated hereunder, whose employment is brought within the terms of the Oklahoma Personnel Act, who performs service for which he or she is not paid, may maintain an action against the officer or officers who purported to appoint or employ the person to recover

the agreed pay for such services, or the reasonable value thereof if no pay was agreed upon. No officer shall be reimbursed by the state at any time for any sum paid to such person on account of such services.

If the appointing authority or designee wrongfully withholds certification of the payroll voucher or account of any employee, such employee may maintain an action or proceeding in the courts to compel the appointing authority or designee to certify such payroll voucher or account.

SECTION 870. AMENDATORY 74 O.S. 2011, Section 840-2.3, is amended to read as follows:

Section 840-2.3 The appointing authority in each agency of each branch of state government is responsible for affirmative action efforts and progress; provided, he or she may employ or assign a person to assist the agency in affirmative action and equal opportunity subject to the following provisions:

1. Any state agency with two hundred or more full-time-equivalent employees shall designate an individual as an affirmative action officer. This provision shall not require the hiring of additional employees.

2. The affirmative action officer shall report directly to the appointing authority. Nothing in this section shall prevent the appointment or designation of assistants to affirmative action officers in agencies as the appointing authority deems appropriate for the implementation of agency affirmative action plans and objectives; and

3. The affirmative action officer shall be knowledgeable of federal and state civil rights and equal opportunity legislation and regulations, of current social and economic conditions and inter-relationships of majority and minority groups, of grievance investigation and interviewing techniques and of report writing. Any person designated as an affirmative action officer shall meet the minimum qualifications and pass all examination requirements as established by the ~~Office of Personnel Management~~ Office of Management and Enterprise Services.

SECTION 871. AMENDATORY 74 O.S. 2011, Section 840-2.4, is amended to read as follows:

Section 840-2.4 The ~~Administrator~~ Director of the ~~Office of Personnel Management~~ Office of Management and Enterprise Services shall promulgate rules and standards for defining progress toward a balanced and representative work force for state government.

SECTION 872. AMENDATORY 74 O.S. 2011, Section 840-2.7, is amended to read as follows:

Section 840-2.7 ~~Beginning July 1, 1993, all~~ All state agencies, boards, commissions, departments and offices, excluding entities within The Oklahoma State System of Higher Education, shall utilize the central payroll system administered by the ~~state Office of Personnel Management~~ Office of Management and Enterprise Services. This provision shall not prohibit state institutions of higher education from utilizing the central payroll system at their discretion.

SECTION 873. AMENDATORY 74 O.S. 2011, Section 840-2.10, is amended to read as follows:

Section 840-2.10 A. There is hereby created a State Employee Assistance Program within the ~~Office of Personnel Management~~ Office of Management and Enterprise Services. The program may provide assistance to state agencies in their management of employees whose personal problems may have a negative impact on job performance. The program may also provide for assessment, referral, consultation, and problem resolution assistance to state employees and their family members seeking corrective help with medical or mental health problems, including alcohol or drug abuse and emotional, marital, familial, financial or other personal problems. Participation in the State Employee Assistance Program shall be on a voluntary basis.

B. The ~~Administrator~~ Director of the ~~Office of Personnel Management~~ Office of Management and Enterprise Services is hereby directed to:

1. Promulgate rules necessary for the administration of the State Employee Assistance Program and the maintenance and release of participant records;
2. Conduct training specific to the State Employee Assistance Program; and
3. Establish evaluation methods to assess the effectiveness of the State Employee Assistance Program.

C. Nothing in this act is intended to nullify any agency's existing employee assistance program or to prohibit any state agency from establishing its own employee assistance program; provided, however, such programs established by state agencies shall be subject to compliance with rules promulgated by the Administrator Director of the Office of Personnel Management Office of Management and Enterprise Services to ensure equitable treatment of employees.

D. Records that relate to participation by an individual in the State Employee Assistance Program or an employee assistance program established by a state agency shall be maintained separate and apart from regular personnel records and shall not become part of an employee's personnel file. Such records relating to an individual's participation in an employee assistance program shall be confidential and neither the records nor the testimony of an Employee Assistance Program professional shall be subject to subpoena unless a participant poses a threat to deliberately harm the participant or others. Such determination shall be made by an Employee Assistance Program Professional. A participant in an employee assistance program shall have a right of access to his or her own employee assistance program records.

E. No provision of this section or the rules promulgated pursuant to this section shall be construed to conflict with an appointing authority's responsibility and authority to maintain discipline or to take disciplinary measures against employees for misconduct or unacceptable performance. Further, participation or nonparticipation in any state employee assistance program shall not excuse an employee from discipline or otherwise affect the terms and conditions of such employee's employment status or opportunities for advancement with the state.

F. 1. There is hereby created the Employee Assistance Program Advisory Council to assist in the implementation of the state's employee assistance program. The Council shall advise the Administrator Director on policy issues and provide support to expand and improve program services that are available to state employees and their families.

2. The Employee Assistance Program Advisory Council shall consist of the current nine (9) members who shall continue to hold their current positions through June 30, 1995. Effective July 1, 1995, three members shall be appointed by the Governor, three members shall be appointed by the Speaker of the House of

Representatives, and three members shall be appointed by the President Pro Tempore of the Senate. All members shall serve two-year terms, unless removed prior to the expiration of a term by the respective individual making the appointment. Any vacancy in office shall be filled by the individual who made the initial appointment. The Council shall select a chair and vice-chair from among its membership. A majority of the members of the Council shall constitute a quorum to transact business, but no vacancy shall impair the right of the remaining members to exercise all of the powers of the Council and every act of a majority of the members present shall be deemed the act of the Council.

3. Members of the Council shall receive no compensation for serving on the Council, but shall receive necessary travel reimbursement by the employing agency for members who are state employees or appointing authorities of agencies pursuant to the State Travel Reimbursement Act. Any member employed in state government shall receive the reimbursement from their employing entity. Members who are not employed in state government shall receive travel reimbursement from the ~~Office of Personnel Management~~ Office of Management and Enterprise Services.

4. The Council shall not have authority to adopt rules pursuant to the Administrative Procedures Act.

G. The Legislature and the judicial branch of state government may utilize the services of the State Employee Assistance Program at their discretion.

SECTION 874. AMENDATORY 74 O.S. 2011, Section 840-2.13, is amended to read as follows:

Section 840-2.13 A. The ~~Administrator~~ Director of the ~~Office of Personnel Management~~ Office of Management and Enterprise Services shall establish a Personnel Management Information System to provide various management reports to facilitate decision making within agencies, and to promote the efficient utilization of personnel resources by providing a method for tracking, monitoring and reporting positions and employee transactions. The System shall include information on both the classified and unclassified services within the executive branch of government, but shall not require institutions within The Oklahoma State System of Higher Education to participate.

B. The ~~Administrator~~ Director of the ~~Office of Personnel Management~~ Office of Management and Enterprise Services shall promulgate rules regarding the Personnel Management Information System as necessary to implement the provisions of this section. Such rules shall establish a schedule to ensure the orderly implementation of such Personnel Management Information System.

C. The Personnel Management Information System shall be implemented for all state agencies under the Merit System by July 1, 1993, and for all other executive branch state agencies by July 1, 1994.

D. State agencies shall assist the ~~Office of Personnel Management~~ Office of Management and Enterprise Services as necessary to ensure the orderly completion of implementation as provided for in this section.

E. Appointing authorities in the legislative or judicial branches of state government may participate in the Personnel Management Information System at their option.

SECTION 875. AMENDATORY 74 O.S. 2011, Section 840-2.14, is amended to read as follows:

Section 840-2.14 A. The intent of the Legislature is to increase individual agency skill and accountability in managing the costs associated with personnel and in applying controls that will enhance the ability of the State of Oklahoma to manage the overall costs of human resources as efficiently as possible, while continuing to maintain fairness to employees.

B. All agencies, boards, and commissions shall report all reallocation decisions for both classified and unclassified positions and all adjustments to pay grades or salary assignments for classes in the unclassified service to the ~~Office of Personnel Management~~ Office of Management and Enterprise Services on a semiannual basis. The ~~Office of Personnel Management~~ Office of Management and Enterprise Services shall submit the semiannual reports to the Governor, the President Pro Tempore of the Senate, and the Speaker of the House of Representatives, along with an analysis of statewide reallocation decisions.

C. All agencies, boards, and commissions shall report to the ~~Office of Personnel Management~~ Office of Management and Enterprise Services on a semiannual basis all transactions in both the

classified and unclassified service involving the establishment of new positions that have not been authorized specifically by legislative action. Agencies shall report the transactions for the six-month period ending June 30 or December 31. The ~~Office of Personnel Management~~ Office of Management and Enterprise Services shall forward the semiannual reports to the Governor, President Pro Tempore of the Senate, and Speaker of the House of Representatives, accompanied by an analysis of agency decisions concerning such positions.

D. As a further control on human resource costs, the Governor may declare a financial emergency or implement a freeze in hiring, by declaring this section to be in effect. CompSource Oklahoma shall not be subject to the provisions of this subsection. During such periods, no audits of classified positions or reallocation of unclassified positions shall be initiated or conducted at the request of an agency except at the direction of the Governor. The provisions of the Oklahoma Personnel Act relating to agency-requested audits may be suspended during such periods to the extent that they are in conflict with this section. Provided, an audit at the request of an employee who files a classification grievance shall be conducted during such periods in accordance with the provisions of Section 840-4.3 of this title.

E. The ~~Office of Personnel Management~~ Office of Management and Enterprise Services shall establish due dates and specify the format for reports required by this section. Agencies that do not respond by the due dates shall be identified in a special section of the semiannual analysis reports forwarded to the Governor, President Pro Tempore of the Senate and Speaker of the House of Representatives.

F. The provisions of this section shall not be construed to suspend the responsibility of any agency to ensure that the duties and responsibilities assigned to an employee are consistent with the current classification of the employee.

SECTION 876. AMENDATORY 74 O.S. 2011, Section 840-2.17, is amended to read as follows:

Section 840-2.17 A. Unless otherwise provided by the Oklahoma Constitution, language in law which authorizes the setting or fixing of compensation, pay or salary of state officers and employees shall not be construed to authorize any agency, board, commission, department, institution, bureau, executive officer or other entity of the executive branch of state government to award, grant, give,

authorize, or promise any officer or employee of the State of Oklahoma a raise, including, but not limited to, a cost-of-living raise or any other type of raise that would be given to state employees on an across-the-board basis, except as herein provided. Such raises are prohibited unless authorized by the Legislature and by Merit System of Personnel Administration Rules promulgated by the ~~Administrator~~ Director. This prohibition applies to all classified and unclassified officers and employees in the executive branch of state government, excluding institutions under the administrative authority of the Oklahoma State Regents for Higher Education.

B. However, nothing in this section shall be construed to prohibit the following actions if the action is made in good faith and not for the purpose of circumventing subsection A of this section, and if the appointing authority certifies that the action can be implemented for the current fiscal year and the subsequent fiscal year without the need for additional funding to increase the personal services budget of the agency:

1. Salary advancements on promotion or direct reclassification to a job family level or class with a higher salary band;

2. Salary adjustments resulting from a pay band change for a job family level or class adopted by the ~~Office of Personnel Management~~ Office of Management and Enterprise Services;

3. Increases in longevity payments pursuant to Section 840-2.18 of this title;

4. Payment of overtime, special entrance rates, pay differentials;

5. Payment of wages, salaries, or rates of pay established and mandated by law;

6. Market adjustments for job family levels tied to market competitiveness;

7. Intra-agency lateral transfers, provided that the adjustment does not exceed five percent (5%) and the adjustment is based on the needs of the agency;

8. Skill-based adjustments. Such adjustments, which are implemented before November 1, 2006, other than lump-sum payments, shall become permanent after twenty-four (24) months from the date

such salary adjustment is implemented and may not later be removed from an employee's base salary if a furlough or reduction-in-force is implemented by the appointing authority granting such salary adjustment. Skill-based pay adjustments, which are implemented on or after November 1, 2006, and which are paid to an employee, shall be paid as long as the employee remains employed in the position and performs the skills for which the differential is due, but shall not be included as a part of the employee's base salary;

9. Equity-based adjustments;

10. Performance-based adjustments for employees who received at least a "meets standards" rating on their most current performance rating;

11. Career progression increases as an employee advances through job family levels; or

12. Salary adjustments not to exceed five percent (5%) for probationary classified employees achieving permanent status following the initial probationary period and permanent classified employees successfully completing trial periods after intra-agency lateral transfer or promotion to a different job family level or following career progression to a different job family level.

C. Provided, however, any reclassification for one of the purposes provided in subsection B of this section that would require additional funding by the Legislature shall not be implemented without approval of the Legislature.

D. The pay movement mechanisms described in paragraphs 6 through 11 in subsection B of this section shall be implemented pursuant to rules promulgated by the ~~Administrator~~ Director of the ~~Office of Personnel Management~~ Office of Management and Enterprise Services for the classified service.

E. Appointing authorities may implement the pay movement mechanisms in paragraphs 6 through 12 in subsection B of this section subject to the availability of funds within the agency's budget for the current fiscal year and subsequent fiscal year without the need for additional funding to increase the personal services budget of the agency. Failure by the appointing authority to follow the provisions of this subsection may cause the withdrawal of the use of the pay movement mechanisms provided in paragraphs 6,

7, 9, 10 and 11 of subsection B of this section within the agency during the next appropriations cycle.

F. The provisions in subsection B of this section shall not apply to chief executive officers of any agency, board, commission, department or program except for paragraphs 3 and 5 of subsection B of this section.

SECTION 877. AMENDATORY 74 O.S. 2011, Section 840-2.18, is amended to read as follows:

Section 840-2.18 A. A longevity pay plan is hereby adopted. This plan applies to all state classified, unclassified, and exempt employees, excluding members of boards and commissions, institutions under the administrative authority of the State Regents for Higher Education, employees of public school districts, and elected officials. The plan shall also apply to those employees of the Oklahoma School for the Blind and the Oklahoma School for the Deaf who qualify for longevity pay in accordance with subsection ~~D~~ G of Section 1419 of Title 10 of the Oklahoma Statutes.

B. The Oklahoma Conservation Commission is hereby authorized to establish a longevity pay program for employees of the conservation districts employed under Section 3-3-103 of Title 27A of the Oklahoma Statutes. Such longevity pay program shall be consistent with the longevity pay program for state employees authorized under this title and payments shall be made in a manner consistent with procedures for reimbursement to conservation districts.

C. To be eligible for longevity pay, employees must have been continuously employed in the classified or unclassified service of the state for a minimum of two (2) years in full-time status or in part-time status working more than one thousand (1,000) hours a year.

For purposes of this section, a break in service of thirty (30) calendar days or less shall not be considered an interruption of continuous service; a break in service of more than thirty (30) calendar days shall mark an end to continuous service. The legislative session employees who have worked for two (2) years or more in part-time status and are eligible for state retirement benefits, but do not receive other longevity payments, shall be eligible and shall be considered to have been continuously employed for purposes of calculating longevity payments, notwithstanding the provisions of subsection E of this section.

D. 1. Longevity pay for the first twenty (20) years of service shall be determined pursuant to the following schedule:

Years of Service	Annual Longevity Payment
At least 2 years but less than 4 years	\$250.00
At least 4 years but less than 6 years	\$426.00
At least 6 years but less than 8 years	\$626.00
At least 8 years but less than 10 years	\$850.00
At least 10 years but less than 12 years	\$1,062.00
At least 12 years but less than 14 years	\$1,250.00
At least 14 years but less than 16 years	\$1,500.00
At least 16 years but less than 18 years	\$1,688.00
At least 18 years but less than 20 years	\$1,900.00
At least 20 years	\$2,000.00

2. For each additional two (2) years of service after the first twenty (20) years an additional Two Hundred Dollars (\$200.00) shall be added to the amount stated above for twenty (20) years of service.

The total amount of the annual longevity payment made to an employee by any and all state agencies in any year shall not exceed the amount shown on the table corresponding to that employee's years of service with the state, except as otherwise provided by Sections 840-2.27D and 840-2.28 of this title. Further, no employee shall

receive duplicating longevity payments for the same periods of service with any and all agencies, except as otherwise provided by Sections 840-2.27D and 840-2.28 of this title.

E. To determine years of service, cumulative periods of full-time employment or part-time employment working more than one hundred fifty (150) hours per month with the state excluding service as specified in subsection A of this section are applicable. Part-time employment, working one hundred fifty (150) hours per month or less for the state, excluding service as specified in subsection A of this section, shall be counted only if:

1. The period of employment was continuous for at least five (5) months; and
2. The person worked more than two-fifths (2/5) time.

Other employment shall not be counted as service for purposes of longevity payments. Further, no period of employment with the state, whether with one or more than one agency, shall be counted as more than full-time service.

F. Years of service under the administrative authority of the State Regents for Higher Education or the administrative authority of the Oklahoma Department of Career and Technology Education of any employee who is now employed in a job classification which is eligible for longevity pay shall be included in years of service for purposes of determining longevity pay.

G. Years of service shall be certified through the current employing agency by the appointing authority on a form approved by the ~~Office of Personnel Management~~ Office of Management and Enterprise Services. ~~Said~~ The form shall be completed and posted as directed by the ~~Administrator~~ Director of the ~~Office of Personnel Management~~ Office of Management and Enterprise Services by the current employing agency when the employee initially enters on duty with the agency and thereafter whenever the employee's anniversary date is changed.

H. Eligible employees, in full-time status or in part-time status working more than one hundred fifty (150) hours per month, shall receive one (1) lump-sum annual payment, in the amount provided on the preceding schedule, during the month following the anniversary date of the employee's most recent enter-on-duty day with the state. Upon implementation of the statewide information

systems project, the lump-sum annual payment may be paid concurrent with the final payroll of the month of the employee's anniversary date. Eligible part-time employees who work one hundred fifty (150) hours per month or less shall receive one (1) lump-sum annual payment, based on the formula in subsection L of this section, during the month following the anniversary date of the employee's most recent enter-on-duty day with the state. To receive longevity pay an employee must be in pay status on or after his or her anniversary date.

Eligible employees who would not otherwise receive annual longevity payments because their employment includes regular periods of leave without pay in excess of thirty (30) calendar days shall receive one (1) lump-sum annual payment, based on the formula in subsection L of this section, during:

1. The month of August if the employee is in pay status on July 1; or
2. During the month following the employee's first return to duty that fiscal year if the employee is not in pay status on July 1.

Except as otherwise provided by Sections 840-2.27D and 840-2.28 of this title, employees terminated as a result of a reduction-in-force or retiring from state employment shall receive upon said termination or retirement the proportionate share of any longevity payment which may have accrued as of the date of termination or retirement. Provided further that, the proportionate share of any longevity payment which may have accrued as of the date of death of an employee shall be made to the surviving spouse of the employee or if there is no surviving spouse to the estate of the employee.

I. Periods of leave without pay taken in accordance with Section 840-2.21 of this title shall be counted as service. Other periods of nonpaid leave status in excess of thirty (30) calendar days shall not mark a break in service; however, they shall:

1. Not be used in calculating total months of service for longevity pay purposes; and
2. Extend the anniversary date for longevity pay by the total period of time on nonpaid leave status except as provided in subsection H of this section for employees whose conditions of employment include regular periods of leave without pay.

J. Employees currently receiving longevity pay who work for the judicial branch of state government or who work for the Oklahoma Department of Career and Technology Education shall not be eligible for the longevity pay plan provided for in this section.

K. A break in service with the state in excess of thirty (30) days but which does not exceed two (2) years which was caused by a reduction-in-force shall be treated as if it were a period of nonpaid leave status as provided for in subsection I of this section for the purpose of calculating total months of service for longevity pay. This subsection shall only apply to state employees laid off after June 30, 1982.

L. Eligible part-time employees working less than one hundred fifty (150) hours per month and other eligible employees with regular annual periods of leave without pay of more than thirty (30) calendar days will receive a prorated share of the "Annual Longevity Payment" authorized in subsection D of this section. The prorated amount of payment will be based on actual hours worked in the immediately preceding twelve (12) months.

M. An employee shall not be entitled to retroactive longevity payments as a result of amendments to this section unless specifically authorized by law.

N. The ~~Administrator~~ Director of the Office of Personnel Management ~~Office of Management and Enterprise Services~~ is authorized to promulgate such Longevity Pay Plan Rules as he or she finds necessary to carry out the provisions of this section.

O. As of July 1, 1998, years of service with a city-county health department for employees who left a city-county health department for employment with the Department of Environmental Quality or the State Oklahoma Department of Agriculture, Food, and Forestry, between July 1, 1993, and July 1, 1998, and who are now employed in a job classification that is eligible for longevity pay pursuant to this section, shall be included in years of service for purposes of determining longevity pay subsequent to July 1, 1998.

P. As of July 1, 2003, years of service with a local conservation district shall be included in years of service for purposes of determining longevity pay for local conservation district employees transferred to the Oklahoma Conservation

Commission pursuant to the provisions of ~~Enrolled Senate Bill No. 149 of the 1st Session of the 49th Legislature~~ this section.

SECTION 878. AMENDATORY 74 O.S. 2011, Section 840-2.19, is amended to read as follows:

Section 840-2.19 A. The Director of ~~State Finance~~ the Office of Management and Enterprise Services shall not approve any payroll claim for payment for any agency unless said claim contains or is accompanied by the certification by the administrative head of said agency or an authorized employee of said agency that the persons named in said claim have been appointed and employed in accordance with the provisions of the Oklahoma Personnel Act and the rules and orders promulgated pursuant to the provisions of the Oklahoma Personnel Act. For purposes of this section, "payroll claim" shall also include longevity payments made pursuant to Section 840-2.18 of this title.

B. If, as a result of a payroll audit, the ~~Office of Personnel Management~~ Office of Management and Enterprise Services finds that an agency has made payments of salaries or wages contrary to the provisions of the Oklahoma Personnel Act and the rules promulgated pursuant to the provisions of the Oklahoma Personnel Act:

1. Audit findings shall be promptly transmitted to the appointing authority of the agency certifying the payroll claim or claims involved; ~~and~~

2. An audit conference with said agency shall be scheduled within fifteen (15) days, at which time the audit exceptions will be resolved or become a determination of error unless the parties to the conference agree to a further review; ~~and~~

3. If underpayments or overpayments made by said agency are deemed to be the result of administrative error, the agency which certified the payroll claim or claims in error shall refund to the employee the balance of the actual amounts due and owing to the payee or shall seek repayment from the payee of any amount paid in excess of the actual amount due and owing the payee; ~~and~~

4. If an agency neglects or refuses to seek repayment after a determination that an error in payroll amount or amounts has been made, or to properly adjust a then current salary or wage, the ~~Office of Personnel Management~~ shall notify the Director of ~~State Finance~~ of the Office of Management and Enterprise Services shall

note an unresolved audit exception stating the agency involved and the person to whom said exception refers; ~~and~~

5. Upon receipt of notification that a procedure to initiate repayment has been instituted by the certifying agency or that a protest has been filed with the Oklahoma Merit Protection Commission, said notice shall be withdrawn or waived by the ~~Office of Personnel Management, in writing, to the Director of State Finance~~ the Office of Management and Enterprise Services. Implementation of procedures provided in this section shall not operate to deny or delay payment of proper salaries or wages to any employee of this state; ~~and~~

6. The provisions of this section regarding collections of any overpayment of salaries or wages by any agency to any state employee or officer shall not include any such overpayment made prior to July 1, 1983;

7. Recovery of overpayments from an employee shall include all overpayments occurring within one (1) year prior to the determination of error. Disbursement of underpayments to an employee shall include all underpayments made within a period of two (2) years prior to the determination of error; ~~and~~

8. If an agency discovers overpayment or underpayment errors through an internal audit, the agency shall recover overpayments from the employee or disburse underpayment amounts in accordance with this section. Prior to initiation of recovery of overpayments from an employee, the agency shall provide the employee with adequate notice and an opportunity to respond.

C. The Director of ~~State Finance~~ the Office of Management and Enterprise Services shall not approve any payroll claim for payment for any agency for which ~~the Office of Personnel Management has filed with the Director of State Finance~~ a notification of an unresolved audit exception pursuant to this section has been filed, unless the person named in the audit exception has been removed from the payroll by the certifying agency, the overpayment has been converted by the agency, or the exception has been withdrawn or waived in writing by the ~~Office of Personnel Management~~ Office of Management and Enterprise Services.

D. Any sum on a payroll claim found to have been paid in excess of the actual amount due and owing may be recovered from the payee through the following procedures:

1. Upon the determination that an error in payroll amount has been made, the agency which certified the claim or claims shall notify the payee in writing within ten (10) days from said determination. The notice to the payee shall contain:

- a. the amounts paid in error ~~and,~~
- b. the dates of said payments ~~and,~~
- c. the options available for repayment~~,~~ and
- d. the right of the payee to protest the findings.

Said notice shall also provide space for the payee to indicate an election of a repayment option or to protest the findings. Said election shall be required within thirty (30) days after the notification~~;~~

2. If the payee is, at the time of said notification, an officer or employee of the agency seeking repayment, options available for repayment shall be by:

- a. lump-sum cash repayment ~~or,~~
- b. reduction of the corrected current salary or miscellaneous payroll deduction in a lump sum or in installments over a term not to exceed the term in which the erroneous payments were made ~~or,~~
- c. reduction in accrued annual leave by an amount of time at the then current correct salary level equal in value to the total of the amount or amounts to be repaid~~,~~ or
- d. any combination thereof~~;~~

3. If the payee is, at the time of said notification, an officer or employee of an agency of the state other than the agency seeking repayment, the options provided by paragraph 2 of this subsection may be exercised by the payee with the approval of the then current employing agency. Payment of amounts deducted or charged against annual leave shall be paid to the agency seeking repayment by an appropriate miscellaneous claim for interagency payment. If a payroll deduction is elected pursuant to the

provisions of this paragraph and employment is subsequently terminated, any balance remaining shall be deducted from any final payment otherwise due to the employee-;

4. If a payee who is, at the time of said notification, a permanent classified officer or employee of any agency of this state protests the determination of the error or the amount of said determination, the agency seeking repayment shall present, within five (5) days of the return of said protest, the facts in writing, the notice, and the protest of the payee, to the Oklahoma Merit Protection Commission. The Oklahoma Merit Protection Commission shall treat any such protest as a complaint pursuant to Section 840-1.9 of this title. The Commission and Executive Director, after investigation and hearing, shall make a determination which shall be binding on the agency. The salary or wages of any payee exercising the right to the protest shall not be suspended or reduced until a determination has been issued by the Oklahoma Merit Protection Commission and Executive Director-;

5. If the payee is no longer an employee of the state but agrees to repay the amount or amounts paid in error, repayment may be accepted:

- a. by lump-sum cash repayment-, or
- b. in installments over a period not to exceed twelve (12) months-;

6. If the payee is no longer an employee of the state, and does not respond or cannot be located within ten (10) days after mailing of the determination of error, or refuses repayment, the agency seeking repayment shall present the facts in writing to the Attorney General and shall send a copy to the ~~Office of Personnel Management~~ Office of Management and Enterprise Services. The Attorney General shall determine what action may be taken to recover said amount-; and

7. Repayments other than by reduction in present salary or reduction in accrued annual leave for a payee currently employed by the agency seeking repayment shall be deposited in the General Revenue Fund unless the fund to which the amount in error was originally charged can be identified and was other than a General Revenue Fund appropriation. Said deposits shall be treated as nonrevenue receipts.

SECTION 879. AMENDATORY 74 O.S. 2011, Section 840-2.20,
is amended to read as follows:

Section 840-2.20 A. The ~~Administrator~~ Director of the ~~Office of Personnel Management~~ Office of Management and Enterprise Services shall promulgate such emergency and permanent rules regarding leave and holiday leave as are necessary to assist the state and its agencies.

The ~~Administrator~~ Director of the ~~Office of Personnel Management~~ Office of Management and Enterprise Services, in adopting new rules, amending rules and repealing rules, shall ensure that the following provisions are incorporated:

1. Eligible employees who enter on duty or who are reinstated after a break in service shall receive leave benefits in accordance with the schedule outlined below. Leave shall be accrued based upon hours worked, paid leave, and holidays, but excluding overtime, not to exceed the total possible work hours for the pay period. Years of service shall be based on cumulative periods of employment calculated in the manner that cumulative service is determined for longevity purposes pursuant to Section 840-2.18 of this title. Employees may accumulate more than the maximum annual leave accumulation limits shown in the schedule below, provided that such excess is used during the same calendar year in which it accrues or within twelve (12) months of the date on which it accrues, at the discretion of the appointing authority. If an employee whose job duties include providing fire protection services, law enforcement services or services with the Department of Corrections is unable to use excess leave as provided for in this paragraph because the employee's request for leave is denied by the employee's appointing authority and the denial of leave is due to extraordinary circumstances such that taking leave could pose a threat to public safety, health or welfare, the employee shall receive compensation at the employee's regular rate of pay for the amount of excess leave the employee is unable to use. Such compensation shall be paid at the end of the time period during which the excess leave was required to have been used-;

2. From November 1, 2001, the following accrual rates and accumulation limits apply to eligible employees as follows:

ACCRUAL RATES

ACCUMULATION

LIMITS

Cumulative

Years of Service	Annual Leave	Sick Leave	Annual Leave
Persons employed 0-5 yrs	= 15 day/yr	15 days/yr	30 days
5-10 yrs	= 18 day/yr	15 days/yr	60 days
10-20 yrs	= 20 day/yr	15 days/yr	60 days
over 20 yrs	= 25 day/yr	15 days/yr	60 days

3. Temporary employees and other limited term employees are ineligible to accrue, use, or be paid for sick leave and annual leave. Such employees shall be eligible for paid holiday leave at the discretion of the appointing authority-;i

4. Employees shall not be entitled to retroactive accumulation of leave as a result of amendments to this section-;i

5. The ~~Administrator~~ Director of the ~~Office of Personnel Management~~ Office of Management and Enterprise Services and the Executive Director of the Oklahoma Merit Protection Commission shall cooperate to assist agencies in developing policies to prevent violence in state government workplaces without abridging the rights of state employees. Such policy shall include a paid administrative leave provision as a cooling-off period which the ~~Administrator~~ Director of the ~~Office of Personnel Management~~ Office of Management and Enterprise Services is authorized to provide pursuant to the Administrative Procedures Act. Such leave shall not be charged to annual or sick leave accumulations-;i

6. State employees who terminated their employment in the state service on or after October 1, 1992, may be eligible to have sick leave accrued at the time of termination of employment restored if they return to state employment, provided that the state employees' enter-on-duty dates for reemployment occur on or before two (2) years after their termination of employment and they are eligible to accrue sick leave before the two (2) years expire-;i

7. Employees who are volunteer firefighters pursuant to the Oklahoma Volunteer Firefighters Act and who are called to fight a

fire shall not have to use any accrued leave or need to make up any time due to the performance of their volunteer firefighter duties-;

8. Employees who are reserve municipal police officers pursuant to Section 34-101 of Title 11 of the Oklahoma Statutes and who miss work in performing their duties in cases of emergency shall not have to use any accrued leave or need to make up any time due to the performance of their reserve municipal police officer duties-; and

9. Employees who are reserve deputy sheriffs pursuant to Section 547 of Title 19 of the Oklahoma Statutes and who miss work in performing their duties in case of emergency shall not have to use any accrued leave or need to make up any time due to the performance of their reserve deputy sheriff duties.

B. Nothing in the Oklahoma Personnel Act is intended to prevent or discourage an appointing authority from disciplining or terminating an employee due to abuse of leave benefits or absenteeism. Appointing authorities are encouraged to consider attendance of employees in making decisions regarding promotions, pay increases, and discipline.

C. Upon the transfer of a function in state government to an entity outside state government, employees may, with the agreement of the outside entity, waive any payment for leave accumulations to which the employee is entitled and authorize the transfer of the leave accumulations or a portion thereof to the outside entity.

SECTION 880. AMENDATORY 74 O.S. 2011, Section 840-2.20A, is amended to read as follows:

Section 840-2.20A A. When an agency of the State of Oklahoma or part of such an agency is closed because of an imminent peril threatening the public health, safety, or welfare of state employees or the public, the appointing authority shall place employees who are scheduled to work in the closed area on paid administrative leave or shall assign them to work in another location. Employees who are on paid administrative leave shall be in standby or on-call status during their normal scheduled duty hours. The appointing authority may call such employees to return to their normal duties and work location or respond to the demands of the situation as necessary.

B. When the Governor or a designee of the Governor authorizes agencies or parts of agencies to maintain basic minimum services

because hazardous weather conditions impede or delay the movement of employees to and from work, employees responsible for providing such basic minimum services shall report to work. Appointing authorities of agencies shall be responsible for determining essential agency functions and ensuring that employees who staff such functions are so informed. Leave alternatives for those employees not responsible for basic minimum services shall be established by the ~~Administrator~~ Director of the Office of Personnel Management Office of Management and Enterprise Services.

C. Appointing authorities of affected agencies shall notify the ~~Office of Personnel Management~~ Office of Management and Enterprise Services of agency closings and reductions in services pursuant to this section.

D. The provisions of this section are applicable to agencies and employees in the executive department of state government, including those on temporary and other limited term appointments. The provisions of this section shall not be applicable to employees of institutions within The Oklahoma State System of Higher Education.

E. The ~~Administrator~~ Director of the Office of Personnel Management Office of Management and Enterprise Services shall adopt rules necessary to implement the provisions of this section.

SECTION 881. AMENDATORY 74 O.S. 2011, Section 840-2.21, is amended to read as follows:

Section 840-2.21 A. If a state employee, whether in the classified or unclassified service, is absent because of an illness or injury arising out of and sustained in the course of his or her employment with the state, and for which workers' compensation benefits have been filed, the employing agency shall place the employee on leave without pay if the employee so requests; provided, leave without pay pursuant to this section shall not for any purpose be considered a break in service.

B. An employee who sustains an illness or injury arising out of and sustained in the course of employment with the State of Oklahoma shall not be required to use either accumulated sick or annual leave during such period prior to being placed on leave without pay pursuant to this section.

C. An employee placed on leave without pay pursuant to the provisions of this section shall continue receiving basic plan insurance coverage as defined in Section 1363 of this title and dependent insurance benefit allowance pursuant to paragraph 2 of subsection C of Section 1370 of this title paid by the agency during the leave without pay.

D. An employee on leave without pay pursuant to the provisions of this section shall have the right to be returned to his or her original position in accordance with rules promulgated by the ~~Office of Personnel Management~~ Office of Management and Enterprise Services. If it is found necessary for the good of the state to fill the position during the period the employee is on leave without pay the employee filling the position shall vacate the position upon the return of the employee on leave without pay, subject to layoff, transfer or demotion rights earned under the Oklahoma Personnel Act and rules of the ~~Office of Personnel Management~~ Office of Management and Enterprise Services. The right to return to the original position shall expire one (1) year from the date of the start of leave without pay. ~~Notwithstanding the provisions of Section 1 et seq. of Title 85 of the Oklahoma Statutes, the~~ The employee may be separated in accordance with the Oklahoma Personnel Act and Merit Office of Management and Enterprise Services Rules if the employee has not returned to the original position of the employee or some other position within the agency within one (1) year from the date of the start of leave without pay.

E. An employee on leave without pay pursuant to the provisions of this section shall provide a medical statement as to his or her ability to perform the duties of the position to the appointing authority at least every three (3) months.

F. If the employee becomes medically able with reasonable accommodation to perform the duties of his or her original position, the employee shall be returned to such position. If the employee is unable to perform the duties of the original position with reasonable accommodation, but is medically able with reasonable accommodation to perform the duties of any other position within the agency for which the employee is qualified, and appointment to such other position does not constitute a promotion, the employee shall have first preference for any such position which becomes vacant within the agency, notwithstanding any other preference provisions of the Oklahoma Personnel Act or of other laws of the State of Oklahoma. An employee accepting another position pursuant to this subsection shall not forfeit his or her right to be returned to the

original position within twelve (12) months after the start of leave without pay pursuant to the provisions of subsection D of this section.

G. An ill or injured employee shall be eligible to participate in the Disability Insurance Program established pursuant to the provisions of Section 1331 et seq. of this title in accordance with rules promulgated by the ~~State and Education Employees Group Insurance Board~~ Office of Management and Enterprise Services.

H. All benefits, rights, and obligations contained in this section shall continue during the time the employee remains on leave without pay status, for a continuous period not to exceed twelve (12) months. However, if a workers' compensation claim based on such illness or injury is denied during the twelve-month period, all benefits, rights and obligations conferred upon an employee pursuant to this section shall cease and be discontinued immediately.

I. A classified employee who is separated pursuant to subsection D of this section shall be eligible for reinstatement to employment with any state agency for twelve (12) months after the date of separation whether in the classified or unclassified service in accordance with rules adopted by the ~~Administrator~~ Director of the Office of Personnel Management Office of Management and Enterprise Services provided the employee is qualified for the position to which reinstated. An unclassified employee who is separated pursuant to subsection D of this section shall be eligible for reinstatement to unclassified employment with any state agency for twelve (12) months after the date of separation in accordance with rules promulgated by the ~~Administrator~~ Director of the Office of Personnel Management Office of Management and Enterprise Services provided the employee is qualified for the position to which reinstated. Nothing in this subsection shall be construed to compel or require any agency of the state to reinstate a former employee who is separated pursuant to subsection D of this section. Further, nothing in this subsection shall be construed as limiting or reducing a former employee's eligibility for reinstatement pursuant to other general reinstatement or reemployment provisions in rules promulgated by the ~~Administrator~~ Director.

SECTION 882. AMENDATORY 74 O.S. 2011, Section 840-2.22, is amended to read as follows:

Section 840-2.22 The ~~Administrator~~ Director of the Office of Personnel Management Office of Management and Enterprise Services

shall promulgate emergency and permanent leave rules as necessary to implement the federal Family and Medical Leave Act of 1993 and rules thereto. Such leave rules shall permit an employee to select any one or a combination of the following types of leave to account for authorized absences covered by the Family and Medical Leave Act of 1993: leave without pay; annual and sick leave accumulated by the employee; and annual and sick leave donated by other state employees; and compensatory time.

SECTION 883. AMENDATORY 74 O.S. 2011, Section 840-2.26, is amended to read as follows:

Section 840-2.26 A. In order to provide increased services to the public, to assist state employees in meeting the needs of their families, improve employee morale and productivity, appointing authorities are encouraged to consider the adoption of flextime attendance policies and alternative work schedules.

B. For purposes of this section, "flextime" means a regular, eight-hour-day work schedule that permits the use of alternative starting and ending times within limits set by the appointing authority and that includes a common work period during which all employees are expected to be present.

C. The ~~Administrator~~ Director of the ~~Office of Personnel Management~~ Office of Management and Enterprise Services shall provide technical assistance to agencies in developing flextime policies and alternative work schedules and shall promulgate rules pursuant to the Administrative Procedures Act as necessary for such policies.

SECTION 884. AMENDATORY 74 O.S. 2011, Section 840-2.27C, is amended to read as follows:

Section 840-2.27C A. At least sixty (60) days before the scheduled beginning of reduction-in-force separations or as otherwise provided by law, the appointing authority shall post in each office of executive branch agencies affected by the proposed reduction-in-force notice that a reduction-in-force will be conducted in accordance with the Oklahoma Personnel Act and Merit rules. The reduction-in-force implementation plan shall be provided to the Director of ~~State Finance~~ the Office of Management and Enterprise Services and any state employee association representing state employees at such time. The notice shall not be posted unless approved by the cabinet secretary for the agency conducting the

reduction-in-force. If there is no incumbent cabinet secretary for the agency, the cabinet-secretary-notice-approval requirement shall not be applicable. If the appointing authority is governed by an elected official, the cabinet-secretary-notice-approval requirement shall not be applicable. The approved notice shall be posted in each office affected by the proposed plan for five (5) days. The appointing authority shall provide a copy of the notice to the Administrator. A reduction-in-force shall not be used as a disciplinary action.

B. The reduction-in-force implementation plan and subsequent personnel transactions directly related to the reduction-in-force in executive branch agencies shall be in compliance with rules adopted by the Administrator. The reduction-in-force implementation plan, including the description of and reasons for displacement limits and protections from displacement actions, and severance benefits that will be offered pursuant to Section 840-2.27D of this title shall be posted in each office affected by the plan within five (5) business days after posting of the reduction-in-force notice. The reduction-in-force implementation plan shall:

1. Provide for the appointing authority to determine the specific position or positions to be abolished within specified units, divisions, facilities, agency-wide or any parts thereof;

2. Provide for retention of affected employees based on type of appointment;

3. Require the separation of probationary classified affected employees in affected job family levels, except those affected employees on probationary status after reinstatement from permanent classified status without a break in service, prior to the separation or displacement of any permanent classified affected employee in an affected job family level;

4. Provide for retention of permanent classified affected employees in affected job family levels and those affected employees on probationary status after reinstatement from permanent classified status without a break in service based upon consideration of years of service;

5. Provide for exercise of displacement opportunities by permanent classified affected employees and those affected employees on probationary status after reinstatement from permanent classified

status without a break in service if any displacement opportunities exist; and

6. Provide outplacement assistance and employment counseling from the Oklahoma Employment Security Commission and any other outplacement assistance and employment counseling made available by the agency to affected employees regarding the options available pursuant to the State Government Reduction-in-Force and Severance Benefits Act prior to the date that a reduction-in-force is implemented.

C. If an agency implements a reduction-in-force then it shall give a veteran's preference over affected nonveterans who have equal retention points to the affected veteran.

D. The Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services shall review the fiscal components of the reduction-in-force implementation plan and within five (5) business days of receipt reject any plan that does not:

1. Demonstrate that funds are available to cover projected costs;

2. Contain an estimate of the number of affected employees likely to participate in the education voucher program established in Section 840-2.27D of this title; and

3. Contain an estimate of the cost savings or reduced expenditures likely to be achieved by the agency.

If the reduction-in-force is conducted pursuant to a reorganization, the fiscal components of the reduction-in-force implementation plan shall contain reasons for the reorganization, which may include, but not be limited to, increased efficiency, improved service delivery, or enhanced quality of service.

E. The appointing authority may limit displacement of affected employees at the time of a reduction-in-force. Displacement limits shall not be subject to the approval of the Administrator. Any limitation shall be based upon reasonable, written, articulated criteria as certified by the appointing authority. If displacement is limited, the appointing authority shall take action to avoid or minimize any adverse impact on minorities or women.

1. The appointing authority may protect from displacement action up to twenty percent (20%) of projected post-reduction-in-force employees in affected positions within displacement limits; provided, that any fractional number resulting from the final mathematical calculation of the number of those positions shall be rounded to the next higher whole number. The appointing authority must explain why affected employees are being protected.

2. If the affected employee has not held within the last five (5) years a position in the job family level or predecessor class in which the affected employee is otherwise eligible for a displacement opportunity, the appointing authority may determine that the affected employee does not possess the recent relevant experience for the position and deny in writing the displacement opportunity.

3. An affected permanent classified employee may exercise a displacement privilege, if one exists, if the affected employee has received an overall rating of at least "meets standards", or its equivalent, on the most recent annual service rating. If an affected employee has not been rated in accordance with the time limits established in Section 840-4.17 of this title, the employee shall be deemed to have received an overall rating of at least "meets standards" or its equivalent on the most recent service rating.

4. An affected employee who exercises a displacement privilege pursuant to this section shall:

- a. be required, as a condition of continued employment by the agency, to sign an agreement, in a form to be prescribed by the ~~Administrator~~ Director of the Office of ~~Personnel Management~~ Management and Enterprise Services, acknowledging that the employee had an opportunity to receive severance benefits and affirmatively elected to exercise a displacement privilege and to forego such benefits. An affected employee who signs the agreement required by this subparagraph waives any privilege which might otherwise have been available to the affected employee pursuant to the agreement for the provision of severance benefits, and
- b. not have the right to exercise any subsequent right to receive severance benefits from the agency for which the affected employee performs services on the date

that the employee exercises a displacement privilege. The provisions of this section shall not prohibit any person from exercising a displacement privilege in, or accepting severance benefits from, more than one agency during employment with the State of Oklahoma or from the agency which the affected employee exercised a displacement privilege in any future reduction-in-force.

F. An affected employee who does not agree pursuant to Section 840-2.27E of this title to accept severance benefits and who does not have a displacement opportunity or does not accept a displacement opportunity shall be separated by the reduction-in-force and shall not receive any severance benefits that would have otherwise been provided pursuant to Section 840-2.27D of this title.

G. Permanent classified affected employees and those affected employees on probationary status after reinstatement from permanent classified status without a break in service who were removed from a job family level by taking a position in another job family level through displacement or separated after foregoing severance benefits shall be recalled by the agency to the job family level from which they were removed in inverse order of removal before the agency may appoint other persons to the job family level, from the employment register, by internal action or from Priority Reemployment Consideration Rosters as provided by this section. Upon declination of an offer of reappointment to the job family level from which the employee was removed or eighteen (18) months after the date of removal from the job family level, whichever is first, this right to be recalled shall expire.

H. The names of permanent classified affected employees and those affected employees on probationary status after reinstatement from permanent classified status without a break in service who have been separated pursuant to the State Government Reduction-in-Force and Severance Benefits Act, who apply and meet all requirements for state jobs in the classified service shall be placed on Priority Reemployment Consideration Rosters for a maximum of eighteen (18) months after the date of separation. Before any vacant position is filled by any individual eligible for initial appointment from the employment register, individuals on the Priority Reemployment Consideration Rosters shall be given priority consideration for reemployment by any state agency within eighteen (18) months after the date of the reduction-in-force. Upon declination of an offer of reemployment to a job family level having the same or higher pay

band than the job family level from which the employee was removed, or eighteen (18) months after the date of separation, whichever is first, this priority consideration for reemployment shall expire. If an agency has posted a reduction-in-force plan and implementation schedule, all affected employees in positions covered by the plan and any within the displacement limits established by the appointing authority of the agency who have been separated shall be eligible for priority reemployment consideration.

I. If an agency or any part thereof is scheduled to be closed or abolished as a result of legislation or a court order, the affected employees, who would be eligible for Priority Reemployment Consideration after their separation in accordance with subsection H of this section, may apply and, if qualified and eligible, shall be accorded Priority Reemployment Consideration not to exceed twelve (12) months before the scheduled date of separation. If an agency has posted a reduction-in-force plan and implementation schedule, all affected employees in positions covered by the plan and any within the displacement limits established by the appointing authority of the agency shall be eligible for Priority Reemployment Consideration beginning with the date the schedule is posted, not to exceed twelve (12) months before the scheduled date of separation.

J. When the Legislature is not in session, the Contingency Review Board may, upon the request of the Governor, direct agencies, boards and commissions to reduce the number of employees working for the agency, board or commission whenever it is deemed necessary and proper. Such reduction shall be made pursuant to reduction-in-force plans as provided in this section.

K. 1. When the Legislature is not in session, the Contingency Review Board may, upon the request of the Governor, direct and require mandatory furloughs for all state employees whenever it is deemed necessary and proper. The Contingency Review Board shall specify the effective dates for furloughs and shall note any exceptions to state employees affected by same. All classified, unclassified, exempt or nonmerit employees, including those employees of agencies or offices established by statute or the Constitution, shall be affected by such actions.

2. Mandatory furlough means the involuntary temporary reduction of work hours or the placement of an employee on involuntary leave without pay. Rules governing leave, longevity pay and participation in the State Employees Group Health, Dental, Disability, and Life Insurance program shall not be affected by mandatory furloughs.

Furlough, as provided for in this section or by rules adopted by the ~~Administrator~~ Director of the Office of ~~Personnel Management~~ Management and Enterprise Services, shall not be appealable under the provisions of the Oklahoma Personnel Act.

3. Notwithstanding existing laws or provisions to the contrary, members of state boards and commissions shall not receive per diem expenses during periods of mandatory furlough. The Contingency Review Board shall additionally call upon elected officials, members of the judiciary, and other public officers whose salary or emoluments cannot be altered during current terms of office, to voluntarily donate to the General Revenue Fund any portion of their salary which would otherwise have been affected by a mandatory furlough.

L. All agencies directed by the Contingency Review Board to terminate or furlough employees, shall report the cumulative cost savings achieved by the reductions-in-force or furloughs to the Governor, President Pro Tempore of the Senate and Speaker of the House of Representatives on a quarterly basis for one (1) year following the effective date of the action.

M. The appointing authority of an agency which has an approved reduction-in-force plan pursuant to the State Government Reduction-in-Force and Severance Benefits Act may request the ~~Administrator~~ Director of the Office of ~~Personnel Management and Enterprise Services~~ Services to appoint an interagency advisory task force for the purpose of assisting the agency and its employees with the implementation of the reduction-in-force. The appointing authority of state agencies requested by the Administrator to participate on a task force shall assign appropriate administrative personnel necessary to facilitate the necessary assistance required for the efficient implementation of the approved reduction-in-force.

SECTION 885. AMENDATORY 74 O.S. 2011, Section 840-2.27D, is amended to read as follows:

Section 840-2.27D A. Agencies shall provide severance benefits to affected employees who are separated from the state service as a result of a reduction-in-force due to a reorganization or any other action by an agency which results in affected positions being abolished and affected employees being severed from the state service. Severance benefits shall be given to the following categories of affected employees: permanent classified affected employees and affected employees on probationary status after