



## H.B. 2236

RE: H.B. 2236

SUBJECT: Voluntary Compliance Initiative

House Bill 2236 becomes effective May 20, 2015. This bill allows for a Voluntary Compliance Initiative for unpaid taxes to be paid without penalty.

- Section 1: Reestablishes the Voluntary Compliance Initiative to allow the Oklahoma Tax Commission to set up a Voluntary Compliance initiative, subject to the availability of funds, whereby taxes owed to the state can be repaid without penalty, interest or other collection fees. The initiative is to begin September 14, 2015 and end November 13, 2015.
  - Taxes falling under this initiative include mixed beverage tax, gas tax, gross production tax, sales tax, use tax, income tax, withholding tax and privilege tax.
  - Any fees owed to a debt collection agency for delinquent taxes will not be waived.

Should you have any questions related to this bill, please contact Ms. Renee McWaters, Executive Director of State Aid, at (405) 521-3460 or Ms. Carolyn Thompson, Director of Government Affairs, at (405) 522-3520.

Amendment to: 68 O.S. 216.3



# An Act

ENROLLED HOUSE  
BILL NO. 2236

By: Sears and Casey of the  
House

and

Jolley and Treat of the  
Senate

An Act relating to revenue and taxation; amending 68 O.S. 2011, Section 216.3, which relates to a Voluntary Compliance Initiative; reinstating Initiative for certain period; allowing for waiver of certain costs; providing that certain fees not be waived; excluding certain tax from certain definition; eliminating certain penalty; and declaring an emergency.

SUBJECT: Voluntary Compliance Initiative

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

SECTION 1. AMENDATORY 68 O.S. 2011, Section 216.3, is amended to read as follows:

Section 216.3 A. For the purpose of encouraging the voluntary disclosure and payment of taxes owed to this state, the Oklahoma Tax Commission is hereby authorized and directed, subject to the availability of funds, to establish a Voluntary Compliance Initiative for eligible taxes, as provided in this section. A taxpayer shall be entitled to a waiver of penalty, interest and other collection fees or costs due on eligible taxes if the taxpayer voluntarily files delinquent tax returns and pays the taxes due during the compliance initiative. The time in which a voluntary payment of tax liability may be made or the taxpayer may enter into a payment program acceptable to the Tax Commission for the payment of the unpaid taxes in full in the manner and time established in a

written payment program agreement between the Tax Commission and the taxpayer under the Voluntary Compliance Initiative is limited to the period beginning on ~~September 15, 2008~~ September 14, 2015, and ending on ~~November 14, 2008~~ November 13, 2015.

B. Upon payment of the eligible taxes under the Voluntary Compliance Initiative established, the Tax Commission shall abate and not seek to collect any interest, penalties, collection fees, or costs that would otherwise be applicable and release any liens imposed. Provided, if the delinquent taxes are remitted to a debt collection agency contracting with the Tax Commission pursuant to Section 255 of this title, the debt collection agency contract fee shall not be waived.

C. As used in this section, "eligible taxes" shall include the following taxes that were due and payable for any tax period or periods ending before ~~January 1, 2008~~ January 1, 2015:

1. Mixed beverage tax levied pursuant to Section 576 of Title 37 of the Oklahoma Statutes;
2. Gasoline and diesel tax levied pursuant to Section 500.4 of Title 68 of the Oklahoma Statutes;
3. Gross production and petroleum excise tax levied pursuant to Sections 1001, 1101 and 1102 of Title 68 of the Oklahoma Statutes;
4. ~~Franchise tax levied pursuant to Sections 1203 or 1204 of Title 68 of the Oklahoma Statutes;~~
5. ~~Sales tax levied pursuant to Sections~~ Section 1354 of Title 68 of the Oklahoma Statutes;
6. 5. Use tax levied pursuant to Section 1402 of Title 68 of the Oklahoma Statutes;
7. 6. Income tax levied pursuant to Section 2355 of Title 68 of the Oklahoma Statutes;
8. 7. Withholding tax levied pursuant to Section 2385.2 of Title 68 of the Oklahoma Statutes; and
9. 8. Privilege tax levied pursuant to Section 2370 of Title 68 of the Oklahoma Statutes.

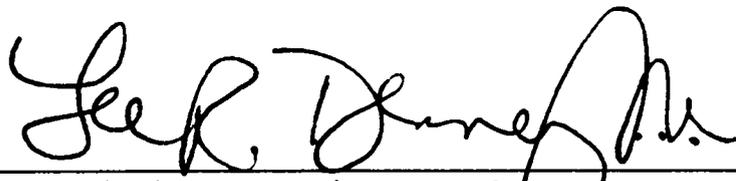
~~D. If any eligible tax, or any part thereof, is not paid before the end of the Voluntary Compliance Initiative established under this section or in conformity with a written payment agreement entered into during the Voluntary Compliance Initiative between the Tax Commission and the taxpayer for payment of the unpaid eligible taxes, a penalty equal to the amount of delinquent penalty imposed by the applicable section for nonpayment of the tax shall be added thereto, collected and paid; provided, the Tax Commission shall not collect the penalty assessed in this section if the individual or entity from which the tax liability is due was not eligible to participate in the compliance initiative or the taxpayer has timely filed a protest of an assessment pursuant to Section 221 of Title 68 of the Oklahoma Statutes or is otherwise a contested matter before a court of competent jurisdiction.~~

~~E.~~ The Tax Commission shall promulgate rules detailing the terms and other conditions of this program.

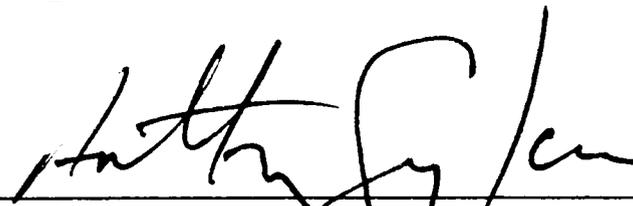
~~F.~~ E. The Tax Commission is authorized to expend necessary available funds, including contracting with third parties, to publicly advertise, assist in the collection of eligible taxes, and administer the Voluntary Compliance Initiative and shall be exempt from the provisions of Section 85.7 of Title 74 of the Oklahoma Statutes for the purpose of implementing this section.

SECTION 2. It being immediately necessary for the preservation of the public peace, health and safety, an emergency is hereby declared to exist, by reason whereof this act shall take effect and be in full force from and after its passage and approval.

Passed the House of Representatives the 14th day of May, 2015.

  
Presiding Officer of the House  
of Representatives

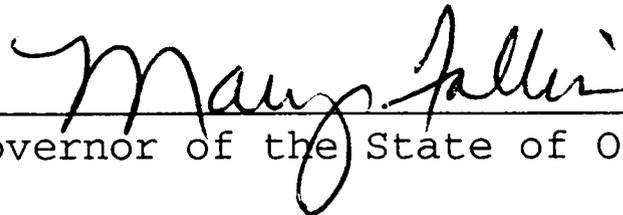
Passed the Senate the 18th day of May, 2015.

  
Presiding Officer of the Senate

OFFICE OF THE GOVERNOR

Received by the Office of the Governor this 19<sup>th</sup>  
day of May, 20 15, at 10:26 o'clock A M.  
By: Audrey Postwell

Approved by the Governor of the State of Oklahoma this 20<sup>th</sup>  
day of May, 20 15, at 1:26 o'clock P M.

  
Governor of the State of Oklahoma

OFFICE OF THE SECRETARY OF STATE

Received by the Office of the Secretary of State this 20<sup>th</sup>  
day of May, 20 15, at 2:46 o'clock P. M.  
By: C. R. Benze



# H.B. 2242

RE: H.B. 2242

SUBJECT: General Appropriations

House Bill 2242 becomes effective July 1, 2015. This bill is the general appropriations bill and makes appropriations to the various agencies of the executive, legislative and judicial departments. It appropriates \$2,484,873,132 to the State Board of Education.

- Sections 1-17 (pages 4-6, 37-39): Appropriates \$2,484,873,132 to the State Board of Education for Fiscal Year 2016 (FY16), which is the same amount as was appropriated in Fiscal Year 2015 (FY15), as follows:
- Financial Support of Public Schools (commonly known as the funding formula) is appropriated \$1,876,735,176, which is *\$451,176 more* than in FY15.
  - \$990,708,890 from the General Revenue Fund
  - \$728,835,560 from the Education Reform Revolving Fund
  - \$47,372,299 from the Common Education Technology Fund
  - \$3,800,000 from the Mineral Leasing Fund FY 16
  - \$1,602,510 from the Mineral Leasing Fund FY14
  - \$24,453,211 from the Oklahoma Lottery Trust Fund FY16
  - \$4,962,706 from the Oklahoma Lottery Trust Fund FY14
  - NOTE: \$75,000,000 from the Constitutional Reserve Fund is also appropriated for the Financial Support of Public Schools, but that appropriation is made in S.B. 847.
- Support of Public School Activities (commonly known as the line items) is appropriated \$130,178,226 from the General Revenue Fund, which is *\$8,739,932 less* than in FY15.
- Health Benefit Allowance (commonly known as Flexible Benefit Allowance/FBA) is appropriated \$416,023,565, which is *\$8,739,932 more* than in FY15, from the General Revenue Fund.
  - \$267,559,579 for Certified Employees
  - \$148,463,986 for Support Personnel
- Textbooks and Instructional Materials is appropriated \$33,000,000 from the Special Cash Fund, which is the same amount as was appropriated in FY15.

- Administrative and Support Functions of the State Department of Education is appropriated \$22,399,295 from the General Revenue Fund, which is the same amount as was appropriated in FY15.
- School Consolidation Assistance Fund is appropriated \$3,268,435, which is \$225,588 *less* than FY15.
  - \$551,412 from the Oklahoma Lottery Trust Fund FY14
  - \$2,717,023 from the Oklahoma Lottery Trust Fund FY16
- Oklahoma Teachers Retirement System Dedicated Revenue Revolving Fund is appropriated \$3,268,435, which is \$225,588 *less* than FY15.
  - \$551,412 from the Oklahoma Lottery Trust Fund FY14
  - \$2,717,023 from the Oklahoma Lottery Trust Fund FY16
- The FY16 Budget additionally lists other Dedicated Funds, Interagency Funds and Other Funds going to each state agency. For the State Department of Education, dedicated Funds equal \$2,882,683. Interagency Funds equal \$48,847. Other Funds, which include local and federal sources of revenue, equal \$5,725,637,249. Therefore, the total estimated amount of revenue available to Common Education is shown as \$8,213,441,911.
- Section 166: The Ad Valorem Reimbursement Fund is appropriated \$28,283,724 from the Special Cash Fund of the State Treasury. These monies will be transferred directly to the Ad Valorem Reimbursement Fund for the purpose of reimbursing counties for school districts that claim a loss of revenue due to tax exemptions. This section of the bill went into effect June 1, 2015 upon the Governor’s signature.

Should you have any questions related to this bill, please contact Ms. Mathangi Shankar, Chief Financial Officer, at (405) 522-0162 or Ms. Carolyn Thompson, Director of Government Affairs, at (405) 522-3520.

New Law Not Codified

# An Act

ENROLLED HOUSE

BILL NO. 2242

By: Sears and Casey of the  
House

and

Jolley and Treat of the  
Senate

An Act relating to general appropriations for the expenses of various agencies of the executive, legislative and judicial departments of the state; defining terms; stating legislative intent; summarizing appropriated funds; summarizing dedicated funds; summarizing interagency funds; summarizing other funds; providing totals; making appropriations to the State Board of Education, the Oklahoma Arts Council, the State Board of Career and Technology Education, the Office of Educational Quality and Accountability, the Oklahoma Educational Television Authority, the Oklahoma State Regents for Higher Education, the Commissioners of the Land Office, the Oklahoma Department of Libraries, the Physician Manpower Training Commission, the Board of Trustees of the Oklahoma School of Science and Mathematics, the Oklahoma Center for the Advancement of Science and Technology, the Office of the State Auditor and Inspector, the Office of the State Bond Advisor, the State Election Board, the Oklahoma Department of Emergency Management, the Ethics Commission, the Office of the Governor, the Oklahoma House of Representatives, the Legislative Service Bureau, the Office of the Lieutenant Governor, the Office of Management and Enterprise Services, the Oklahoma Merit Protection Commission, the Military Department of the State of Oklahoma, the Oklahoma State Senate, the Oklahoma Tax Commission, the Office of the State Treasurer, the Oklahoma Space Industry Development Authority, the Department of Transportation, the State Department of Health, the Oklahoma Health Care Authority, the J.D. McCarty Center for Children with

Developmental Disabilities, the Department of Mental Health and Substance Abuse Services, the Oklahoma State University Medical Authority, the University Hospitals Authority, the Oklahoma Department of Veterans Affairs, the Oklahoma Commission on Children and Youth, the Office of Disability Concerns, the Department of Human Services, the Office of Juvenile Affairs, the State Department of Rehabilitation Services, the Oklahoma Department of Agriculture, Food, and Forestry, the Oklahoma Department of Commerce, the Rural Economic Action Plan Fund, the Oklahoma Conservation Commission, the Corporation Commission, the Department of Environmental Quality, the Oklahoma Historical Society, the Oklahoma Horse Racing Commission, the Insurance Department, the J.M. Davis Memorial Commission, the Department of Labor, the Department of Mines, the Scenic Rivers Commission, the Oklahoma Tourism and Recreation Department, the Oklahoma Water Resources Board, the Will Rogers Memorial Commission, the Alcoholic Beverage Laws Enforcement Commission, the Department of Corrections, the Office of the State Fire Marshal, the Oklahoma State Bureau of Investigation, the Council on Law Enforcement Education and Training, the Board of Medicolegal Investigations, the Oklahoma State Bureau of Narcotics and Dangerous Drugs Control, the Department of Public Safety, the Office of the Attorney General, the Court of Criminal Appeals, district attorneys and the District Attorneys Council, the Supreme Court, the Oklahoma Indigent Defense System, the Pardon and Parole Board, the Special Cash Fund and the Quick Action Closing Fund; stating amounts of the appropriations; stating purposes and restrictions; authorizing and requiring certain expenditures; authorizing and requiring certain transfers; reappropriating and redesignating certain funds; providing for noncodification; and providing effective dates.

SUBJECT: General appropriations

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

SECTION 1. NEW LAW A new section of law not to be codified in the Oklahoma Statutes reads as follows:

A. As used in this section:

1. "Total" shall mean the aggregate total of all fund sources;

2. "Appropriated funds" shall mean those funds identified in Sections 2 through 181 of this act, as well as those identified in Enrolled Senate Bill Nos. 846 and 847 of the 1st Session of the 55th Oklahoma Legislature, as appropriated from the General Revenue Fund or from such other funds to the state agencies indicated;

3. "Dedicated funds" shall mean funds available for expenditure by a state agency in a revolving fund or other source identified as available for use by that agency;

4. "Interagency funds" shall mean funds received by one state agency from another state agency for services rendered as provided by law; and

5. "Other funds" shall mean funds received from the federal government or any political subdivision of this state, or pursuant to gifts, grants, contributions or entitlements.

B. It is the intent of the Legislature that amounts identified in this section are identified for informational purposes only and such identification shall not limit the agency to such amounts if additional funding is made available for expenditure in fiscal year 2016. It is the further intent of the Legislature that no ad valorem tax revenue identified as "other funds" in this section be construed as being used for state purposes.

	Appropriated Funds	Dedicated Funds	Interagency Funds	Other Funds	Total
<b><u>State Board of Education</u></b>					
FY'16 General Revenue Fund for Financial Support of Public Schools	\$990,708,890				\$990,708,890
Education Reform Revolving Fund for Financial Support of Public Schools	\$728,835,560				\$728,835,560
Common Education Technology Fund for Financial Support of Public Schools	\$47,372,299				\$47,372,299
FY'16 Mineral Leasing Fund for Financial Support of Public Schools	\$3,800,000				\$3,800,000
FY'14 Mineral Leasing Fund for Financial Support of Public Schools	\$1,602,510				\$1,602,510
FY'16 Oklahoma Lottery Trust Fund for Financial Support of Public Schools	\$24,453,211				\$24,453,211
FY'14 Oklahoma Lottery Trust Fund for Financial Support of Public Schools	\$4,962,706				\$4,962,706
FY'16 General Revenue Fund for the Support of Public Schools Activities Fund	\$130,178,226				\$130,178,226
FY'16 General Revenue Fund for the Certified Employee Health Benefit Allowance	\$267,559,579				\$267,559,579
FY'16 General Revenue Fund for the Support Personnel Health Benefit Allowance	\$148,463,986				\$148,463,986
Special Cash Fund for Textbooks and Instructional Materials	\$33,000,000				\$33,000,000
FY'16 General Revenue Fund for Administrative and Support Functions of the State Department of Education	\$22,399,295				\$22,399,295
FY'16 Oklahoma Lottery Trust Fund for Transfer to the School Consolidation Assistance Fund	\$2,717,023				\$2,717,023
FY'14 Oklahoma Lottery Trust Fund for Transfer to the School Consolidation Assistance Fund	\$551,412				\$551,412
FY'16 Oklahoma Lottery Trust Fund for Transfer to the Oklahoma Teachers Retirement System Dedicated Revenue Revolving Fund	\$2,717,023				\$2,717,023

	Appropriated Funds	Dedicated Funds	Interagency Funds	Other Funds	Total
FY'14 Oklahoma Lottery Trust Fund for Transfer to the Oklahoma Teachers Retirement System Dedicated Revenue Revolving Fund	\$551,412				\$551,412
Constitutional Reserve Fund	\$75,000,000				\$75,000,000
Statistical Survey Revolving Fund 220 for Duties		\$24,000			\$24,000
Grants and Donations Revolving Fund 225 for Duties		\$700,000			\$700,000
Drug Abuse Education Revolving Fund 235 for Duties		\$70,000			\$70,000
Teachers Certificate Fund 240 for Duties		\$1,184,183			\$1,184,183
Drivers Education Revolving Fund 255 for Duties		\$900,000			\$900,000
Oklahoma Early Intervention Revolving Fund 250 for Duties					\$0
Charter Schools Incentive Revolving Fund 275 for Duties					\$0
Statewide Virtual Charter School Board Revolving Fund 276 for Duties					\$0
Oklahoma Youth and Government Revolving Fund 286 for Duties		\$1,000			\$1,000
Deer Creek Foundation License Plate Revolving Fund 287 for Duties		\$3,500			\$3,500
Agency Relationship Fund 430 for Duties				\$48,689	\$48,689
School Lunch Division Federal Administration Fund 435 for Duties				\$6,019,542	\$6,019,542
Interagency Reimbursement Fund 443 for Duties			\$48,847		\$48,847
Federal Educational Programs Revolving Fund 450 for Duties				\$32,665,422	\$32,665,422
Local Revenues				\$1,689,126,972	\$1,689,126,972
Bond Sinking Funds				\$548,267,514	\$548,267,514
Federal Revenues				\$681,618,237	\$681,618,237
State Dedicated Funds				\$475,118,990	\$475,118,990
Intermediate Funds				\$140,861,801	\$140,861,801
School Districts (carry forward and other misc. revenue)				\$1,856,105,365	\$1,856,105,365

	Appropriated Funds	Dedicated Funds	Interagency Funds	Other Funds	Total
Oklahoma Teachers Retirement System Apportionment				\$295,804,717	\$295,804,717
<b>TOTAL</b>	<b>\$2,484,873,132</b>	<b>\$2,882,683</b>	<b>\$48,847</b>	<b>\$5,725,637,249</b>	<b>\$8,213,441,911</b>
<b><u>State Arts Council</u></b>					
FY'16 General Revenue Fund for Duties	\$3,510,505				\$3,510,505
Oklahoma Arts Council Arts Education Revolving Fund 200 for Duties		\$215,625			\$215,625
National Endowment for the Arts Federal Fund 440 for Duties				\$800,000	\$800,000
Americans for the Arts State Policy Pilot Program Grant for Duties				\$10,000	\$10,000
<b>TOTAL</b>	<b>\$3,510,505</b>	<b>\$215,625</b>	<b>\$0</b>	<b>\$810,000</b>	<b>\$4,536,130</b>
<b><u>State Board of Career and Technology Education</u></b>					
FY'16 General Revenue for Duties	\$128,277,188				\$128,277,188
FY'16 Oklahoma Lottery Trust Fund for Education, General Operating Budgets of the Institutions, Construction Renovations or Repairs and Other Programs	\$2,988,726				\$2,988,726
FY'14 Oklahoma Lottery Trust Fund for Education, General Operating Budgets of the Institutions, Construction Renovations or Repairs and Other Programs	\$606,553				\$606,553
State Career Technology Revolving Fund 200 for Duties	\$2,000,000	\$4,000,000	\$1,500,000		\$9,500,000
Agency Relationship Revolving Fund 430 for Duties			\$7,013,500	\$485,893,323	\$492,906,823
Agency Special Account Fund 730 for Duties		\$350,000			\$350,000
<b>TOTAL</b>	<b>\$133,872,467</b>	<b>\$4,350,000</b>	<b>\$8,513,500</b>	<b>\$485,893,323</b>	<b>\$632,629,290</b>
<b><u>Office of Educational Quality and Accountability</u></b>					
FY'16 General Revenue Fund for Duties	\$1,332,470				\$1,332,470
Special Cash Fund for Duties	\$500,000				\$500,000
Office of Educational Quality and Accountability Revolving Fund 200 for Duties		\$25,000			\$25,000

## EDUCATION

SECTION 2. There is hereby appropriated to the State Board of Education from any monies not otherwise appropriated from the General Revenue Fund of the State Treasury for the fiscal year ending June 30, 2016, the sum of Nine Hundred Ninety Million Seven Hundred Eight Thousand Eight Hundred Ninety Dollars (\$990,708,890.00) or so much thereof as may be necessary for the financial support of public schools.

SECTION 3. There is hereby appropriated to the State Board of Education from any monies not otherwise appropriated from the Education Reform Revolving Fund created in Section 34.89 of Title 62 of the Oklahoma Statutes the sum of Seven Hundred Twenty-eight Million Eight Hundred Thirty-five Thousand Five Hundred Sixty Dollars (\$728,835,560.00) or so much thereof as may be necessary for the financial support of public schools.

SECTION 4. The State Board of Education is hereby authorized to expend during the fiscal year ending June 30, 2016, from the Common Education Technology Revolving Fund of the State Treasury the sum of Forty-seven Million Three Hundred Seventy-two Thousand Two Hundred Ninety-nine Dollars (\$47,372,299.00) or so much thereof as may be necessary for the financial support of public schools.

SECTION 5. There is hereby appropriated to the State Board of Education from any monies not otherwise appropriated from the Mineral Leasing Fund of the State Treasury for the fiscal year ending June 30, 2016, the sum of Three Million Eight Hundred Thousand Dollars (\$3,800,000.00) or so much thereof as may be necessary for the financial support of public schools.

SECTION 6. There is hereby appropriated to the State Board of Education from any monies not otherwise appropriated from the Mineral Leasing Fund of the State Treasury for the fiscal year ending June 30, 2014, the sum of One Million Six Hundred Two Thousand Five Hundred Ten Dollars (\$1,602,510.00) or so much thereof as may be necessary for the financial support of public schools.

SECTION 7. There is hereby appropriated to the State Board of Education from any monies not otherwise appropriated from the Oklahoma Education Lottery Trust Fund of the State Treasury for the fiscal year ending June 30, 2016, the sum of Twenty-four Million Four Hundred Fifty-three Thousand Two Hundred Eleven Dollars

(\$24,453,211.00) or so much thereof as may be necessary for the financial support of public schools.

SECTION 8. There is hereby appropriated to the State Board of Education from any monies not otherwise appropriated from the Oklahoma Education Lottery Trust Fund of the State Treasury for the fiscal year ending June 30, 2014, the sum of Four Million Nine Hundred Sixty-two Thousand Seven Hundred Six Dollars (\$4,962,706.00) or so much thereof as may be necessary for the financial support of public schools.

SECTION 9. There is hereby appropriated to the State Board of Education from any monies not otherwise appropriated from the General Revenue Fund of the State Treasury for the fiscal year ending June 30, 2016, the sum of One Hundred Thirty Million One Hundred Seventy-eight Thousand Two Hundred Twenty-six Dollars (\$130,178,226.00) or so much thereof as may be necessary for the support of public schools activities.

SECTION 10. There is hereby appropriated to the State Board of Education from any monies not otherwise appropriated from the General Revenue Fund of the State Treasury for the fiscal year ending June 30, 2016, the sum of Two Hundred Sixty-seven Million Five Hundred Fifty-nine Thousand Five Hundred Seventy-nine Dollars (\$267,559,579.00) or so much thereof as may be necessary for the Certified Employee Health Benefit Allowance.

SECTION 11. There is hereby appropriated to the State Board of Education from any monies not otherwise appropriated from the General Revenue Fund of the State Treasury for the fiscal year ending June 30, 2016, the sum of One Hundred Forty-eight Million Four Hundred Sixty-three Thousand Nine Hundred Eighty-six Dollars (\$148,463,986.00) or so much thereof as may be necessary for the Support Personnel Health Benefit Allowance.

SECTION 12. There is hereby appropriated to the State Board of Education from any monies not otherwise appropriated from the Special Cash Fund of the State Treasury the sum of Thirty-three Million Dollars (\$33,000,000.00) or so much thereof as may be necessary for the purchase of textbooks and instructional materials.

SECTION 13. There is hereby appropriated to the State Board of Education from any monies not otherwise appropriated from the General Revenue Fund of the State Treasury for the fiscal year ending June 30, 2016, the sum of Twenty-two Million Three Hundred

Ninety-nine Thousand Two Hundred Ninety-five Dollars (\$22,399,295.00) or so much thereof as may be necessary for administrative and support functions of the State Department of Education.

SECTION 14. There is hereby appropriated to the State Board of Education from any monies not otherwise appropriated from the Oklahoma Education Lottery Trust Fund of the State Treasury for the fiscal year ending June 30, 2016, the sum of Two Million Seven Hundred Seventeen Thousand Twenty-three Dollars (\$2,717,023.00) or so much thereof as may be necessary for transfer to the School Consolidation Assistance Fund.

SECTION 15. There is hereby appropriated to the State Board of Education from any monies not otherwise appropriated from the Oklahoma Education Lottery Trust Fund of the State Treasury for the fiscal year ending June 30, 2014, the sum of Five Hundred Fifty-one Thousand Four Hundred Twelve Dollars (\$551,412.00) or so much thereof as may be necessary for transfer to the School Consolidation Assistance Fund.

SECTION 16. There is hereby appropriated to the State Board of Education from any monies not otherwise appropriated from the Oklahoma Education Lottery Trust Fund of the State Treasury for the fiscal year ending June 30, 2016, the sum of Two Million Seven Hundred Seventeen Thousand Twenty-three Dollars (\$2,717,023.00) or so much thereof as may be necessary for transfer to the Teachers' Retirement System Dedicated Revenue Revolving Fund.

SECTION 17. There is hereby appropriated to the State Board of Education from any monies not otherwise appropriated from the Oklahoma Education Lottery Trust Fund of the State Treasury for the fiscal year ending June 30, 2014, the sum of Five Hundred Fifty-one Thousand Four Hundred Twelve Dollars (\$551,412.00) or so much thereof as may be necessary for transfer to the Teachers' Retirement System Dedicated Revenue Revolving Fund.

SECTION 18. There is hereby appropriated to the Oklahoma Arts Council from any monies not otherwise appropriated from the General Revenue Fund of the State Treasury for the fiscal year ending June 30, 2016, the sum of Three Million Five Hundred Ten Thousand Five Hundred Five Dollars (\$3,510,505.00) or so much thereof as may be necessary to perform the duties imposed upon the Oklahoma Arts Council by law.

may be necessary to be expended for lease payments pursuant to Section 345 of Title 73 of the Oklahoma Statutes for the fiscal year ending June 30, 2016.

SECTION 166. There is hereby appropriated to the State Board of Education from any monies not otherwise appropriated from the Special Cash Fund of the State Treasury the sum of Twenty-eight Million Two Hundred Eighty-three Thousand Seven Hundred Twenty-four Dollars (\$28,283,724.00) to be transferred to the Ad Valorem Reimbursement Fund, created pursuant to Section 193 of Title 62 of the Oklahoma Statutes, for the purpose of reimbursing counties for school districts that claim a loss of revenue due to a tax exemption granted pursuant to the provisions of Section 6B of Article X of the Oklahoma Constitution.

SECTION 167. There is hereby appropriated to the Oklahoma Educational Television Authority from any monies not otherwise appropriated from the Special Cash Fund of the State Treasury the sum of Three Hundred Eighty Thousand Dollars (\$380,000.00) or so much thereof as may be necessary to perform the duties imposed upon the Oklahoma Educational Television Authority by law.

SECTION 168. There is hereby appropriated to the Military Department of the State of Oklahoma from any monies not otherwise appropriated from the Special Cash Fund of the State Treasury the sum of One Million Dollars (\$1,000,000.00) or so much thereof as may be necessary to perform the duties imposed upon the Military Department of the State of Oklahoma by law.

SECTION 169. There is hereby appropriated to the Special Cash Fund of the State Treasury from any monies not otherwise appropriated from the County Improvement for Roads and Bridges Revolving Fund (285 Fund) the sum of Fifty Million Dollars (\$50,000,000.00) for availability of appropriation.

SECTION 170. There is hereby appropriated to the Special Cash Fund of the State Treasury from any monies not otherwise appropriated from the C.L.E.E.T. Training Center Revolving Fund (215 Fund) the sum of One Hundred Thousand Dollars (\$100,000.00) for availability of appropriation.

SECTION 171. There is hereby appropriated to the Special Cash Fund of the State Treasury from any monies not otherwise appropriated from the Department of Environmental Quality Revolving

Passed the House of Representatives the 20th day of May, 2015.

Lee R. Duvall  
Presiding Officer of the House  
of Representatives

Passed the Senate the 22nd day of May, 2015.

Nathan Dahm  
Presiding Officer of the Senate

OFFICE OF THE GOVERNOR

Received by the Office of the Governor this 22<sup>nd</sup>

day of May, 20 15, at 8:15 o'clock P M.

By: Audrey Rockwell

Approved by the Governor of the State of Oklahoma this 15<sup>th</sup>

day of June, 20 15, at 3:32 o'clock P M.

Mary Fallin  
Governor of the State of Oklahoma

OFFICE OF THE SECRETARY OF STATE

Received by the Office of the Secretary of State this 1<sup>st</sup>

day of June, 20 15, at 4:13 o'clock P. M.

By: C. Benz





## **H.B. 2244**

RE: H.B. 2244

SUBJECT: Apportionment of Motor Vehicle Fees, Taxes and Penalties

House Bill 2244 becomes effective July 1, 2015. This bill caps apportionments from the Oklahoma Vehicle License and Registration Act.

- Current law apportions 36.20% of the fees, taxes and penalties collected according to the Oklahoma Vehicle License and Registration Act to school districts.
- Section 1(B): For each year after July 1, 2015, 36.20% will be apportioned to school districts. In any year where the amount apportioned exceeds the amount apportioned in FY15, the excess will go to the General Revenue Fund.

Should you have any questions related to this bill, please contact Ms. Renee McWaters, Executive Director of State Aid, at (405) 521-3460 or Ms. Carolyn Thompson, Director of Government Affairs, at (405) 522-3520.

Amendment to: 47 O.S. 1104



# An Act

ENROLLED HOUSE  
BILL NO. 2244

By: Sears and Casey of the  
House

and

Jolley and Treat of the  
Senate

An Act relating to motor vehicles; amending 47 O.S. 2011, Section 1104, as amended by Section 1, Chapter 347, O.S.L. 2012 (47 O.S. Supp. 2014, Section 1104), which relates to apportionment of motor vehicle fees, taxes and penalties; placing limits on certain apportionments; providing for distribution of amounts in excess of limits; removing certain deduction for certain apportionment; deleting certain minimum apportionment requirements; providing an effective date; and declaring an emergency.

SUBJECT: Apportionment of motor vehicle fees, taxes and penalties

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

SECTION 1. AMENDATORY 47 O.S. 2011, Section 1104, as amended by Section 1, Chapter 347, O.S.L. 2012 (47 O.S. Supp. 2014, Section 1104), is amended to read as follows:

Section 1104. A. Unless otherwise provided by law, all fees, taxes and penalties collected or received pursuant to the Oklahoma Vehicle License and Registration Act or Section 1-101 et seq. of this title shall be apportioned and distributed monthly by the Oklahoma Tax Commission in accordance with this section.

B. 1. The following percentages of the monies referred to in subsection A of this section shall be apportioned to the various school districts in accordance with paragraph 2 of this subsection:

- a. from October 1, 2000, until June 30, 2001, thirty-five and forty-six one-hundredths percent (35.46%),
- b. for the year beginning July 1, 2001, and ending June 30, 2002, thirty-five and ninety-one one-hundredths percent (35.91%), ~~and~~
- c. for the year beginning July 1, 2002, ~~and all subsequent years~~ through the year ending on June 30, 2015, thirty-six and twenty one-hundredths percent (36.20%), and
- d. for the year beginning July 1, 2015, and all subsequent years, thirty-six and twenty one-hundredths percent (36.20%), but in no event shall the amount apportioned in any fiscal year pursuant to this subparagraph exceed the total amount apportioned for the fiscal year ending on June 30, 2015. Any amounts in excess of such limitation shall be placed to the credit of the General Revenue Fund.

2. The monies apportioned pursuant to subparagraphs a through c of paragraph 1 of this subsection shall be apportioned to the various school districts as follows:

- a. except as otherwise provided in this subparagraph, each district shall receive the same amount of funds as such district received from the taxes and fees provided in this title in the corresponding month of the preceding year. Any district eligible for funds pursuant to the provisions of this section that was not eligible the preceding year shall receive an amount equal to the average daily attendance of the applicable year multiplied by the average daily attendance apportionment within such county for each appropriate month. For fiscal year 1995 and thereafter, any district which received less than twenty-five percent (25%) of the average apportionment of the monies made to school districts in this state based on average daily attendance in fiscal year 1995 shall receive an amount equal to the average daily attendance in the 1994-1995 school year multiplied by the average daily attendance apportionment within the

county in which the district is located for each appropriate month, and

- b. any funds remaining unallocated following the allocation provided in subparagraph a of this paragraph shall be apportioned to the various school districts so that each district shall first receive the cumulative total of the monthly apportionments for which it is otherwise eligible under subparagraph a of this paragraph and then an amount based upon the proportion that each district's average daily attendance bears to the total average daily attendance of those districts entitled to receive funds pursuant to this section as certified by the State Department of Education.

Each district's allocation of funds shall be remitted to the county treasurer of the county wherein the administrative headquarters of the district are located.

No district shall be eligible for the funds herein provided unless the district makes an ad valorem tax levy of fifteen (15) mills and maintains nine (9) years of instruction and pursuant to the rules of the State Board of Education, is authorized to maintain ten (10) years of instruction.

C. ~~4.~~ The following percentages of the monies referred to in subsection A of this section shall be remitted to the State Treasurer to be credited to the General Revenue Fund of the State Treasury:

~~a.~~ from

1. From October 1, 2000, until June 30, 2001, forty-five and ninety-seven one-hundredths percent (45.97%)~~;~~i

~~b.~~ for

2. For the year beginning July 1, 2001, and ending June 30, 2002, forty-five and twenty-nine one-hundredths percent (45.29%)~~;~~i

~~e.~~ for

3. For the year beginning July 1, 2002, and for the subsequent fiscal years ending June 30, 2007, forty-four and eighty-four one-hundredths percent (44.84%);i

~~d.~~ for

4. For the year beginning July 1, 2007, and ending June 30, 2008, thirty-nine and eighty-four one-hundredths percent (39.84%);i

~~e.~~ for

5. For the year beginning July 1, 2008, and ending June 30, 2009, thirty-four and eighty-four one-hundredths percent (34.84%);i

~~f.~~ for

6. For the period beginning July 1, 2009, and ending December 31, 2012, twenty-nine and eighty-four one-hundredths percent (29.84%);i

~~g.~~ for

7. For the period beginning January 1, 2013, and ending June 30, 2013, twenty-nine and thirty-four one-hundredths percent (29.34%);i

~~h.~~ for

8. For the year beginning July 1, 2013, and ending June 30, 2014, twenty-six and eighty-four one-hundredths percent (26.84%);i and

~~i.~~ for

9. For the year beginning July 1, 2014, and all subsequent years, twenty-four and eighty-four one-hundredths percent (24.84%).

~~2. In the event that additional monies are necessary pursuant to subsection N of this section, such additional monies shall be deducted from the monies apportioned to the General Revenue Fund.~~

D. The following percentages of the monies referred to in subsection A of this section shall be remitted to the State Treasurer to be credited to the State Transportation Fund:

1. From October 1, 2000, until June 30, 2001, thirty one-hundredths percent (0.30%); ~~and~~

2. For the year beginning July 1, 2001, ~~and all subsequent years~~ through the year ending on June 30, 2015, thirty-one one-hundredths percent (0.31%); and

3. For the year beginning July 1, 2015, and all subsequent years, thirty-one one-hundredths percent (0.31%), but in no event shall the amount apportioned in any fiscal year pursuant to this paragraph exceed the total amount apportioned for the fiscal year ending on June 30, 2015. Any amounts in excess of such limitation shall be placed to the credit of the General Revenue Fund.

E. 1. The following percentages of the monies referred to in subsection A of this section shall be apportioned to the various counties as set forth in paragraph 2 of this section:

a. from October 1, 2000, until June 30, 2001, seven and nine one-hundredths percent (7.09%),

b. for the year beginning July 1, 2001, and ending June 30, 2002, seven and eighteen one-hundredths percent (7.18%), ~~and~~

c. for the year beginning July 1, 2002, ~~and all subsequent years~~ through the year ending on June 30, 2015, seven and twenty-four one-hundredths percent (7.24%), and

d. for the year beginning July 1, 2015, and all subsequent years, seven and twenty-four one-hundredths percent (7.24%), but in no event shall the amount apportioned in any fiscal year pursuant to this subparagraph exceed the total amount apportioned for the fiscal year ending on June 30, 2015. Any amounts in excess of such limitation shall be placed to the credit of the General Revenue Fund.

2. The monies apportioned pursuant to subparagraphs a through c of paragraph 1 of this subsection shall be apportioned as follows: forty percent (40%) of such sum shall be distributed to the various counties in that proportion which the county road mileage of each county bears to the entire state road mileage as certified by the Transportation Commission and the remaining sixty percent (60%) of

such sum shall be distributed to the various counties on the basis which the population and area of each county bears to the total population and area of the state. The population shall be as shown by the last Federal Census or the most recent annual estimate provided by the United States Bureau of the Census. The funds shall be used for the purpose of constructing and maintaining county highways, provided, however, the county treasurer may deposit so much of the funds in the sinking fund as may be necessary for the retirement of interest and annual accrual of indebtedness created by the issuance of county or township bonds for road purposes. Such deposits to the sinking fund shall not exceed forty percent (40%) of the funds allocated to a county pursuant to this paragraph.

F. 1. The following percentages of the monies referred to in subsection A of this section shall be remitted to the county treasurers of the respective counties and by them deposited in a separate special revenue fund to be used by the county commissioners in accordance with paragraph 2 of this subsection:

- a. from October 1, 2000, until June 30, 2001, two and fifty-three one-hundredths percent (2.53%),
- b. for the year beginning July 1, 2001, and ending June 30, 2002, two and fifty-six one-hundredths percent (2.56%), ~~and~~
- c. for the year beginning July 1, 2002, ~~and all subsequent years~~ through the year ending on June 30, 2015, two and fifty-nine one-hundredths percent (2.59%), and
- d. for the year beginning July 1, 2015, and all subsequent years, two and fifty-nine one-hundredths percent (2.59%), but in no event shall the amount apportioned in any fiscal year pursuant to this subparagraph exceed the total amount apportioned for the fiscal year ending on June 30, 2015. Any amounts in excess of such limitation shall be placed to the credit of the General Revenue Fund.

2. The monies apportioned pursuant to subparagraphs a through c of paragraph 1 of this subsection shall be used for the primary purpose of matching federal funds for the construction of federal aid projects on county roads, or constructing and maintaining county or township highways and permanent bridges of such counties. The

distribution of monies apportioned by this paragraph shall be made upon the basis of the current formula based upon road mileage, area and population as related to county road improvement and maintenance costs. Provided, however, the Department of Transportation may update the formula factors from time to time as necessary to account for changing conditions.

G. 1. The following percentages of the monies referred to in subsection A of this section shall be transmitted by the Tax Commission to the various counties as set forth in paragraph 2 of this subsection:

- a. from October 1, 2000, until June 30, 2001, three and fifty-five one-hundredths percent (3.55%),
- b. for the year beginning July 1, 2001, and ending June 30, 2002, three and fifty-nine one-hundredths percent (3.59%), ~~and~~
- c. for the year beginning July 1, 2002, ~~and all subsequent years~~ through the year ending on June 30, 2015, three and sixty-two one-hundredths percent (3.62%), and
- d. for the year beginning July 1, 2015, and all subsequent years, three and sixty-two one-hundredths percent (3.62%), but in no event shall the amount apportioned in any fiscal year pursuant to this subparagraph exceed the total amount apportioned for the fiscal year ending on June 30, 2015. Any amounts in excess of such limitation shall be placed to the credit of the General Revenue Fund.

2. The monies apportioned pursuant to subparagraphs a through c of paragraph 1 of this subsection shall be transmitted to the various counties on the basis of a formula to be developed by the Department of Transportation. Such formula shall be similar to that currently used for the distribution of County Bridge Program Funds, but also taking into consideration the effect of terrain and traffic volume as related to county road improvement and maintenance costs. Provided, however, the Department of Transportation may update the formula factors from time to time as necessary to account for changing conditions. The funds shall be transmitted to the various county treasurers to be deposited in the county highway fund of their respective counties.

H. 1. The following percentages of the monies referred to in subsection A of this section shall be apportioned to the various counties as set forth in paragraph 2 of this subsection:

- a. from October 1, 2000, until June 30, 2001, eighty-one one-hundredths percent (0.81%),
- b. for the year beginning July 1, 2001, and ending June 30, 2002, eighty-two one-hundredths percent (0.82%),  
and
- c. for the year beginning July 1, 2002, ~~and all subsequent years~~ through the year ending on June 30, 2015, eighty-three one-hundredths percent (0.83%), and
- d. for the year beginning July 1, 2015, and all subsequent years, eighty-three one-hundredths percent (0.83%), but in no event shall the amount apportioned in any fiscal year pursuant to this subparagraph exceed the total amount apportioned for the fiscal year ending on June 30, 2015. Any amounts in excess of such limitation shall be placed to the credit of the General Revenue Fund.

2. The monies apportioned pursuant to subparagraphs a through c of paragraph 1 of this subsection shall be apportioned to the various counties as follows:

- a. each county shall receive the same amount of funds as such county received from the taxes and fees provided for in the 1985 fiscal year, and
- b. any funds remaining unallocated following the allocation provided in subparagraph a of this paragraph shall be apportioned to the various counties based upon the proportion that each county's population bears to the total state population.

Each county's allocation of funds shall be remitted to the various county treasurers to be deposited in the general fund of the county and used for the support of county government.

I. 1. The following percentages of the monies referred to in subsection A of this section shall be apportioned to the various

cities and incorporated towns as set forth in paragraph 2 of this subsection:

- a. from October 1, 2000, until June 30, 2001, three and four one-hundredths percent (3.04%),
- b. for the year beginning July 1, 2001, and ending June 30, 2002, three and eight one-hundredths percent (3.08%), ~~and~~
- c. for the year beginning July 1, 2002, ~~and all subsequent years~~ through the year ending on June 30, 2015, three and ten one-hundredths percent (3.10%), and
- d. for the year beginning July 1, 2015, and all subsequent years, three and ten one-hundredths percent (3.10%), but in no event shall the amount apportioned in any fiscal year pursuant to this subparagraph exceed the total amount apportioned for the fiscal year ending on June 30, 2015. Any amounts in excess of such limitation shall be placed to the credit of the General Revenue Fund.

2. The monies apportioned pursuant to subparagraphs a through c of paragraph 1 of this subsection shall be apportioned to the various cities and incorporated towns based upon the proportion that each city or incorporated town's population bears to the total population of all cities and incorporated towns in the state. Such funds shall be remitted to the various county treasurers for allocation to the various cities and incorporated towns. All such funds shall be used for the construction, maintenance, repair, improvement and lighting of streets and alleys. Provided, however, the governing board of any city or town may, with the approval of the county excise board, transfer any surplus funds to the general revenue fund of such city or town whenever an emergency requires such a transfer.

J. The following percentages of the monies referred to in subsection A of this section shall be remitted to the State Treasurer to be credited to the Oklahoma Law Enforcement Retirement Fund:

1. From October 1, 2000, until June 30, 2001, one and twenty-two one-hundredths percent (1.22%);

2. For the year beginning July 1, 2001, and ending June 30, 2002, one and twenty-three one-hundredths percent (1.23%); and

3. For the year beginning July 1, 2002, and all subsequent years, one and twenty-four one-hundredths percent (1.24%).

K. Three one-hundredths of one percent ( $3/100$  of 1%) of the monies referred to in subsection A of this section shall be remitted to the State Treasurer to be credited to the Wildlife Conservation Fund. Seventy-five percent (75%) of the funds shall be used for fish habitat restoration and twenty-five percent (25%) of the funds shall be used in the fish hatchery system for fish production.

L. 1. For the year beginning July 1, 2007, and ending June 30, 2008, five percent (5%) of monies referred to in subsection A of this section shall be remitted to the State Treasurer to be credited to the County Improvements for Roads and Bridges Fund as created in Section 507 of Title 69 of the Oklahoma Statutes.

2. For the year beginning July 1, 2008, and ending June 30, 2009, ten percent (10%) of monies referred to in subsection A of this section shall be remitted to the State Treasurer to be credited to the County Improvements for Roads and Bridges Fund as created in Section 507 of Title 69 of the Oklahoma Statutes.

3. For the period beginning July 1, 2009, and ending December 31, 2012, fifteen percent (15%) of monies referred to in subsection A of this section shall be remitted to the State Treasurer to be credited to the County Improvements for Roads and Bridges Fund as created in Section 507 of Title 69 of the Oklahoma Statutes.

4. For the period beginning January 1, 2013, and ending June 30, 2013, fifteen and fifty one-hundredths percent (15.50%) of monies referred to in subsection A of this section shall be remitted to the State Treasurer to be credited to the County Improvements for Roads and Bridges Fund as created in Section 507 of Title 69 of the Oklahoma Statutes.

5. For the year beginning July 1, 2013, and ending June 30, 2014, eighteen percent (18%) of monies referred to in subsection A of this section shall be remitted to the State Treasurer to be credited to the County Improvements for Roads and Bridges Fund as created in Section 507 of Title 69 of the Oklahoma Statutes.

6. For the year beginning July 1, 2014, ~~and all subsequent years,~~ twenty percent (20%) of monies referred to in subsection A of this section shall be remitted to the State Treasurer to be credited to the County Improvements for Roads and Bridges Fund as created in Section 507 of Title 69 of the Oklahoma Statutes.

7. For the year beginning July 1, 2015, and all subsequent years, twenty percent (20%) of monies referred to in subsection A of this section shall be remitted to the State Treasurer to be credited to the County Improvements for Roads and Bridges Fund as created in Section 507 of Title 69 of the Oklahoma Statutes, but in no event shall the total amount apportioned in any fiscal year pursuant to this paragraph exceed One Hundred Twenty Million Dollars (\$120,000,000.00). Any amounts in excess of One Hundred Twenty Million Dollars (\$120,000,000.00) shall be placed to the credit of the General Revenue Fund.

M. Monies allocated to counties by this section may be estimated by the county excise board in the budget for the county as anticipated revenue to the extent of ninety percent (90%) of the previous year's income from such source; provided, not more than fifteen percent (15%) can be encumbered during any month.

~~N. In no event shall the monies apportioned pursuant to subsections B, E, F, G, H, I and L of this section be less than the monies apportioned in the previous fiscal year.~~

~~O.~~ Notwithstanding any other provisions of this section, for the fiscal year beginning July 1, 2003, the first One Hundred Thousand Dollars (\$100,000.00) of the monies collected or received by the Tax Commission pursuant to the registration of motorcycles and mopeds in this state shall be placed to the credit of the Oklahoma Tax Commission Revolving Fund.

SECTION 2. This act shall become effective July 1, 2015.

SECTION 3. It being immediately necessary for the preservation of the public peace, health and safety, an emergency is hereby declared to exist, by reason whereof this act shall take effect and be in full force from and after its passage and approval.

Passed the House of Representatives the 20th day of May, 2015.

Lee R. Dargatzis  
Presiding Officer of the House  
of Representatives

Passed the Senate the 22nd day of May, 2015.

Arthur Dahn  
Presiding Officer of the Senate

OFFICE OF THE GOVERNOR

Received by the Office of the Governor this 22nd  
day of May, 2015, at 8:15 o'clock P M.  
By: Audrey Rodwell

Approved by the Governor of the State of Oklahoma this 1st  
day of June, 2015, at 3:33 o'clock P M.

Mary Fallin  
Governor of the State of Oklahoma

OFFICE OF THE SECRETARY OF STATE

Received by the Office of the Secretary of State this 1st  
day of June, 2015, at 4:13 o'clock P. M.  
By: C. Benz



## **S.B. 335**

RE: S.B. 335

SUBJECT: Ad Valorem Tax

Senate Bill 335 becomes effective November 1, 2015. This bill requires the Oklahoma Tax Commission to provide lists of pipeline property and values by taxing jurisdiction to county assessors.

- Current law directs pipeline companies doing business in the state to submit a sworn statement or schedule to the Oklahoma Tax Commission, to include things such as the right-of-way, main line length and size, and the proportion in each city, school district and county, complete lists of all pumping stations, storage depots, machine shops and other buildings along with their location in the city, school district and county, etc.
- Section 1(B): Requires the Tax Commission to provide each assessor, listed on the aforementioned report, schedules which detail descriptions and corresponding values by taxing jurisdiction of all pipeline company property listed to ensure it is reported for, and the resulting tax revenues are attributed to the correct city, school district and county where the taxable property is located.

Should you have any questions related to this bill, please contact Ms. Renee McWaters, Executive Director of State Aid, at (405) 521-3460 or Ms. Carolyn Thompson, Director of Government Affairs, at (405) 522-3520.

Amendment to: 68 O.S. 2851



# An Act

ENROLLED SENATE  
BILL NO. 335

By: Fields of the Senate

and

Denney of the House

An Act relating to ad valorem tax; amending 68 O.S. 2011, Section 2851, which relates to property of pipeline companies; requiring Oklahoma Tax Commission to provide county assessor certain schedule for specified purpose; and providing an effective date.

SUBJECT: Ad valorem tax

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

SECTION 1. AMENDATORY 68 O.S. 2011, Section 2851, is amended to read as follows:

Section 2851. A. Each pipeline company doing business in this state shall return to the Oklahoma Tax Commission a sworn statement or schedule as follows:

1. The right-of-way and main line, giving the entire length of main line in this and other states, showing the size of pipe and showing the proportion in each city, school district, and county, and the total in this state;

2. The total length of each lateral or branch line and the size of the pipe, together with the name of each city, school district, and county in which such lateral and branch lines are located;

3. A complete list giving location as to city, school district or county of all pumping stations, storage depots, machine shops, or other buildings together with all machinery, tools, tanks and material;

4. A statement or schedule showing the amount of its authorized capital stock and the number of shares into which the same is divided; the amount of capital stock paid up; the market value of such stock, or if it has no market value, then the actual value thereof, and the total amount of outstanding bonded indebtedness; and

5. A correct detailed statement of all other personal property, including oil in storage, and giving the location thereof.

B. Notwithstanding the provisions of Section 205 of this title, the Tax Commission shall provide the assessor for each county listed in the report, required by this section, schedules which detail descriptions and corresponding values by taxing jurisdiction of all pipeline company property listed in such reports to ensure that property is reported for, and resulting tax revenues are attributed to, the correct city, school district and county where taxable property is located.

SECTION 2. This act shall become effective November 1, 2015.

Passed the Senate the 30th day of April, 2015.

Nathan Dahm  
Presiding Officer of the Senate

Passed the House of Representatives the 8th day of April, 2015.

Joe R. D'Amico  
Presiding Officer of the House  
of Representatives

OFFICE OF THE GOVERNOR

Received by the Office of the Governor this 4<sup>th</sup>  
day of May, 20 15, at 3:32 o'clock P M.  
By: Audrey Redwell

Approved by the Governor of the State of Oklahoma this 8<sup>th</sup>  
day of May, 20 15, at 10:38 o'clock A M.

Mary Fallin  
Governor of the State of Oklahoma

OFFICE OF THE SECRETARY OF STATE

Received by the Office of the Secretary of State this 8<sup>th</sup>  
day of May, 20 15, at 3:21 o'clock P. M.  
By: C. Benz





## **S.B. 498**

RE: S.B. 498

SUBJECT: Ad Valorem Tax

Senate Bill 498 becomes effective January 1, 2017 (the effective date is amended in S.B. 85 from January 1, 2016 to January 1, 2017). This bill ends the ad valorem tax exemption for wind energy manufacturers.

- The Oklahoma Constitution allows for certain “qualifying manufacturing concerns” that locate or expand manufacturing facilities within the state to be exempt from ad valorem taxes upon new, expanded or acquired manufacturing facilities for a period of 5 years. Current state law allows for electric power generation by means of wind, to be a manufacturing concern.
- Section 2(C)(8): Exempts entities engaged in electric power generation by means of wind from being a qualified manufacturing concern, effective January 1, 2017. No initial applications for exemption can be filed or accepted for such concern on or after January 1, 2018.

Should you have any questions related to this bill, please contact Ms. Renee McWaters, Executive Director of State Aid, (405) 521-3460 or Ms. Carolyn Thompson, Director of Government Affairs, at (405) 522-3520.

Amendment to: 68 O.S. 2902



# An Act

ENROLLED SENATE  
BILL NO. 498

By: Mazzei, Brecheen, Allen,  
Shortey, Quinn, Halligan,  
Ford, Fields, Newberry,  
Bingman, Jech, Sharp and  
Stanislawski of the Senate

and

Sears, Faught, Sanders and  
Robert (Sean) of the House

An Act relating to revenue and taxation; creating the David Dank Tax Incentive Reform Act of 2015; amending 68 O.S. 2011, Section 2902, as amended by Section 1, Chapter 306, O.S.L. 2012 (68 O.S. Supp. 2014, Section 2902), which relates to exemptions for certain qualifying manufacturing concerns; providing that effective on specified date certain entities shall not be eligible for exemption; providing certain entities not to be defined as qualifying manufacturing concerns with respect to certain wind power assets; providing for noncodification; and providing an effective date.

SUBJECT: Ad valorem tax

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

SECTION 1. NEW LAW A new section of law not to be codified in the Oklahoma Statutes reads as follows:

This act shall be known and may be cited as the "David Dank Tax Incentive Reform Act of 2015".

SECTION 2. AMENDATORY 68 O.S. 2011, Section 2902, as amended by Section 1, Chapter 306, O.S.L. 2012 (68 O.S. Supp. 2014, Section 2902), is amended to read as follows:

Section 2902. A. Except as otherwise provided by subsection H of Section 3658 of this title pursuant to which the exemption authorized by this section may not be claimed, a qualifying manufacturing concern, as defined by Section 6B of Article X of the Oklahoma Constitution, and as further defined herein, shall be exempt from the levy of any ad valorem taxes upon new, expanded or acquired manufacturing facilities, including facilities engaged in research and development, for a period of five (5) years. The provisions of Section 6B of Article X of the Oklahoma Constitution requiring an existing facility to have been unoccupied for a period of twelve (12) months prior to acquisition shall be construed as a qualification for a facility to initially receive an exemption, and shall not be deemed to be a qualification for that facility to continue to receive an exemption in each of the four (4) years following the initial year for which the exemption was granted. Such facilities are hereby classified for the purposes of taxation as provided in Section 22 of Article X of the Oklahoma Constitution.

B. For purposes of this section, the following definitions shall apply:

1. "Manufacturing facilities" means facilities engaged in the mechanical or chemical transformation of materials or substances into new products and except as provided by paragraph 8 of subsection C of this section shall include:

- a. establishments which have received a manufacturer exemption permit pursuant to the provisions of Section 1359.2 of this title,
- b. facilities, including repair and replacement parts, primarily engaged in aircraft repair, building and rebuilding whether or not on a factory basis,
- c. establishments primarily engaged in computer services and data processing as defined under Industrial Group Numbers 5112 and 5415, and U.S. Industry Number 334611

and 519130 of the NAICS Manual, latest revision, and which derive at least fifty percent (50%) of their annual gross revenues from the sale of a product or service to an out-of-state buyer or consumer, and as defined under Industrial Group Number 5142 of the NAICS Manual, latest revision, which derive at least eighty percent (80%) of their annual gross revenues from the sale of a product or service to an out-of-state buyer or consumer. Eligibility as a manufacturing facility pursuant to this subparagraph shall be established, subject to review by the Oklahoma Tax Commission, by annually filing an affidavit with the Tax Commission stating that the facility so qualifies and such other information as required by the Tax Commission. For purposes of determining whether annual gross revenues are derived from sales to out-of-state buyers, all sales to the federal government shall be considered to be an out-of-state buyer,

- d. for which the investment cost of the construction, acquisition or expansion of the manufacturing facility is Two Hundred Fifty Thousand Dollars (\$250,000.00) or more. Provided, "investment cost" shall not include the cost of direct replacement, refurbish, repair or maintenance of existing machinery or equipment, and
- e. establishments primarily engaged in distribution as defined under Industry Numbers 49311, 49312, 49313 and 49319 and Industry Sector Number 42 of the NAICS Manual, latest revision, and which meet the following qualifications:
  - (1) construction with an initial capital investment of at least Five Million Dollars (\$5,000,000.00),
  - (2) employment of at least one hundred (100) full-time-equivalent employees, as certified by the Oklahoma Employment Security Commission,
  - (3) payment of wages or salaries to its employees at a wage which equals or exceeds one hundred

seventy-five percent (175%) of the federally mandated minimum wage, as certified by the Oklahoma Employment Security Commission, and

- (4) commencement of construction on or after November 1, 2007, with construction to be completed within three (3) years from the date of the commencement of construction.

Eligibility as a manufacturing facility pursuant to this subparagraph shall be established, subject to review by the Tax Commission, by annually filing an affidavit with the Tax Commission stating that the facility so qualifies and containing such other information as required by the Tax Commission.

Provided, eating and drinking places, as well as other retail establishments, shall not qualify as manufacturing facilities for purposes of this section, nor shall centrally assessed properties.

Eligibility as a manufacturing facility pursuant to this subparagraph shall be established, subject to review by the Tax Commission, by annually filing an application with the Tax Commission stating that the facility so qualifies and containing such other information as required by the Tax Commission;

2. "Facility" and "facilities" means and includes the land, buildings, structures, improvements, machinery, fixtures, equipment and other personal property used directly and exclusively in the manufacturing process; and

3. "Research and development" means activities directly related to and conducted for the purpose of discovering, enhancing, increasing or improving future or existing products or processes or productivity.

C. The following provisions shall apply:

1. A manufacturing concern shall be entitled to the exemption herein provided for each new manufacturing facility constructed, each existing manufacturing facility acquired and the expansion of existing manufacturing facilities on the same site, as such terms

are defined by Section 6B of Article X of the Oklahoma Constitution and by this section;

2. Except as otherwise provided in paragraph 5 of this subsection, no manufacturing concern shall receive more than one five-year exemption for any one manufacturing facility unless the expansion which qualifies the manufacturing facility for an additional five-year exemption meets the requirements of paragraph 4 of this subsection and the employment level established for any previous exemption is maintained;

3. Any exemption as to the expansion of an existing manufacturing facility shall be limited to the increase in ad valorem taxes directly attributable to the expansion;

4. Except as provided in paragraphs 5 and 6 of this subsection, all initial applications for any exemption for a new, acquired or expanded manufacturing facility shall be granted only if:

- a. there is a net increase in annualized payroll of at least Two Hundred Fifty Thousand Dollars (\$250,000.00) if the facility is located in a county with a population of fewer than seventy-five thousand (75,000), according to the most recent Federal Decennial Census, while maintaining or increasing payroll in subsequent years, or at least One Million Dollars (\$1,000,000.00) if the facility is located in a county with a population of seventy-five thousand (75,000) or more, according to the most recent Federal Decennial Census, while maintaining or increasing payroll in subsequent years; provided the payroll requirement of this subparagraph shall be waived for claims for exemptions, including claims previously denied or on appeal on March 3, 2010, for all initial applications for exemption filed on or after January 1, 2004, and on or before March 31, 2009, and all subsequent annual exemption applications filed related to the initial application for exemption, for an applicant, if the facility has been located in Oklahoma for at least fifteen (15) years engaged in marine engine manufacturing as defined under U.S. Industry Number 333618 of the NAICS Manual, latest

revision, and has maintained an average employment of five hundred (500) or more full-time-equivalent employees over a ten-year period. Any applicant that qualifies for the payroll requirement waiver as outlined in the previous sentence and subsequently closes its Oklahoma manufacturing plant prior to January 1, 2012, may be disqualified for exemption and subject to recapture. For an applicant engaged in paperboard manufacturing as defined under U.S. Industry Number 322130 of the NAICS Manual, latest revision, union master payouts paid by the buyer of the facility to specified individuals employed by the facility at the time of purchase, as specified under the purchase agreement, shall be excluded from payroll for purposes of this section.

The Tax Commission shall verify payroll information through the Oklahoma Employment Security Commission by using reports from the Oklahoma Employment Security Commission for the calendar year immediately preceding the year for which initial application is made for base-line payroll, which must be maintained or increased for each subsequent year; provided, a manufacturing facility shall have the option of excluding from its payroll, for purposes of this section, payments to sole proprietors, members of a partnership, members of a limited liability company who own at least ten percent (10%) of the capital of the limited liability company or stockholder-employees of a corporation who own at least ten percent (10%) of the stock in the corporation. A manufacturing facility electing this option shall indicate such election upon its application for an exemption under this section. Any manufacturing facility electing this option shall submit such information as the Tax Commission may require in order to verify payroll information. Payroll information submitted pursuant to the provisions of this paragraph shall be submitted to the Tax Commission and shall be subject to the provisions of Section 205 of this title, and

- b. the facility offers, or will offer within one hundred eighty (180) days of the date of employment, a basic health benefits plan to the full-time-equivalent employees of the facility, which is determined by the Department of Commerce to consist of the elements specified in subparagraph b of paragraph 1 of subsection A of Section 3603 of this title or elements substantially equivalent thereto.

For purposes of this section, calculation of the amount of increased payroll shall be measured from the start of initial construction or expansion to the completion of such construction or expansion or for three (3) years from the start of initial construction or expansion, whichever occurs first. The amount of increased payroll shall include payroll for full-time-equivalent employees in this state who are employed by an entity other than the facility which has previously or is currently qualified to receive an exemption pursuant to the provisions of this section and who are leased or otherwise provided to the facility, if such employment did not exist in this state prior to the start of initial construction or expansion of the facility. The manufacturing concern shall submit an affidavit to the Tax Commission, signed by an officer, stating that the construction, acquisition or expansion of the facility will result in a net increase in the annualized payroll as required by this paragraph and that full-time-equivalent employees of the facility are or will be offered a basic health benefits plan as required by this paragraph. If, after the completion of such construction or expansion or after three (3) years from the start of initial construction or expansion, whichever occurs first, the construction, acquisition or expansion has not resulted in a net increase in the amount of annualized payroll, if required, or any other qualification specified in this paragraph has not been met, the manufacturing concern shall pay an amount equal to the amount of any exemption granted, including penalties and interest thereon, to the Tax Commission for deposit to the Ad Valorem Reimbursement Fund;

5. If a facility fails to meet the payroll requirement of subparagraph a of paragraph 4 of this subsection, the payroll requirement shall be waived for claims for exemptions, including claims previously denied or on appeal on June 1, 2009, for all initial applications for exemption filed on or after January 1, 2004, and on or before March 31, 2009, and all subsequent annual

exemption applications filed related to such initial application for exemption, for an applicant, if the facility:

- a. has been located for at least five (5) years as of March 31, 2009, in a county in Oklahoma with a population of six hundred thousand (600,000) or more~~+~~;
- b. is owned by an applicant that has been engaged in manufacturing as defined under U.S. Industry Numbers 323110, 323111, 323121 and 323122 of the NAICS Manual, latest revision~~+~~;
- c. is owned by an applicant that maintains a workforce of at least three hundred (300) employees on June 1, 2009~~+~~;
- d. is owned by an applicant that has filed multiple applications for exemption pursuant to this section~~+~~; and
- e. is owned by an applicant that operates at least one facility in this state of at least seven hundred thirty thousand (730,000) square feet on June 1, 2009.

In the event that any applicant obtaining a waiver of the payroll requirement pursuant to this paragraph ceases to operate all of its facilities in this state on or before a date that is four (4) years after any initial application for an exemption is filed by such applicant, all sums of property taxes exempted under this paragraph through a waiver of the payroll requirement that relate to such application shall become due and payable as if such sums were assessed in the year in which the applicant ceases to operate all of its facilities in the state~~+~~;

6. Any new, acquired or expanded automotive final assembly manufacturing facility which does not meet the requirements of paragraph 4 of this subsection shall be granted an exemption only if all other requirements of this section are met and only if the investment cost of the construction, acquisition or expansion of the manufacturing facility is Three Hundred Million Dollars (\$300,000,000.00) or more and the manufacturing facility retains an average employment of one thousand seven hundred fifty (1,750) or

more full-time-equivalent employees in the year in which the exemption is initially granted and in each of the four (4) subsequent years only if an average employment of one thousand seven hundred fifty (1,750) or more full-time-equivalent employees is maintained in the subsequent year. Any property installed to replace property damaged by the tornado or natural disaster that occurred May 8, 2003, may continue to receive the exemption provided in this paragraph for the full five-year period based on the value of the previously qualifying assets as of January 1, 2003. The exemption shall continue in effect as long as all other qualifications in this paragraph are met. If the average employment of one thousand seven hundred fifty (1,750) or more full-time-equivalent employees is reduced as a result of temporary layoffs because of a tornado or natural disaster on May 8, 2003, then the average employment requirement shall be waived for year 2003 of the exemption period. Calculation of the number of employees shall be made in the same manner as required under Section 2357.4 of this title for an investment tax credit. As used in this paragraph, "expand" and "expansion" shall mean and include any increase to the size or scope of a facility as well as any renovation, restoration, replacement or remodeling of a facility which permits the manufacturing of a new or redesigned product;

7. Any new, acquired, or expanded computer data processing, data preparation, or information processing services provider classified in Industrial Group Number 7374 of the SIC Manual, latest revision, and U.S. Industry Number 514210 of the North American Industrial Classification System (NAICS) Manual, latest revision, may apply for exemptions under this section for each year in which new, acquired, or expanded capital improvements to the facility are made if:

- a. there is a net increase in annualized payroll of the applicant at any facility or facilities of the applicant in this state of at least Two Hundred Fifty Thousand Dollars (\$250,000.00), which is attributable to the capital improvements, or a net increase of Seven Million Dollars (\$7,000,000.00) or more in capital improvements, while maintaining or increasing payroll at the facility or facilities in this state which are included in the application, and

- b. the facility offers, or will offer within one hundred eighty (180) days of the date of employment of new employees attributable to the capital improvements, a basic health benefits plan to the full-time-equivalent employees of the facility, which is determined by the Department of Commerce to consist of the elements specified in subparagraph b of paragraph 1 of subsection A of Section 3603 of this title or elements substantially equivalent thereto; and

8. ~~An~~ Effective January 1, 2017, an entity engaged in electric power generation by means of wind, as described by the North American Industry Classification System, No. 221119, which does not meet the requirements of paragraph 4 of this subsection shall be granted an exemption only if all other requirements of this section are met and only if there is a net increase in annualized payroll at the facility of at least Two Hundred Fifty Thousand Dollars (\$250,000.00) or a net increase of Two Million Dollars (\$2,000,000.00) or more in capital improvements while maintaining or increasing payroll. shall not be defined as a qualifying manufacturing concern for purposes of the exemption otherwise authorized pursuant to Section 6B of Article X of the Oklahoma Constitution or qualify as a "manufacturing facility" as defined in this section. No initial application for exemption shall be filed by or accepted from an entity engaged in electric power generation by means of wind on or after January 1, 2018; and

9. An entity which has been granted an exemption for a time period which included calendar year 2009 but which did not meet the base-line payroll requirements of subparagraph a of paragraph 4 of this subsection during calendar year 2009, shall be allowed an exemption, to begin on January 1 of the first calendar year after January 1, 2012, for the number of years, including calendar year 2009, remaining in the entity's five-year exemption period, provided such entity attains or increases payroll at or above the base-line payroll established for the exemption which was in force during calendar year 2009.

D. 1. Except as provided in paragraph 2 of this subsection, the five-year period of exemption from ad valorem taxes for any qualifying manufacturing facility property shall begin on January 1

following the initial qualifying use of the property in the manufacturing process.

2. The five-year period of exemption from ad valorem taxes for any qualifying manufacturing facility, as defined in subparagraph c of paragraph 1 of subsection B of this section which is located within a tax incentive district created pursuant to the Local Development Act by a county having a population of at least five hundred thousand (500,000), according to the most recent Federal Decennial Census, shall begin on January 1 following the expiration or termination of the ad valorem exemption, abatement, or other incentive provided through the tax incentive district.

E. Any person, firm or corporation claiming the exemption herein provided for shall file each year for which exemption is claimed, an application therefor with the county assessor of the county in which the new, expanded or acquired facility is located. The application shall be on a form or forms prescribed by the Tax Commission, and shall be filed on or before March 15, except as provided in Section 2902.1 of this title, of each year in which the facility desires to take the exemption or within thirty (30) days from and after receipt by such person, firm or corporation of notice of valuation increase, whichever is later. In a case where completion of the facility or facilities will occur after January 1 of a given year, a facility may apply to claim the ad valorem tax exemption for that year. If such facility is found to be qualified for exemption, the ad valorem tax exemption provided for herein shall be granted for that entire year and shall apply to the ad valorem valuation as of January 1 of that given year. For applicants which qualify under the provisions of subparagraph b of paragraph 1 of subsection B of this section, the application shall include a copy of the affidavit and any other information required to be filed with the Tax Commission.

F. The application shall be examined by the county assessor and approved or rejected in the same manner as provided by law for approval or rejection of claims for homestead exemptions. The taxpayer shall have the same right of review by and appeal from the county board of equalization, in the same manner and subject to the same requirements as provided by law for review and appeals concerning homestead exemption claims. Approved applications shall be filed by the county assessor with the Tax Commission no later

than June 15, except as provided in Section 2902.1 of this title, of the year in which the facility desires to take the exemption. Incomplete applications and applications filed after June 15 will be declared null and void by the Tax Commission. In the event that a taxpayer qualified to receive an exemption pursuant to the provisions of this section shall make payment of ad valorem taxes in excess of the amount due, the county treasurer shall have the authority to credit the taxpayer's real or personal property tax overpayment against current taxes due. The county treasurer may establish a schedule of up to five (5) years of credit to resolve the overpayment.

G. Nothing herein shall in any manner affect, alter or impair any law relating to the assessment of property, and all property, real or personal, which may be entitled to exemption hereunder shall be valued and assessed as is other like property and as provided by law. The valuation and assessment of property for which an exemption is granted hereunder shall be performed by the Tax Commission.

H. The Tax Commission shall have the authority and duty to prescribe forms and to promulgate rules as may be necessary to carry out and administer the terms and provisions of this section.

SECTION 3. This act shall become effective January 1, 2016.

Passed the Senate the 15th day of May, 2015.

*Kim Daniel*  
Presiding Officer of the Senate

Passed the House of Representatives the 16th day of April, 2015.

*John D. Jones*  
Presiding Officer of the House  
of Representatives

OFFICE OF THE GOVERNOR

Received by the Office of the Governor this 18<sup>th</sup>

day of May, 20 15, at 2:55 o'clock P M.

By: *Audrey Redwell*

Approved by the Governor of the State of Oklahoma this 20<sup>th</sup>

day of May, 20 15, at 1:24 o'clock P M.

*Mary Fallin*  
Governor of the State of Oklahoma

OFFICE OF THE SECRETARY OF STATE

Received by the Office of the Secretary of State this 20<sup>th</sup>

day of May, 20 15, at 2:46 o'clock P M.

By: *Ch. Benz*





## **S.B. 847**

RE: S.B. 847

SUBJECT: State Board of Education

Senate Bill 847 becomes effective July 1, 2015. This bill appropriates money to the State Board of Education from the Constitutional Reserve Fund.

- Section 1: Appropriates \$75,000,000 from the Constitutional Reserve Fund (commonly known as the Rainy Day Fund) for the Financial Support of Public Schools (commonly known as the funding formula). This amount allows for the funding formula to receive the same amount for FY16 as it did in FY15 (see H.B. 2242).

Should you have any questions related to this bill, please contact Ms. Mathangi Shankar, Chief Financial Officer, at (405) 522-0162 or Ms. Carolyn Thompson, Director of Government Affairs, at (405) 522-3520.

New Law Not Codified



# An Act

ENROLLED SENATE  
BILL NO. 847

By: Jolley and Treat of the  
Senate

and

Sears and Casey of the  
House

An Act relating to the State Board of Education; making an appropriation; stating purpose; providing lapse dates; requiring and prohibiting certain budget procedures; providing an effective date; and declaring an emergency.

SUBJECT: State Board of Education

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

SECTION 1. There is hereby appropriated to the State Board of Education from any monies not otherwise appropriated from the Constitutional Reserve Fund of the State Treasury, the sum of Seventy-five Million Dollars (\$75,000,000.00) or so much thereof as may be necessary for the financial support of public schools.

SECTION 2. Appropriations made by this act, not including appropriations made for capital outlay purposes, may be budgeted for the fiscal year ending June 30, 2016 (hereafter FY-16), or may be budgeted for the fiscal year ending June 30, 2017 (hereafter FY-17). Funds budgeted for FY-16 may be encumbered only through June 30, 2016, and must be expended by November 15, 2016. Any funds remaining after November 15, 2016, and not budgeted for FY-17, shall lapse to the credit of the proper fund for the then current fiscal year. Funds budgeted for FY-17 may be encumbered only through June 30, 2017. Any funds remaining after November 15, 2017, shall lapse

to the credit of the proper fund for the then current fiscal year. These appropriations may not be budgeted in both fiscal years simultaneously. Funds budgeted in FY-16, and not required to pay obligations for that fiscal year, may be budgeted for FY-17, after the agency to which the funds have been appropriated has prepared and submitted a budget work program revision removing these funds from the FY-16 budget work program and after such revision has been approved by the Office of Management and Enterprise Services.

SECTION 3. This act shall become effective July 1, 2015.

SECTION 4. It being immediately necessary for the preservation of the public peace, health and safety, an emergency is hereby declared to exist, by reason whereof this act shall take effect and be in full force from and after its passage and approval.

Passed the Senate the 20th day of May, 2015.

  
Presiding Officer of the Senate

Passed the House of Representatives the 22nd day of May, 2015.

  
Presiding Officer of the House  
of Representatives

OFFICE OF THE GOVERNOR

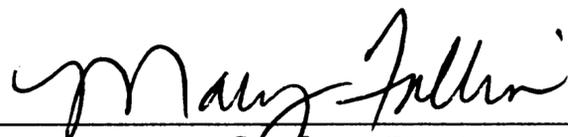
Received by the Office of the Governor this 22<sup>nd</sup>

day of May, 20 15, at 2:00 o'clock P M.

By: Audrey Rosewell

Approved by the Governor of the State of Oklahoma this 1<sup>st</sup>

day of June, 20 15, at 3:37 o'clock P M.

  
Governor of the State of Oklahoma

OFFICE OF THE SECRETARY OF STATE

Received by the Office of the Secretary of State this 1<sup>st</sup>

day of June, 20 15, at 4:13 o'clock P M.

By: Ch. Benze





# H.B. 1684

RE: H.B. 1684  
SUBJECT: Education

House Bill 1684 becomes effective November 1, 2015. This bill changes the makeup of professional development committees and adds new requirements for professional development and curriculum to include training on addressing child abuse and neglect.

- Current law requires local school boards to establish a professional development committee to provide programs for certified teachers and administrators. It specifies who is required to be on that committee, including that a school counselor be included at minimum once every four years. Current law also requires each local school site to establish a Safe School Committee.
- Section 1(B): Adds a new requirement to include school counselors or licensed mental health providers as permanent members of professional development committees.
- Section 1(D): A program must be offered to provide training on recognition of child abuse and neglect, recognition of child sexual abuse, proper reporting of suspected abuse and available resources, at a minimum of once each school year.
- Section 2: Adds suicide prevention to the list of things to be examined by Safe School Committees, and allows for the committees to study and make recommendations to the local school board regarding development of a rape or sexual assault response program.
- Section 3: Allows for public schools to establish developmentally and age appropriate abuse-prevention instructional programs for students and suggests the curriculum include identifying dangerous situations, personal boundary violations, refusing approaches/invitations, how to call for help, and what to do if abuse occurs.
  - It suggests the program be offered annually, have the capacity to be delivered by teachers, school counselors, prevention agency educators and other professionals, be evidence-based, include an evaluation component, be culturally sensitive and encourage parent involvement.
  - Does not require any student to participate if the parent chooses to withdraw their child from the program under the Parents' Bill of Rights.
- Section 4: Directs the Oklahoma Commission on Children and Youth and the State Department of Health to identify appropriate curriculum for schools to use.

- Section 5: Directs the State Board of Education, the Oklahoma Commission on Children and Youth and the State Board of Health to promulgate rules for implementation.

Should you have any questions related to this bill, please contact Ms. Joy Hermansen, Certified Prevention Specialist, at (405) 521-2106 or Ms. Carolyn Thompson, Director of Government Affairs, at (405) 522-3520.

Amendment to: 70 O.S. 6-194, 24-100.5

New Law at: 70 O.S. 1210.160, 1210.161; 10 O.S. 601.69

Helpful Statutory References: 25 O.S. 2001

# An Act

ENROLLED HOUSE  
BILL NO. 1684

By: Denney, Brown, Shelton,  
Griffith, Lockhart, Condit  
and Perryman of the House

and

Griffin, Floyd, Pittman and  
Matthews of the Senate

An Act relating to education; amending 70 O.S. 2011, Section 6-194, as last amended by Section 19, Chapter 124, O.S.L. 2014 (70 O.S. Supp. 2014, Section 6-194), which relates to professional development programs; modifying membership of certain committee; requiring teacher training program to include abuse recognition, reporting, and resources; amending 70 O.S. 2011, Section 24-100.5, as amended by Section 4, Chapter 311, O.S.L. 2013 (70 O.S. Supp. 2014, Section 24-100.5), which relates to Safe School Committee; allowing a Safe School Committee to make recommendations regarding certain response program; allowing schools to establish an abuse-prevention instructional program; giving school board discretion over content; setting minimum instructional requirements; allowing student to opt out of participation pursuant to certain act; providing certain construction; directing the Oklahoma Commission on Children and Youth, in certain collaboration, to identify certain curriculum; directing promulgation of rules; providing for codification; and providing an effective date.

SUBJECT: Education

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

SECTION 1. AMENDATORY 70 O.S. 2011, Section 6-194, as last amended by Section 19, Chapter 124, O.S.L. 2014 (70 O.S. Supp. 2014, Section 6-194), is amended to read as follows:

Section 6-194. A. The district boards of education of this state shall establish professional development programs for the certified teachers and administrators of the district. Programs shall be adopted by each board based upon recommendations of a professional development committee appointed by the board of education for the district. For the fiscal years ending June 30, 2011, and June 30, 2012, a school district board of education may elect not to adopt and offer a professional development program for certified teachers and administrators of the district. If a school district elects not to adopt and offer a professional development program, the district may expend any monies allocated for professional development for any purpose related to the support and maintenance of the school district as determined by the board of education of the school district.

B. Each professional development committee shall include classroom teachers, administrators, school counselors or licensed mental health providers, and parents, guardians or custodians of children in the school district and shall consult with a higher education faculty. A majority of the members of the professional development committee shall be composed of classroom teachers. The teacher members shall be selected by a designated administrator of the school district from a list of names submitted by the teachers in the school district. The members selected shall be subject to the approval of a majority vote of the teachers in the district. ~~At a minimum, once every four (4) years the committee shall include at least one school counselor in its membership.~~

C. In developing program recommendations, each professional development committee shall annually utilize a data-driven approach to analyze student data and determine district and school professional development needs. The professional development programs adopted shall be directed toward development of competencies and instructional strategies in the core curriculum areas for the following goals:

1. Increasing the academic performance data scores for the district and each school site;
2. Closing achievement gaps among student subgroups;

3. Increasing student achievement as demonstrated on state-mandated tests and the ACT;

4. Increasing high school graduation rates; and

5. Decreasing college remediation rates.

Each program may also include components on classroom management and student discipline strategies, outreach to parents, guardians or custodians of students, special education, and racial and ethnic education, which all personnel defined as teachers in Section 1-116 of this title shall be required to complete on a periodic basis. The State Board of Education shall provide guidelines to assist school districts in developing and implementing racial and ethnic education components into professional development programs.

D. ~~At least a minimum of once a an academic year a program shall be offered which includes a component of teacher training on recognition and reporting of child abuse and neglect which all teachers shall be required to complete. Additionally at least one~~ the following:

1. Training on recognition of child abuse and neglect;

2. Recognition of child sexual abuse;

3. Proper reporting of suspected abuse; and

4. Available resources.

E. One time per year, beginning in the 2009-2010 school year, training in the area of autism shall be offered and all resident teachers of students in early childhood programs through grade three shall be required to complete the autism training during the resident year and at least one time every three (3) years thereafter. All other teachers and education support professionals of students in early childhood programs through grade three shall be required to complete the autism training at least one time every three (3) years. The autism training shall include a minimum awareness of the characteristics of autistic children, resources available and an introduction to positive behavior supports to challenging behavior. Each adopted program shall allow school counselors to receive at least one-third (1/3) of the hours or credit required each year through programs or courses specifically designed for school counselors.

Districts are authorized to utilize any means for professional development that is not prohibited by law including, but not limited to, professional development provided by the district, any state agency, institution of higher education, or any private entity.

~~D.~~ F. Except as otherwise provided for in this subsection, each certified teacher in this state shall be required by the district board of education to meet the professional development requirements established by the board, or established through the negotiation process. Except as otherwise provided for in this subsection, the professional development requirements established by each board of education shall require every teacher to annually complete a minimum number of the total number of points required to maintain employment. Failure of any teacher to meet district board of education professional development requirements may be grounds for nonrenewal of such teacher's contract by the board. Such failure may also be grounds for nonconsideration of salary increments affecting the teacher. For the fiscal years ending June 30, 2011, and June 30, 2012, a certified teacher shall not be required to complete any points of the total number of professional development points required. Provided, a teacher may elect to complete some or all of the minimum number of points required for the two (2) fiscal years and any points completed shall be counted toward the total number of points required to maintain employment. If a teacher does not complete some or all of the minimum number of points required for one (1) or both fiscal years, the total number of points required to maintain employment shall be adjusted and reduced by the number of points not completed.

~~E.~~ G. Each district shall annually submit a report to the State Department of Education on the district level professional development needs, activities completed, expenditures, and results achieved for each school year by each goal as provided in subsection C of this section. If a school district elects not to adopt and offer a professional development program as provided for in subsection A of this section, the district shall not be required to submit an annual report as required pursuant to this subsection but shall report to the State Department of Education its election not to offer a program and all professional development activities completed by teachers and administrators of the school district.

~~F.~~ H. Subject to the availability of funds, the Department shall develop an online system for reporting as required in

subsection E of this section. The Department shall also make such information available on its website.

SECTION 2. AMENDATORY 70 O.S. 2011, Section 24-100.5, as amended by Section 4, Chapter 311, O.S.L. 2013 (70 O.S. Supp. 2014, Section 24-100.5), is amended to read as follows:

Section 24-100.5 A. Every year each public school site shall establish a Safe School Committee to be composed of at least seven (7) members. The Safe School Committee shall be composed of teachers, parents of enrolled students, students, and a school official who participates in the investigation of reports of bullying as required by subsection A of Section 24-100.4 of this title. The Committee may include administrators, school staff, school volunteers, community representatives, and local law enforcement agencies. The Committee shall assist the school board in promoting a positive school climate through planning, implementing and evaluating effective prevention, readiness and response strategies, including the policy required by Section 24-100.4 of this title.

B. The Safe School Committee shall study and make recommendations to the principal regarding:

1. Unsafe conditions, possible strategies for students, faculty and staff to avoid physical and emotional harm at school, student victimization, crime prevention, school violence, and other issues which prohibit the maintenance of a safe school;

2. Student bullying as defined in Section 24-100.3 of this title;

3. Professional development needs of faculty and staff to recognize and implement methods to decrease student bullying; and

4. Methods to encourage the involvement of the community and students, the development of individual relationships between students and school staff, and use of problem-solving teams and resources that include counselors and other behavioral health and suicide prevention resources within or outside the school system.

In its considerations, the Safe School Committee shall review the district policy for the prevention of bullying and the list of research-based programs appropriate for the prevention of bullying of students at school compiled by the State Department of Education.

In addition, the Committee may review traditional and accepted bullying prevention programs utilized by other states, state agencies, or school districts.

C. The Safe School Committee may study and make recommendations to the school district board of education regarding the development of a rape or sexual assault response program that may be implemented at the school site.

D. The State Department of Education shall:

1. Develop a model policy and deliver training materials to all school districts on the components that should be included in a school district policy for the prevention of bullying; and

2. Compile and distribute to each public school site, prominently display on the State Department of Education website and annually publicize in print media a list of research-based programs appropriate for the prevention of bullying of students. If a school district implements a commercial bullying prevention program, it shall use a program listed by the State Department of Education.

~~D.~~ E. The provisions of this section shall not apply to technology center schools.

SECTION 3. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 1210.160 of Title 70, unless there is created a duplication in numbering, reads as follows:

A. All public schools may establish an abuse-prevention instructional program for students, consistent with this section. The content of instruction shall be at the discretion of the school board; provided, that the instructional program shall:

1. Provide developmental and age-appropriate curriculum to teach children risk-reduction strategies including, but not limited to:

- a. how to identify dangerous situations,
- b. personal boundary violations,
- c. how to refuse approaches and invitations,
- d. how to summon help, and

e. what to do if abuse occurs;

2. Be offered annually to reinforce and build on skills learned the previous year;

3. Involve students as active learning participants;

4. Have the capacity to be delivered by a wide range of personnel including teachers, school counselors, prevention agency educators, and other professionals;

5. Include evidence-informed curriculum;

6. Include an evaluation component that utilizes a pre- and post-program surveys or testing of the students to measure the acquisition of the lessons taught;

7. Provide instruction that is culturally sensitive and adaptable; and

8. Encourage parental involvement within the abuse prevention program to include, but not be limited to, information on child abuse prevention, risk-reduction techniques, abuse reporting, and support service availability.

B. Pursuant to the Parents' Bill of Rights, Section 2001 et seq. of Title 25 of the Oklahoma Statutes, no student shall be required to participate in an abuse-prevention instructional program. Failure to participate shall not, by itself, be grounds for a referral to the Department of Human Services pursuant to Section 1-2-101 of Title 10A of the Oklahoma Statutes.

SECTION 4. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 601.69 of Title 10, unless there is created a duplication in numbering, reads as follows:

The Oklahoma Commission on Children and Youth shall, in collaboration with the Office of Child Abuse Prevention within the State Department of Health and other prevention service providers, identify evidence-informed curriculum appropriate for schools that meet the guidelines of subsection A of Section 3 of this act.

SECTION 5. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 1210.161 of Title 70, unless there is created a duplication in numbering, reads as follows:

The State Board of Education, the Oklahoma Commission on Children and Youth, and the State Board of Health shall promulgate rules necessary to implement the provisions of this act.

SECTION 6. This act shall become effective November 1, 2015.

Passed the House of Representatives the 28th day of April, 2015.

Lee R. Dwyer  
Presiding Officer of the House  
of Representatives

Passed the Senate the 20th day of April, 2015.

Eddie Fiedler  
Presiding Officer of the Senate

OFFICE OF THE GOVERNOR

Received by the Office of the Governor this 29th  
day of April, 20 15, at 3:00 o'clock P M.

By: Audrey Reedwell

Approved by the Governor of the State of Oklahoma this 4th  
day of May, 20 15, at 2:25 o'clock P M.

Mary Fallin  
Governor of the State of Oklahoma

OFFICE OF THE SECRETARY OF STATE

Received by the Office of the Secretary of State this 4th  
day of May, 20 15, at 3:18 o'clock P M.

By: C. Benz





## **S.B. 239**

RE: S.B. 239

SUBJECT: Chase Morris Sudden Cardiac Arrest Prevention Act

Senate Bill 239 becomes effective July 1, 2015. This bill creates the Chase Morris Sudden Cardiac Arrest Prevention Act.

- Section 1: Directs the State Department of Health (SDH) and the State Department of Education (SDE) to jointly publish on their websites information for students, parents and coaches about the warning signs of sudden cardiac arrest.
- Annually, prior to participation in an athletic activity, a student's parent/guardian must sign and return an acknowledgement of receipt/review of signs of sudden cardiac arrest.
  - "Athletic activity" is defined as any sport sanctioned and offered by a local school district in grades seven through twelve.
- A school may hold an informational meeting regarding the signs of sudden cardiac arrest.
- Any student who collapses or faints without a concurrent head injury while participating in an athletic activity must be removed from participation. Any student who is removed may not return until the student is cleared in writing by a "health care provider," defined as a person who is licensed, certified, or otherwise authorized by the laws of this state to practice a health care or healing arts profession or who administers health care in the ordinary course of business.
- Each year coaches are required to complete a sudden cardiac arrest training course offered by a provider approved by the SDH, and may not coach until completed.
- This bill does not create or eliminate any civil liability by the school or school employee.
- Section 1(K): Requires the State Board of Education and the State Board of Health to promulgate rules for implementation.

Should you have any questions related to this bill, please contact Ms. Tiffany Neill, Director of Science Education, at (405) 522-3524 or Ms. Carolyn Thompson, Director of Government Affairs, at (405) 522-3520.

New Law at: 70 O.S. 24-156

Helpful Statutory References: 63 O.S. 3090.2



# An Act

ENROLLED SENATE  
BILL NO. 239

By: Yen, Pittman, and Sharp of  
the Senate

and

Cox of the House

An Act relating to students; creating the Chase Morris Sudden Cardiac Arrest Prevention Act; defining term; directing development and posting of certain information and materials; permitting the use of certain existing materials; requiring certain acknowledgement; authorizing certain informational meetings; requiring removal of certain students in specified situations; requiring certain evaluation and clearance; permitting certain consultation; requiring certain persons to complete specified training course; encouraging certain compliance; providing certain interpretation; directing promulgation of rules; providing for codification; providing an effective date; and declaring an emergency.

SUBJECT: Creating the Chase Morris Sudden Cardiac Arrest Prevention Act

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

SECTION 1. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 24-156 of Title 70, unless there is created a duplication in numbering, reads as follows:

A. This act shall be known and may be cited as the "Chase Morris Sudden Cardiac Arrest Prevention Act".

B. As used in the Chase Morris Sudden Cardiac Arrest Prevention Act, "athletic activity" means any sport sanctioned and offered in grades seven through twelve by a school district.

C. The State Department of Health and the State Department of Education shall jointly develop and post on their publicly accessible websites guidelines and other relevant materials to inform and educate students participating in or desiring to participate in an athletic activity, their parents and their coaches about the nature and warning signs of sudden cardiac arrest, including the risks associated with continuing to play or practice after experiencing one or more symptoms of sudden cardiac arrest, including unexplained fainting, difficulty breathing, chest pains, dizziness and abnormal racing heart rate. In developing the guidelines and materials, the State Department of Health and the State Department of Education may utilize existing materials developed by other entities or organizations.

D. A student participating in or desiring to participate in an athletic activity and the student's parent or guardian shall, each school year and prior to participation by the student in an athletic activity, sign and return to the student's school an acknowledgement of receipt and review of a sudden cardiac arrest symptoms and warning signs information sheet jointly developed by the State Department of Health and the State Department of Education.

E. A school may hold an informational meeting prior to the start of each athletic season for all ages of competitors regarding the symptoms and warning signs of sudden cardiac arrest. In addition to students, parents, coaches and other school officials, informational meetings may include physicians, pediatric cardiologists and athletic trainers.

F. A student who collapses or faints without a concurrent head injury while participating in an athletic activity shall be removed by the coach from participation at that time.

G. A student removed or prevented from participating in an athletic activity pursuant to subsection F of this section shall not

return to participation until the student is evaluated and cleared for return to participation in writing by a health care provider as defined in Section 3090.2 of Title 63 of the Oklahoma Statutes.

H. Once each year, a coach of an athletic activity shall complete the sudden cardiac arrest training course offered by a provider approved by the State Department of Health. A coach of an athletic activity shall not coach the athletic activity until the coach completes the training course required under this subsection.

I. The sponsors of youth athletic activities not associated with a school are encouraged to follow the guidance stated in the Chase Morris Sudden Cardiac Arrest Prevention Act.

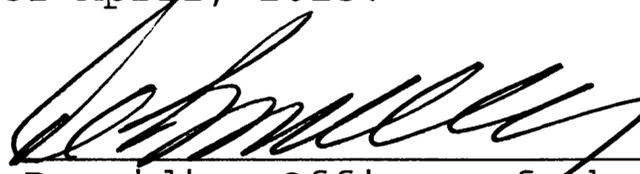
J. Nothing in the Chase Morris Sudden Cardiac Arrest Prevention Act shall be construed to create, establish, expand, reduce, contract or eliminate any civil liability on the part of any school or school employee.

K. The State Board of Health and the State Board of Education shall promulgate rules to implement the provisions of this act.

SECTION 2. This act shall become effective July 1, 2015.

SECTION 3. It being immediately necessary for the preservation of the public peace, health and safety, an emergency is hereby declared to exist, by reason whereof this act shall take effect and be in full force from and after its passage and approval.

Passed the Senate the 29th day of April, 2015.

  
Presiding Officer of the Senate

Passed the House of Representatives the 7th day of April, 2015.

  
Presiding Officer of the House  
of Representatives

OFFICE OF THE GOVERNOR

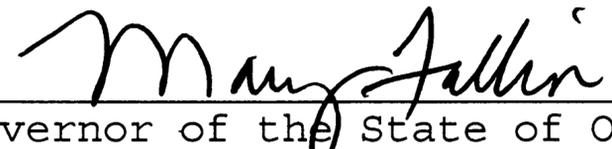
Received by the Office of the Governor this 30<sup>th</sup>

day of April, 20 15, at 2:25 o'clock P M.

By: Audrey Rockwell

Approved by the Governor of the State of Oklahoma this 6<sup>th</sup>

day of May, 20 15, at 9:44 o'clock A M.

  
Governor of the State of Oklahoma

OFFICE OF THE SECRETARY OF STATE

Received by the Office of the Secretary of State this 6<sup>th</sup>

day of May, 20 15, at 5:23 o'clock P. M.

By: Ch. Benz



## **S.B. 262**

RE: S.B. 262

SUBJECT: Workplace Safety Training in Schools

Senate Bill 262 becomes effective August 20, 2015. This bill requires workplace safety training to be made available to schools.

- Section 1(A): Requires the State Department of Education to work with the Oklahoma Department of Labor to compile information regarding workplace safety training for grades 7-12 and make it available to local school districts.
  - The information must include the Department of Labor’s “Youth @ Work Talking Safety: A Safety and Health Curriculum for Young Workers.”
- Section 1(B): The Department of Education must encourage school districts to inform teachers, grade 7-12, about the importance of incorporating workplace safety training into their curriculum.
- Section 1(C): Requires the State Board of Education to promulgate rules for implementation.

Should you have any questions related to this bill, please contact Ms. Susan Pinson, Executive Director for Professional Development and Technical Assistance, at (405) 522-1835 or Ms. Carolyn Thompson, Director of Government Affairs, at (405) 522-3520.

New Law at: 70 O.S. 11-103.6j



# An Act

ENROLLED SENATE  
BILL NO. 262

By: Paddack and Pittman of the  
Senate

and

Thomsen of the House

An Act relating to schools; directing the State Department of Education, in certain collaboration, to make certain information regarding workplace safety training available to school districts; directing the State Department of Education to encourage school districts to inform certain teachers about the importance of certain incorporation; directing promulgation of rules; and providing for codification.

SUBJECT: Workplace safety training in schools

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

SECTION 1. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 11-103.6j of Title 70, unless there is created a duplication in numbering, reads as follows:

A. The State Department of Education, in collaboration with the Oklahoma Department of Labor, shall make available to school districts information regarding workplace safety training for grades seven through twelve. Such information shall include the Oklahoma Department of Labor's "Youth @ Work Talking Safety: A Safety and Health Curriculum for Young Workers".

B. The State Department of Education shall encourage school districts to inform grade-seven through -twelve teachers about the

importance of incorporating workplace safety training in their curriculum.

C. The State Board of Education shall promulgate rules to implement the provisions of this act.

Passed the Senate the 5th day of March, 2015.

  
Presiding Officer of the Senate

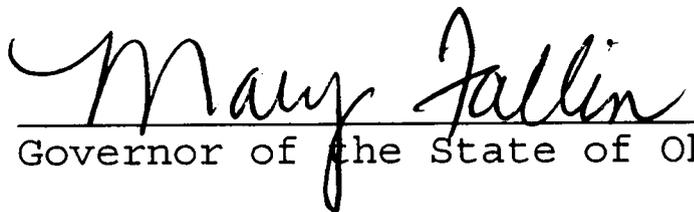
Passed the House of Representatives the 25th day of March, 2015.

  
Presiding Officer of the House  
of Representatives

OFFICE OF THE GOVERNOR

Received by the Office of the Governor this 26<sup>th</sup>  
day of March, 20 15, at 3:55 o'clock P M.  
By: Audrey Redwell

Approved by the Governor of the State of Oklahoma this 1<sup>st</sup>  
day of April, 20 15, at 11:22 o'clock A M.

  
Governor of the State of Oklahoma

OFFICE OF THE SECRETARY OF STATE

Received by the Office of the Secretary of State this 1<sup>st</sup>  
day of April, 20 15, at 11:30 o'clock A. M.  
By: C. L. Benz





# H.B. 1687

RE: H.B. 1687

SUBJECT: Adult Education

House Bill 1687 becomes effective July 1, 2015. This bill would allow for other assessments to be used in addition to the General Education Diploma (GED) assessment for purposes of achieving a high school diploma.

- Sections 1-3: Changes multiple mentions of the General Education Diploma (GED) to “high school equivalency” diploma, in effect allowing for the State Board of Career and Technology Education to explore other contracts for assessments leading to a high school diploma.
- Section 2(B): Clarifies that the State Department of Education retains the responsibility for issuing diplomas to those who successfully complete a high school equivalency test, pursuant to criteria established by the State Board of Education.
- Section 3: Funds accruing to the “Adult Education Revolving Fund” must be used for oversight and management of the high school equivalency test.
- Sections 4-6: Changes multiple mentions of the General Education Diploma (GED) to “high school equivalency” diploma, for the purposes of those inmates in Department of Corrections custody, which could allow for inmates to take a paper/pencil exam at their correctional facility.

Should you have any questions related to this bill, please contact Ms. Melissa White, Executive Director of Counseling/ACE, at (405) 521-3549 Ms. Carolyn Thompson, Director of Government Affairs, at (405) 522-3520.

Amendment to: 70 O.S. 3-110.1, 14-132, 14-133; 57 O.S. 138, 510.7, 510.8



# An Act

ENROLLED HOUSE  
BILL NO. 1687

By: Denney and Perryman of the  
House

and

Halligan of the Senate

An Act relating to adult education; amending 70 O.S. 2011, Section 3-110.1, as amended by Section 1, Chapter 164, O.S.L. 2014 (70 O.S. Supp. 2014, Section 3-110.1), which relates to the allocation of funds for adult education; modifying name of certain diploma; amending Section 5, Chapter 164, O.S.L. 2014 (70 O.S. Supp. 2014, Section 14-132), which relates to certain contracts; authorizing contracts for certain assessment; updating statutory language; amending Section 6, Chapter 164, O.S.L. 2014 (70 O.S. Supp. 2014, Section 14-133), which relates to the Adult Education Revolving Fund; providing fund to consist of fee for certain purpose; updating statutory language; amending 57 O.S. 2011, Sections 138, as amended by Section 6, Chapter 228, O.S.L. 2012, 510.7 and 510.8 (57 O.S. Supp. 2014, Section 138), which relate to education programs for inmates; updating statutory language; providing an effective date; and declaring an emergency.

SUBJECT: Adult education

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

SECTION 1. AMENDATORY 70 O.S. 2011, Section 3-110.1, as amended by Section 1, Chapter 164, O.S.L. 2014 (70 O.S. Supp. 2014, Section 3-110.1), is amended to read as follows:

Section 3-110.1 Funds appropriated to the State Board of Career and Technology Education for Adult Education Matching Funds shall be

provided to school districts which offer courses leading to ~~the General Education Diploma~~ a high school equivalency diploma. The State Board of Career and Technology Education shall promulgate rules for the distribution of the funds.

SECTION 2. AMENDATORY Section 5, Chapter 164, O.S.L. 2014 (70 O.S. Supp. 2014, Section 14-132), is amended to read as follows:

Section 14-132. A. The State Board of Career and Technology Education is hereby authorized and directed to enter into agreements and to contract for the provision of adult education, assessment and other services ~~that are needed~~ for courses leading to ~~the General Education Diploma (GED)~~ a high school equivalency diploma. Any adult education program providing services pursuant to a contract or subcontract with the State Board of Career and Technology Education and receiving funds from the State Board of Career and Technology Education or any contractor with the State Board of Career and Technology Education shall be subject to the provisions of the administrative rules of the State Board of Career and Technology Education.

B. The Department of Education shall retain the responsibility for issuing diplomas to those who successfully complete ~~the General Education Development~~ a high school equivalency test, pursuant to criteria established by the State Board of Education.

SECTION 3. AMENDATORY Section 6, Chapter 164, O.S.L. 2014 (70 O.S. Supp. 2014, Section 14-133), is amended to read as follows:

Section 14-133. There is hereby created in the State Treasury a revolving fund for the State Board of Career and Technology Education, to be designated the "Adult Education Revolving Fund". The fund shall consist of fees paid to the Board for the ~~scoring of the writing component portion of the General Education Development~~ oversight and management of the high school equivalency test as administered by the Board pursuant to law. The revolving fund shall be a continuing fund, not subject to fiscal year limitations, and shall be under the control and management of the administrative authority of the State Board of Career and Technology Education. Expenditures from the fund shall be made to maintain the ~~General Education Development~~ high school equivalency testing process ~~and for the scoring of the writing component of the test~~. Warrants for expenditure shall be drawn by the State Treasurer on claims by an