

OKLAHOMA STATE SENATE



LEGISLATIVE SUMMARY AND FY'02 BUDGET REVIEW

2001 LEGISLATIVE SUMMARY AND BUDGET REVIEW

FOREWORD

This report is a compilation of two reports that have traditionally been published separately. The purpose is to show a comprehensive picture of the Senate's actions and accomplishments during the session by grouping substantive and funding measures together and summarizing all enacted measures. We hope we have been successful. If you have comments or questions, please contact Connie Irby, Staff Director at 521-5780.

TABLE OF CONTENTS

Session Overview..... 1

Overall Appropriation 1

General Appropriations Bill..... 1

FY'01 Supplemental Funding 2

Rainy Day Fund 3

Agriculture and Rural Development Measures 3

Agriculture Funding 4

Amusements and Sports Measures 5

Banking, Finance and Securities Measures 5

Business and Labor Measures 6

Commerce Funding, Department of..... 6

Crime, Prevention and Public Safety Measures 6

Corrections Funding..... 11

Criminal Justice Funding 12

Juvenile Justice Funding..... 13

Law Enforcement Funding..... 13

Economic Development Measures 14

Common Education Measures..... 16

Common Education (K-12) Funding 19

Higher Education Measures 20

Higher Education Funding..... 20

Career-Technology Education Funding..... 22

Energy, Environment and Utilities Measures..... 22

Environment Funding..... 24

Conservation Commission Funding..... 24

Government Measures (County, Municipal and Local)..... 25

Government Measures (State) 26

General Government Funding..... 28

Health and Human Resources Measures 28

Health Care Authority Funding..... 34

Public Health Funding..... 34

Graduate Medical Education Funding 34

Direct Medical Education Funding History 35

Children's Services Funding..... 35

Mental Health and Substance Abuse Funding 36

Human Services Funding..... 37

Insurance and Managed Care Measures 38

Judiciary/Courts Measures 38

Legal Services Funding 40

Motor Vehicle Measures 41

Professions and Occupations Measures 43

Public Employee Retirement/Insurance/Pay/Benefits Measures 45

Public Employees Funding 46

Public Finance Measures 47

Revenue and Taxation Measures 49

Tax Policies Funding 52

Sunset Measures 53

Telecommunications and Computer Technology Measures 53

Tourism Measures 53

Tourism Funding 54

Transportation Measures 55

Transportation Funding 56

Veterans and Military Affairs Measures 56

Veterans Funding 57

Oklahoma Military Department Funding 57

Wildlife Measures 57

Workers' Compensation Measures 57

Vetoed Bills 58

Appropriations Summary Table 63

Index 65

SESSION OVERVIEW

The 48th Oklahoma Legislature convened on January 2, 2001, for organizational purposes. The roll call of members elected to the Senate in November included three new members: Senators Jonathan Nichols, Jim Reynolds, and Nancy Riley. Senator Stratton Taylor was re-elected as President Pro Tempore of the Senate. Officers of the Majority Party and the Minority Party were announced and seated, including Majority Floor Leader, Senator Billy Mickle, and Minority Floor Leader, Senator Jim Dunlap.

The Legislature reconvened the 1st Session of the 48th Legislature on February 5, 2001. During the 1st Session, the Senate introduced 843 bills and joint resolutions and the House introduced 1000 bills and joint resolutions. The Legislature adjourned sine die one day early on Thursday, May 24th, after submitting 465 measures to the Governor for approval and 5 measures to a vote of the people. The Governor approved 441 measures and vetoed 24 of the measures submitted to him and 3 line items. The Governor nominated and requested the Senate's advice and consent on 165 appointees to state boards and commissions. The Senate confirmed 153 of these executive nominations.

Right to work, a tax holiday, overhaul of Oklahoma's tax system, pay raises for state correctional officers and veteran center nurses, an administrative structure for the workers' compensation system, criminal justice reform, 1921 Tulsa Race Riot Commission recommendations, and electric deregulation were some of the issues at the forefront of legislative debate this session. Agreement was reached on a right-to-work proposal (SJR 1), pay raises for correctional officers and nurses (SB 702), criminal justice reform (SB 395), a 1921 Tulsa Race Riot Reconciliation Act (HB 1178), and delayed implementation of electric deregulation (SB 440). The Legislature deferred a decision on moving to a "Texas-like" tax structure until completion this summer of a joint OU-OSU study on revenue-neutral tax reform.

The Legislature also tackled the job of redistricting state Senate, state House, and Congressional districts to accommodate population changes reported in the 2000 Decennial Census. Agreement was reached on SB 619 and HB 1515, which establish new state Senate and House districts, effective with the 2002 elections. Congressional redistricting, which entails redrawing six districts into five, was deferred.

On May 21, 2001, the Governor called the Legislature into special session, and amended this call on June 8th, to address restructuring

Oklahoma's tax system, other tax issues, and redrawing Congressional districts. Special session was convened to move "shell" measures that address these issues through the Legislature and will be reconvened this fall for final action on these measures.

This document provides a brief summary of all measures enacted this session or referred to a vote of the people and an overview of the budget approved for the coming fiscal year.

OVERALL APPROPRIATION

The budget adopted for Fiscal Year 2002 (FY'02) is \$5.6 billion, 4.3% more than the FY'01 budget (calculated with supplemental and Rainy Day Fund appropriations).

Of the \$232.6 million increase in the state's appropriated budget, about \$200 million was derived from revenue collected from gross production taxes on natural gas.

Comparison of Funding for Major Program Areas FY'01-FY'02
(in millions)

	<u>FY'01</u> <u>Approp.</u>	<u>FY'02</u> <u>Approp.</u>	<u>Change</u>	
			<u>\$</u>	<u>%</u>
Education	2,988.2	3,082.9	94.7	3.2
Gen. Gov./Trans.	483.2	495.8	12.4	2.6
Health/Soc. Serv.	653.4	715.0	61.0	9.4
Human Services	519.9	553.6	33.6	6.5
Natural Resources	124.9	126.4	1.5	1.2
Public Safety	602.6	612.6	10.1	1.7
Capitol Imp. Auth.	11.6	0.0	-11.6	-100.0
Gov. Emerg. Fund	1.0	10.1	9.1	910.0
REAP	15.5	15.5	0.0	0.0
Total	5,400.4	5,611.8	210.8	3.9

GENERAL APPROPRIATIONS BILL

The General Appropriations (GA) Bill, HB 1564, was enacted March 26 and provided \$4.999 billion for base appropriations for 46 of 82 state agencies supported by state appropriations. The GA bill also provided supplemental appropriations of \$97.4 million for 23 agencies (see "Supplemental

Appropriations”). The Governor vetoed base funding for 36 agencies totaling \$285.7 million. To arrive at GA bill funding levels, the Legislature removed all one-time expenditures and one-time funding sources, then added the following:

- ◆ Annualization of the \$2,000 state employee pay increase that was effective October 1, 2000 (\$13.3 million);
- ◆ Annualization of the 2001 Healthcare Initiative (\$14.7 million);
- ◆ Payments for Phase I of the Statewide Bond Issue Obligation (\$15.8 million);
- ◆ Payments to restore losses in federal funds for specific programs at the Department of Human Services, the Oklahoma Health Care Authority and the Department of Mental Health and Substance Abuse Services (\$11.1 million)
- ◆ Annualization of FY'01 Supplementals for 5 agencies (\$23.8 million)

All additional funding decisions, including replacement of base funding for the 36 agencies whose budgets were vetoed from the GA bill, were made by the General Conference Committee on Appropriations (GCCA).

FY'01 SUPPLEMENTAL FUNDING

The Legislature approved HB 1564, HB 1557 and HB 1567 to provide for the following FY'01 supplemental funds:

- ◆ \$10.1 million was appropriated to the following agencies for bond sinking fund obligations related to the 1998 Phase I Statewide Bond Issue:
 - Higher Education - \$2.8 million
 - Oklahoma School for Science and Math - \$141,193
 - State Department of Career and Technology Education - \$715,334
 - Department of Central Services (DCS) - \$1 million
 - Office of State Finance - \$163,067
 - Department of Rehabilitation Services - \$714,190
 - J.D. McCarty Center - 544,900
 - University Hospitals Authority (UHA) - \$192,564

- Department of Veterans Affairs - \$634,836
- Oklahoma Department of Agriculture (ODA) - \$520,563
- Native American Cultural and Educational Authority - \$254,369
- Oklahoma Tourism and Recreation Department (OTRD) - \$185,160
- Oklahoma Historical Society - \$1,692,895
- Supreme Court - \$529,030
- ◆ \$10 million for the State Department of Education to implement the School District Utility Assistance Program;
- ◆ \$420,000 to the State Department of Education for stipends required by law for teachers attaining National Board Certification;
- ◆ \$6.7 million for OETA to complete digital conversion as required by the federal government **(VETOED)**;
- ◆ \$9 million for endowed chairs through the State Regents for Higher Education;
- ◆ \$5 million for Higher Education to implement the Higher Education Utility Assistance Program;
- ◆ \$2.5 million for the State Board of Career and Technology Education for the Training and Industry Program (TIP);
- ◆ \$500,000 to the State Board of Career and Technology Education for heating assistance;
- ◆ \$5.5 million to DCS for the State Agency Utility Assistance Program **(VETOED)**;
- ◆ \$4 million to the Oklahoma Military Department for the replacement of armory roofs **(VETOED)**;
- ◆ \$4.8 million to DHS for the Low Income Home Energy Assistance Program (LIHEAP);
- ◆ \$20.9 million to OHCA for the increase in utilization and cost of the Medicaid program;
- ◆ \$980,000 to the Department of Mental Health and Substance Abuse Services (DMHSAS) to be used for medical costs associated with Griffin Memorial Hospital (see Mental Health Section);
- ◆ 241,000 to the DMHSAS for residential care homes, enhanced residential care homes and substance abuse prevention programs;

- \$3.25 million to UHA to fund Graduate Medical Education;
- ◆ \$200,000 to the Oklahoma State Department of Health to hire 17 additional nursing home inspectors;
- ◆ \$2 million to ODA for rural fire operational grants;
- ◆ \$500,000 to ODA to repay the federal government for fire suppression support and equipment;
- ◆ \$75,000 to ODA for fire ant research (**VETOED**);
- ◆ \$158,000 to Conservation Commission to pay a legal judgement against the Lincoln County Conservation District;
- ◆ \$106,710 to the Centennial Commission for operations and duties;
- ◆ \$1,779,500 to OTRD for ice storm damage and recovery at state parks;
- ◆ \$350,000 to the Oklahoma Water Resources Board for weather modification (**VETOED**);
- ◆ \$7 million to the Department of Corrections (DOC), enacted April 17, 2001, for increased cost of contracted beds;
- ◆ \$11.0 million to DOC, enacted May 9, 2001. Of the total, \$9.2 million was for increased cost of contracted prison beds and \$1.8 was for state facility operating shortfalls; and
- ◆ \$7.5 million to DOC for operating shortfalls, passed by the Legislature May 23, 2001. (HB 1557)

RAINY DAY FUND

The Legislature appropriated \$78,771,287 from the Rainy Day Fund for emergency, non-recurring needs of the state. (SB 310) The Legislature approved the following expenditures:

- ◆ Debt service payments for Phase I and II of the state ROADS program (\$57.2 million);
- ◆ State match for federal disaster funds and other disaster-related payments (\$10.1 million);
- ◆ Development of the personnel and accounting system by the Office of State Finance (\$5.04 million);
- ◆ Repair, ADA accessibility upgrades, and renovations to the Jim Thorpe State Office Building (\$981,287);

- ◆ Comprehensive health and mental health diagnostic and prevention services for children served by the Child Study Center (\$250,000);
- ◆ Construction of the University of Oklahoma Weather Center (\$2.7 million); and
- ◆ Capital funding associated with the Oklahoma State University/ Tulsa Campus (\$2.5 million).

Agriculture and Rural Development Measures

SB 384 (Muegge/C. Pope): Modifies the Public Warehouse and Commodity Indemnity Act by adding definitions, requiring financial statements be prepared by independent certified public accountants, modifying requirements for financial statements and for the applicant or charter holder, adding irrevocable letter of credit for security, modifying time for filing written claim of loss, authorizing written request for extensions, authorizing the State Board of Agriculture to promulgate rules for electronic receipts and electronic documents, expanding type of conduct to which criminal penalties apply, clarifying the price of a commodity on the day of the loss, and requiring the Commissioner of Agriculture to investigate a failed warehouse.
Effective 11-1-01.

SB 466 (Laughlin/Leist): Creates the Competitive Livestock Markets Act. Defines terms and prohibits any packer engaged in livestock, meat, meat products or livestock products to engage in any unfair, unjustly discriminatory or deceptive price practice or device. Authorizes any person who has incurred damages as a result of the act to bring action against the party or parties whose conduct is the cause of such damages and requires the packers to keep accounts and records to fully disclose all transactions involved in such persons business. Adds an exemption in the Oklahoma Pharmacy Act which states nothing in the act shall prevent veterinary prescription drugs from being shipped directly from a wholesaler or distributor to a client, provided the drugs may only be dispensed on prescription of a licensed veterinarian and only when an existing veterinary-client-patient relationship exists.
Effective 11-1-01.

SB 472 (Shurden/Leist): Modifies definitions of a potentially dangerous dog and dangerous dog.
Effective 5-1-01.

SB 522 (Easley/Matlock): Recodifies the Oklahoma Agriculture Code.
Effective 4-18-01.

SB 660 (Easley/Rice): Recodifies the Oklahoma Agriculture Code.
Effective 7-7-01.

HB 1190 (C. Pope/Henry): Authorizes the State Board of Agriculture to enter into reciprocal agreements with agriculture agencies in other states to maintain certain court actions, to increase efforts to ensure the safety and quality of food products, to expand inspection powers of vehicles transporting livestock or farming equipment, and to commission agriculture law enforcement agents. Creates the Oklahoma Food Safety Task Force to study source identity, disease transmission and other food safety concerns and report back to the Legislature.
Effective 11-1-01.

HB 1191 (C. Pope/Price): Creates the Southern Dairy Compact to assure the continued viability of dairy farming in the south and to assure consumers of an adequate, local supply of pure and wholesome milk.
Effective 11-1-01.

HB 1217 (Turner/Muegge): Creates the Oklahoma Ethanol Development Study Act, and the Oklahoma Ethanol Development Advisory Committee. Provides for appointments, qualifications and duties, meetings, reports and provides space for the meetings and staffing by the Oklahoma Department of Agriculture.
Effective 5-14-01.

HB 1329 (Covey/Littlefield): Relates to the Oklahoma Floodplain Management Act. Authorizes fees for services provided by the Oklahoma Water Resources Board, the county commissioners and municipalities in the administration of their responsibilities pursuant to the Oklahoma Floodplain Management Act.
Effective 4-9-01.

HB 1330 (Covey/Capps): Recodifies the Oklahoma Agriculture Code.
Effective 11-1-01.

HB 1378 (Covey/Muegge): Recodifies the Oklahoma Agriculture Code.
Effective 4-30-01.

HB 1633 (Sweeden/Harrison): Provides legislative intent for prescribed burning of crop, range, and forest lands.

- ◆ Modifies and adds definitions;
- ◆ States purposes for prescribed burning;
- ◆ States that the provisions of the legislation shall not be construed to exempt or release a person from civil liability for damages or injury incurred as a result of the burn or for criminal liability as

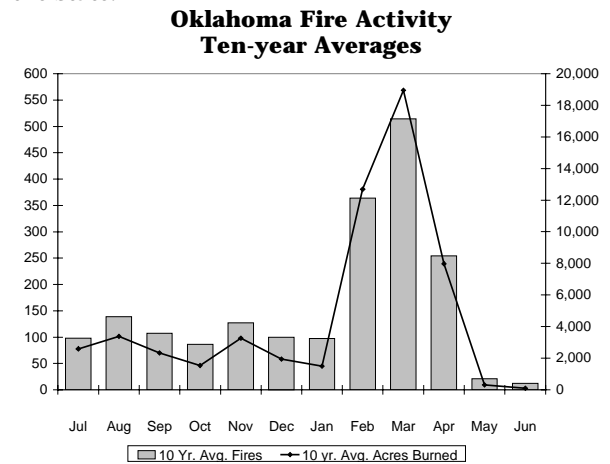
imposed pursuant to the Oklahoma Forestry Code;

- ◆ Establishes notification requirements for prescribed burning;
- ◆ Describes liability for violation of the law; and
- ◆ Increases from 10 to 30 the maximum number of members in a limited liability company.

Effective 5-14-01.

AGRICULTURE FUNDING

Funds were appropriated to the Oklahoma Department of Agriculture (ODA) and the rural fire departments throughout the state to address the high level of fire activity during the 2000 fire season. The graph below shows the average fire activity in the state.



The Legislature created and provided full funding for a new division within the ODA: the Food Safety Division. In conjunction with the federal government, this division will ensure the safety of the eggs, meat and dairy products produced, sold and distributed in the state. (HB 1529)

In May 2001, Oklahoma was declared a "Brucellosis-free" state by order of the United States Department of Agriculture. Oklahoma has devoted a total of \$6.6 million for brucellosis eradication and monitoring since 1996.

ODA continues to monitor the transport and sale of livestock to detect and eradicate various animal diseases through an intensive inspection program. Toward this effort, the Legislature provided additional funding for sheep scrapie testing within the Animal Industries Division. (HB 1529)

AMUSEMENTS AND SPORTS MEASURES

SB 555 (Hobson/Glover): Modifies the amount of revenue taken from pari-mutuel wagering on multiple race wagers. Provides the licensee (racetrack) an additional 1% take-out on all two-horse or two-race wagers, to be distributed one-half each for purses and to remain with the track. For all other types of multiple race wagers, authorizes tracks to take between an additional 0 and 4% of revenue with one-half of the additional funds distributed as purses and one-half remaining with the track. Establishes the number of race meetings which may be conducted by a fair association and the distribution of revenues collected.
Effective 5-2-01.

HB 1246 (Stites/Dickerson): Deletes requirement that racetracks reimburse the Oklahoma Horseracing Commission for the costs of compensating stewards and other personnel required by the Commission. Modifies procedures relating to unclaimed ticket proceeds.
Effective 7-1-01.

BANKING, FINANCE AND SECURITIES MEASURES

SB 118 (Monson/Blackburn): Includes "limited liability companies" in the definition of a "bank service corporation" and modifies fees which financial institutions may charge government authorities for providing financial records. Certain provisions relating to storage and reproduction of records are extended to all financial institutions (currently limited to banks) and provisions for electronic storage are made.
Effective 11-1-01.

HB 1202 (C. Pope/Monson): Makes changes relating to the taxation of state financial institutions and subchapter S corporations by limiting the ability of larger subchapter S financial institutions to avoid payment of the in lieu tax imposed on financial corporations and by allowing banks that have elected subchapter S status to deduct the actual interest expense for carrying obligations of state and local political subdivisions and eliminating the current artificial limitation formula.
Effective 7-1-01.

HB 1469 (Blackburn/Monson): Makes various changes relating to banks and trust companies, as follows:

- ◆ Deletes authorization for certain banks and multibank holding companies to file applications to organize a bank;

- ◆ Applies requirements to organize a state bank or trust company to all persons (currently limited to individuals) and modifies such requirements;
- ◆ Modifies circumstances under which State Banking Commissioner may approve an application for abandonment of trust powers;
- ◆ Allows the Commissioner to modify the frequency of bank examinations upon request of a bank or trust company; and
- ◆ Modifies requirements for deposits payable on death.

Effective 11-1-01.

HB 1528 (Mass/Haney): Removes the requirement to transfer unexpended monies in excess of \$500,000 in the Department of Securities Revolving Fund to the General Revenue Fund.
Effective 5-31-01

HB 1764 (Blackburn/Monson): Makes various changes relating to credit unions, as follows:

- ◆ Allows the state Credit Union Board to collect assessments from credit unions and requires assessments to be deposited in the General Revenue Fund and fees to be deposited in the revolving fund of the State Banking Department;
- ◆ Defines as a "special examination" any examination conducted in connection with a charter conversion;
- ◆ Allows credit unions to receive payments on shares and deposits from credit unions doing business in the United States;
- ◆ Deletes provisions relating to credit committees;
- ◆ Requires credit union boards of directors to meet monthly, unless the requirement is waived by the State Banking Commissioner. Grants boards the power to declare dividends, determine interest rates on deposits and loans, fill vacancies, authorize investments, determine the number of shares and deposits, delegate their powers to executive committees and appoint membership officers;
- ◆ Specifies powers of credit committees and supervisory committees;
- ◆ Modifies provisions related to declaration of dividends.

Effective 11-1-01.

HB 1831 (Askins/Helton): Specifies the services that may be provided by the division of investor education of the Oklahoma Department of Securities. Provides that the paralegal and legal secretaries of the Department of Securities are unclassified positions.
Effective 7-1-01.

BUSINESS AND LABOR MEASURES

SJR 1 (Herbert/Begley): Provides for a vote of the people on amending the state constitution to ban any new employment contract that requires an employee to: resign from or become a member of a labor union, pay dues to a union, make any payments to a third party in lieu of a union, or be recommended or approved by a union. It also prohibits the deduction of union dues or fees from wages or other compensation without prior employee authorization.

HB 1740 (T. Pope/Easley): Directs all revenue received by the Department of Labor from shop reviews to the Department of Labor Revolving Fund and mandates its use for conducting shop reviews and related administrative expenses.
Effective 7-1-01.

DEPARTMENT OF COMMERCE FUNDING

The Legislature appropriated, or designated, \$545,000 for the Department of Commerce Capital Improvement Program. These monies will be used to identify and map the services, assets and infrastructure (police and fire operations, vehicles, parks, utilities, water and sewer lines, etc.) of Oklahoma cities and towns. This inventory will help Oklahoma communities to: avoid costly mistakes in construction projects; plan the location, timing, and financing of needed improvements; and obtain the federal funds available for such activities. (SB 210)

The Legislature authorized the continued expenditure of \$7.03 million for the Head Start Program and for other community development initiatives. (SB 210)

CRIME PREVENTION AND PUBLIC SAFETY MEASURES

SB 45 (Wilkerson/Dunegan): This bill contains the following criminal code provisions:

- ◆ Makes malicious intent an element of gravestone removal;
- ◆ Expands the peeping tom prohibition to include viewing another person when there is a reasonable expectation of privacy and sets a

misdemeanor penalty. Provides a felony penalty for using photographic, electronic or video equipment to view a person without their knowledge or consent or to publish such images;

- ◆ Construes certain definition and quantities of hazardous waste do not apply when the chemicals are used to manufacture controlled dangerous substances in violation of the Uniform Controlled Dangerous Substances Act; and

- ◆ Allows vehicles, airplanes, vessels, and equipment to be forfeited when used in the commission of an act of arson.

Effective 7-1-01.

SB 46 (Pruitt/H. Smith): Computer software and video games are included in the definition of materials as that term is used to determine obscene or pornographic materials for prosecution of criminal acts. The criminal fine for conviction is increased from \$100 to \$500 for a first or second offense and \$1,000 for a third offense.
Effective 7-1-01.

SB 70 (Helton/Staggs): Deletes staffing requirements from the OSBI vehicle theft unit and increases the amount of the petty cash fund to \$200.00.
Effective 11-1-01.

SB 157 (Fisher/Hiett): Creates the Juvenile Sex Offender Registration Act. Any convicted youthful offender or adjudicated juvenile delinquent between 14 and 18 years of age whose crime is rape or sodomy may be required by the court to register after evaluation as a serious or aggravated threat to the public. The Office of Juvenile Affairs is directed to establish and maintain the registry with photographs, fingerprints, and other information about the offenders. It is a crime to fail to register for both the juvenile and the parent or guardian responsible for the juvenile. At age 21 the juvenile may either be included in the adult sex offender registry or be deleted from the juvenile sex offender registry depending upon whether a threat to the public still exists. The court may release any information from the registry to any person. It is a crime to use juvenile sex offender information to commit a crime or damage property.
Effective 7-1-01.

SB 434 (Shurden/Stanley): The Oklahoma Self-Defense Act increases the handgun license term from 4 to 5 years and gives a 30-day grace period for renewal after expiration. It allows licensed private investigators with firearms authorization to carry weapons into prohibited places during the course of employment. The right of law enforcement to inspect a weapon upon a lawful stop requires probable cause that a crime has been committed.

Any act of domestic abuse will preclude the issuance of a handgun license. Each license holder must submit to the OSBI a change of name or address within thirty days of any change of such information.
Effective 7-1-01.

SB 439 (Maddox/Kirby): This bill allows the chief administrative officer or governing board of an institution of learning to direct persons to leave the institution for up to 6 months for interfering with the peaceful conduct of the institution. This bill requires a grievance or appeals process and opportunity for hearing.
Effective 5-21-01.

SB 441 (Helton/Corn): This bill permits a report from the Oklahoma State Bureau of Narcotics and Dangerous Drugs Control as to the existence or status of any license or permit to sell, transfer, or possess precursor substances to be used as evidence at a hearing prior to trial or at a forfeiture hearing. It adds a Schedule I substance.
Effective 7-1-01.

SB 451 (Shurden/Cox): Expands the Bogus Check Restitution Program collection period from 6 months to 2 years. The statute of limitation for prosecution of false or bogus checks is expanded from 3 years to 5 years.
Effective 7-1-01.

SB 453 (Smith/Hastings): This bill is considered a part of the criminal code reform measure as it modifies provisions found in SB 397 (Criminal Justice Funding). It clarifies that convictions and adjudications used to determine prison earned credits include those from other states, the United States, and military courts. It corrects an internal reference for earned credits. It repeals a section omitted from the repeal of the Oklahoma Prison Overcrowding Emergency Powers Act.
Effective 7-1-01.

SB 454 (Smith/Hastings): Increases the population requirement from 200,000 to 300,000 for establishing an office of public defender.
Effective 7-1-01.

SB 494 (Cain/Blackburn): Creates a new offense of caretaker verbal abuse. Defines the term and sets a misdemeanor penalty. It clarifies caretaker abuse penalties and adds fines up to \$10,000.00.
Effective 7-1-01.

SB 520 (Helton/McCarter): Requires payment of costs of removal of a vehicle and any vehicle storage fees to be paid by the owner or insurer of the vehicle. Limits placement on official rotation log to licensed wrecker or towing services whose facilities are located within Oklahoma.
Effective 7-1-01.

SB 541 (Henry/Ervin): The Council on Law Enforcement Education and Training may waive all or part of the penalty assessed to district court for failure to make timely deposits of collected CLEET funds.
Effective 11-1-01.

SB 614 (Wilkerson/Corn): This bill allows the Council on Law Enforcement Education and Training (CLEET) to appoint an advisory board for security guard and private investigative agencies. It sets the minimum age of 21 years for peace officer certification and requires proof of U S citizenship or resident alien status. The Council may increase the hours required for peace officer training for independent study. It provides for revocation or denial of certification for a crime of domestic violence or deferred judgment on a felony offense.
Effective 7-1-01.

SB 678 (Littlefield/Hutchison): Increases the pool or billiard hall license fee from \$10.00 to \$25.00. Removes the provision prohibiting minors from pool halls. Violations of alcoholic beverage or low point beer laws may result in license revocation.
Effective 11-1-01.

SB 716 (Nichols/Coleman): Provides that rape includes sexual intercourse between a student aged 16 or 17 years, and any person aged 18 years or older who is an employee of the school.
Effective 11-1-01.

SB 724 (Wilkerson/Webb): Allows the Director of the Department of Corrections to place an employee on leave for up to 3 days when the employee was exposed to a critical work-related incident. The leave is not charged to annual or sick leave.
Effective 7-1-01.

SB 743 (Wilkerson/Ingmire): Requires the Criminal Justice Resource Center to create and publish each year a uniform reporting standard for citing state criminal justice information. Requires the uniform standard to be used by all state criminal justice information systems.
Effective 7-1-01.

SB 753 (Wilkerson/Corn): Adds certain violent crimes to the list of those crimes for which a defendant is required to submit to DNA testing. Establishes a \$5 "Forensic Science Improvement Assessment" to be imposed on every person convicted of a criminal offense. Creates a "Forensic Science Improvement Revolving Fund" for the OSBI to be used for the purpose of improving the forensic science services of the OSBI. Provides that knowingly permitting a child to be present where a controlled dangerous substance is being manufactured shall constitute the crime of child endangerment. Provides that bail on appeal shall not be allowed for any person convicted of manufacturing drugs. Creates the "Drug Eradication

and Enforcement Plan Revolving Fund” for the purpose of providing grants to law enforcement entities for eradication of illegal drugs and enforcement of drug laws. Requires school authorities to immediately deliver any drugs or weapons they seize to a law enforcement authority for appropriate disposition. Imposes treble damages on anyone manufacturing drugs within 2,000 feet of a day care center.
Effective 7-1-01.

SB 755 (Cain/Blackburn): Amends the child abuse reporting requirement to allow reports of child abuse or criminally injurious conduct to be made by a health care professional to the law enforcement agency nearest the location where the injury is treated.
Effective 4-7-01.

SB 756 (Rozell/Dunegan): This measure changes the reception and transfer process when the Department of Corrections is required to contract for bed space. It requires the Pardon and Parole Board to consider all nonviolent offenders who are within 6 months of release. The sheriff must schedule an inmate for transfer and reception in advance of delivery to the Department. It provides for transfer of state inmates from the county jail when the jail is overcrowded. It clarifies the Department's responsibility for jail costs and provides procedures to submit costs for payment. It allows medical parole consideration of inmates without a two-stage parole review process.
Effective 7-1-01.

SB 796 (Wilkerson/Corn): Expands the duties of the Director of the Department of Corrections. This bill removes the maximum age for correctional officers. Provides authority for advanced directives from inmates. Authorizes an employee tuition assistance program. Authorizes an employee recruitment and referral incentive program. Allows reintegration referral services to be provided to inmates upon completion of a prison sentence. It provides that inmates on medical parole consideration are not subject to a two-stage hearing process.
Effective 7-1-01.

HB 1084 (Wilt/Helton): This bill adds manufacture of a controlled dangerous substance and sexual abuse of a child to crimes not allowed bail pending appeal.
Effective 11-1-01.

HB 1124 (Winchester/Wilcoxson): Increases the amount paid by the Crime Victims Compensation Board for sexual assault medications for victims from \$25 to \$50 and sexual assault examinations from \$150 to \$250. The bill allows an increase of funds into the Sexual Assault and Examination Fund to pay these expenses. Victims of rape may file for Victim Protection Orders and the court may

grant relief as requested by the victim of domestic violence or rape.
Effective 11-1-01.

HB 1138 (Webb/Helton): It is a misdemeanor to display a driver license or identification card that was not issued to the person. This bill allows any peace officer to seize and forfeit any equipment used to publish or make any false or fraudulent identification document, card, and certification or driver license. A procedure for notification and hearing for forfeiture is established with directions for distribution of proceeds of sale.
Effective 11-1-01.

HB 1142 (Peters/Reynolds): This bill expands actions that constitute arson to include fire as the result of manufacture or attempted manufacture of a controlled dangerous substance.
Effective 11-1-01.

HB 1154 (Jones/Littlefield): Modifies the Oklahoma Security Guard and Private Investigator Act by adding to the conditions which must be met for the issuance of a conditional license. An applicant must make a statement that the applicant is not currently undergoing treatment for a mental disorder. Requires the Council on Law Enforcement Education and Training to determine whether or not the applicant has ever been involuntarily committed to a state institution. Requires individuals licensed under this act to carry certain types of identification. Adds current treatment for a mental disorder to the criteria which exclude an individual from eligibility for participation in certain basic police courses.
Effective 11-1-01.

HB 1156 (McCarter/Wilkerson): Any employee of the State Bureau of Investigation who is promoted, demoted or transferred into an agent or criminalist position must serve a twelve-month probationary period. Any classified employee transferring to the OSBI as an agent or criminalist must serve the same twelve-month trial period.
Effective 7-1-01.

HB 1161 (Askins/Cain): This bill makes modifications to the Youthful Offender Act. It allows reimbursement of child maintenance funds when an overpayment has been made to the court clerk. The definition of sentenced as a youthful offender is modified and construed to be an adult criminal sentence upon transfer of the youthful offender to the Department of Corrections. The supervision of a youthful offender may be extended until twenty years of age. A study by the Office of Juvenile Affairs and the Department of Correction on how to best provide services to youthful offenders transferred to the Department of Corrections is to be conducted and completed by September 1, 2001.
Effective 7-1-01.

HB 1162 (Braddock/Henry): The measure authorizes the Oklahoma State Bureau of Investigation to use federal grant funds to purchase equipment and provide training for local law enforcement agencies to improve clandestine drug laboratory detection, removal and disposal; and to transfer title to the equipment to local law enforcement agencies. The bill allows release of controlled substance to the criminal justice agency originally submitting the substance for testing by the OSBI.
Effective 11-1-01.

HB 1177 (Ross/Cain): All state, county, city and town law enforcement agencies must report monthly to the OSBI on hate crimes and crimes required for the uniform crime reporting system. OSBI must prescribe a form for the reporting of these crimes.
Effective 11-1-01.

HB 1231 (Plunk/Wilkerson): This bill establishes the Oklahoma Police Corps Act. Authorizes the Commissioner of Public Safety to enter into agreements with the United States Department of Justice to participate in the federal police corps program. The purpose of the program is to provide educational opportunities, law enforcement training, and employment. A director is to be appointed by the Commissioner of Public Safety. The director shall hire a deputy director and other employees, develop a budget, purchase equipment, approve scholarships, and report to the federal police corps program. Creates an 11-member Advisory Council and a selection committee of seven members to select participants for the police corps program scholarships. Criteria for applicants are established and requirements for the program are provided. Agencies hiring police corps participants receive a subsidy for the first four years of employment limited to \$10,000.00. All expenses of operating the police corps program must be from federal funds. Allows an income tax exemption for participants beginning December 31, 2000. Establishes a maximum of seven unclassified positions for administering the Oklahoma Police Corps Program within the Department of Public Safety.
Effective 5-2-01.

HB 1266 (Perry/Smith): This measure adds a provision that the use of an undercover operative or law enforcement officer in detecting solicitation of a minor for sexual conduct via a computer shall not be a defense to prosecution for this crime. Increases penalty.
Effective 11-1-01.

HB 1351 (Morgan/Coffee): This bill amends the Sex Offender Registration Act to require registration of a change of address prior to the actual move. It includes in the definition of rape any victim under the custody of a federal agency who has intercourse with an employee of the federal agency.
Effective 7-1-01.

HB 1361 (Ericson/Nichols): The court may require a person to reimburse the OSBI for cleaning up illegal drug laboratory sites. The court clerk may retain a percentage of the collection.
Effective 11-1-01.

HB 1372 (Askins/Horner): Creates a 16-member Domestic Violence Fatality Review Board within the Criminal Justice Resource Center until July 1, 2007. The Board shall review and discuss individual cases of domestic violence death and maintain statistical information.
Effective 7-1-01.

HB 1373 (Askins/Smith): Requires any criminal justice agency having biological evidence from a violent felony offense to retain and preserve the evidence while the offender is incarcerated.
Effective 7-1-01.

HB 1374 (Askins/Wilkerson): This measure requires the OSBI to investigate and detect violations of the Oklahoma Computer Crimes Act. It makes a felony for any person to alter, procure or forge any criminal history record. The bill creates the Oklahoma Crime Prevention and Privacy Compact Act to allow sharing of criminal records with governmental and non-governmental agencies while enhancing the accuracy of such records. The act provides responsibilities of compact parties, definitions, purposes, and ratification procedures.
Effective 7-1-01.

HB 1392 (Nance/Herbert): Increases training requirements for reserve force deputy sheriffs. Adds limits to the number of hours the reserve force deputies may work. Adds reserve force deputies and reserve municipal police officers to the definition of a police officer, adds requirements for certification as a police or peace officer, and authorizes the Council of Law Enforcement Education and Training to increase the number of hours for the completion of a basic police course by requiring independent study.
Effective 7-1-01.

HB 1393 (Nance/Wilkerson): This measure provides that while conducting a wiretap, evidence of violent crimes other than those for which wiretap was authorized may be disclosed.
Effective 11-1-01.

HB 1394 (Nance/Herbert): Adds financial documents to the list of items considered to be contraband in penal institutions or jails. Authorizes a jailer in counties having populations greater than 400,000 to use non-lethal weaponry upon completion of appropriate training.
Effective 11-1-01.

HB 1426 (Braddock/Henry): This bill allows DNA laboratory reports to be submitted as evidence without the testimony of the person making the report when the report was delivered five days prior

to the accused five days prior to the hearing. The court may require testimony of the person making the report when there is a substantial likelihood that material evidence not in the report may be presented at trial. The bill adds offenses which require submission of DNA testing for the DNA database. Effective 11-1-01.

HB 1548 (Mass/Haney): This bill creates the Forensic Testing Revolving Fund for use by the Oklahoma Indigent Defense System. It modifies the base salaries for court reporters and deletes the minimum and maximum salaries of district attorneys. Effective 7-1-01.

HB 1608 (Roan/Wilkerson): The Department of Public Safety is authorized to conduct Public Safety Patrol Schools approved by the Contingency Review Board or previously approved by the Legislature. Effective 7-1-01.

HB 1609 (Roan/Wilkerson): Authorizes the Department of Public Safety to sell used vehicles and emergency equipment to federal, state, county, municipal agencies and public school districts without approval of the Department of Central Services; and to conduct public auctions. The Department is required to promulgate rules for the sale and auction of used vehicles, used emergency equipment, and forfeited property. Effective 7-1-01.

HB 1615 (Steele/Wilkerson): Adds the definition of anhydrous ammonia and modifies the chemical designations for methylenedioxy methamphetamine and ketamine in the Uniform Controlled Dangerous Substances Act. Effective 7-1-01.

HB 1690 (Askins/Wilkerson): Modifies the membership and duties of the Oklahoma Sentencing Commission. Adds four members to the Commission. Designates the Commission as the advisory board for the Oklahoma Criminal Justice Resource Center and abolishes the previous advisory board. Requires the Commission and the Department of Corrections to work together to collect offender profile data for a report to the Legislature each year. Gives the Sentencing Commission the responsibility of monitoring, reviewing, and providing impact statements and reports to the legislature on criminal laws. The director of the Criminal Justice Resource Center is authorized to hire employees subject to the approval of the Sentencing Commission. A budget request for the Criminal Justice Resource Center must be submitted to the President Pro Tempore of the Senate and the Speaker of the House by July 1 each year. Moves the Criminal Justice Resource Center Revolving Fund to the Legislative Service Bureau. Repeals the responsibilities of the Sentencing

Commission for classification and sentencing criteria. Effective 7-1-01.

HB 1692 (Dunegan/Wilkerson): Increases the maximum age for appointment of a highway patrol officer to 37 years of age. The bill allows reinstatement of an officer who has left the Department provided the officer can complete 20 years of service before age 57 and left the service voluntarily. Increases the salary of the Commissioner of Public Safety and makes step increases for certain ranks of officers. Authorizes back pay for former Capitol Patrol Division officers beginning January 2001 to make salaries equivalent to other highway patrol officers. Certain turnpike speeding fines and reckless driving fines are decreased and the requirement to forward monies to the Department is eliminated. Eliminates mandatory minimum fines on DUI. Requires \$15 assessment on all criminal convictions to be deposited in the Department of Public Safety Patrol Vehicle Revolving Fund. Adds procedure for vehicle operators approaching a stationary emergency vehicle. Effective 7-1-01.

HB 1728 (Rice/Helton): Changes the effective dates for House Bill 1081 relating to motor vehicle inspection stickers to July 1, 2001. Modifies the maximum number of cadets for a Patrol Academy from 40 to 50 cadets. Effective 5-23-01.

HB 1765 (Easley/Crutchfield): This measure makes aggravated assault and battery against a school employee a felony. Notices are required to be posted in schools. Gives reporting procedures. Effective 7-1-01.

HB 1794 (Worthen/Campbell): Adds conditions and penalties for driving a motor vehicle when the driving privilege has been cancelled, denied, suspended or revoked. Offense is a misdemeanor and punishable by a fine of not less than \$500.00 or by imprisonment for not more than 1 year or both. Each prohibited act constitutes a separate offense. Effective 11-1-01.

HB 1804 (Glover/Smith): This bill makes significant modifications to the operation of the Indigent Defense System. It modifies the defense responsibilities of the Indigent Defense System and changes procedures for assignment of cases and conflicts of interest. It changes the procedure for selection and awarding contracts to attorneys in noncapital cases. Compensation for death penalty cases is modified. Proceedings for appeals and post conviction cases are amended. It repeals the Alfred P. Murrah Building Revolving Fund. Effective 7-1-01.

HB 1907 (Walker/Smith): Any prisoner who has on three or more occasions brought an action or appeal that was dismissed as frivolous, malicious or failed to state a claim upon which relief could be granted may not proceed without prepayment of all fees required by law. An exception is provided when the prisoner is under immediate danger of serious physical injury. The court administrator must maintain a registry of all law suits meeting the criteria.

Effective 11-1-01.

HB 1934 (Toure/Monson): This bill creates the Racial and Social Economic Statistical Analysis on Imprisonment Task Force with 13 appointed members. The task force will meet until February 1, 2002. Administrative support is provided by the Criminal Justice Resource Center.

Effective 5-23-01.

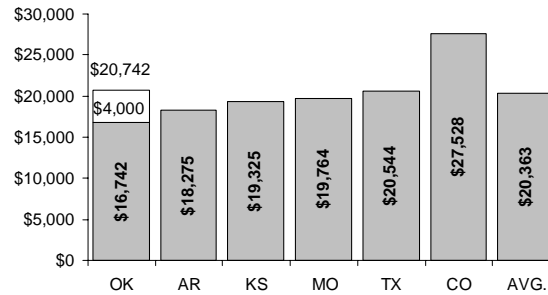
CORRECTIONS FUNDING

\$17.8 million was appropriated to the Department of Corrections (DOC) to provide pay increases beginning July 1, 2001 to almost all prison-system employees: (HB 1556 and SB 702)

- ◆ Correctional Officers, Probation and Parole Officers, Case Managers, Unit Managers, Correctional Counselors, and Food-service Workers will receive annual salary increases of \$4,000.
- ◆ All other classified DOC employees will receive \$2,000 raises.
- ◆ The salary of the DOC director was authorized to be increased from \$90,000 to \$110,000. The Board of Corrections initiated a national search for a new director upon the announced resignation the current director in March. (HB 1570)

The pay raises would address critical staffing shortages at state prisons caused by DOC's inability to recruit and retain prison workers at existing pay scales. One correctional officer supervises as many as 106 inmates on some shifts, according to DOC.

Comparison of Beginning Salaries for Corrections Officers



\$1.6 million was appropriated to DOC to improve staffing ratios at state prisons during FY02. The funds would support costs of about 46 new employees. DOC had requested funding to fill about 450 vacant slots. (HB 1556)

Supplemental funding of about \$30.1 million was provided throughout the legislative session to address shortfalls in DOC's FY01 budget. The agency had requested up to \$34 million. Funding provided: (HB 1564, HB 1567, and HB 1557)

- ◆ \$24.3 million for costs of contracted prison beds.
- ◆ \$1.8 million for shortfalls in operating budgets of state-operated prisons caused by increased overtime payments and increased natural gas costs.
- ◆ The Legislature authorized the transfer of \$4.0 million in funds available within DOC's budget to support cost overruns in the inmate medical budget.

The Legislature approved a plan to improve the inmate health care system by allowing DOC to initiate a contract with a community hospital that will provide 21 beds for DOC's use. Provisions of the plan: (HB 1570)

- ◆ The Medical-Surgical Unit at Griffin Memorial Hospital (a Department of Mental Health and Substance Abuse Services facility) will cease to serve DOC inmates on February 1, 2002. Unit employees will continue to serve mental health patients.
- ◆ DMHSAS will transfer \$1.3 million to DOC to help initiate the community hospital contract.
- ◆ The University Hospitals Authority retains responsibility for serving inmates' tertiary-care needs, although doctors and nurses will no longer be required to commute to the Medical-Surgical unit to provide secondary-level care.

In March, DOC and the Pardon and Parole Board developed new procedures to decrease from 120 to 30 days the average period between parole approval and release from prison. As many as 2,100 inmate paroles had been backlogged in February.

\$305,666 was appropriated to the Pardon and Parole Board to improve processing of an increased number of inmate paroles. Major provisions of the increase: (HB 1556)

- ◆ 2.0 FTE and \$72,488 was provided to add staff who investigate cases and process paroles.
- ◆ \$91,000 was provided to improve technology that will facilitate quicker processing of parole files.
- ◆ \$32,000 was provided to increase pay for the five parole board members to \$22,800 annually, a 35% increase.
- ◆ \$58,500 was appropriated to support a \$2,000 annual pay increase for the 25 parole board investigators.

CRIMINAL JUSTICE FUNDING

SB 397 (Taylor/Morgan): A comprehensive anti-crime package, contains several key revisions to the state's criminal code: (SB 397)

- ◆ Increases to 18 the list of "deadly sins" that require offenders to serve at least 85% of their sentences before eligibility for parole. The seven new crimes added are Murder II, Manslaughter I, Poisoning with intent to kill, Shooting with intent to kill, Assault with intent to kill, Robbery by two or more people, and Robbery I. The new classifications will make Oklahoma eligible for an additional \$4 million in federal funds.
- ◆ Lowers the blood alcohol content for drunk driving from .10 to .08. The change will net Oklahoma an incentive bonus of \$2 million in additional federal highway funds for FY'02 and FY'03.
- ◆ Repeals the "cap law," a statute that allowed for the early release of eligible, non-violent inmates when prisons became too crowded.
- ◆ Raises the felony threshold on bogus checks and most property crimes from \$50 to \$500, bringing Oklahoma more in line with other states' felony limits. The bill also allows courts to require offenders to pay addition restitution of \$25 to victims of bogus checks.
- ◆ Allows courts to require property offenders to pay to crime victims restitution of up to three times the economic loss caused by a crime.

- ◆ Provides for parole consideration of non-violent inmates whose health status makes them no longer a risk to public safety.

- ◆ Allows non-violent inmates to earn extra time credits for good behavior, and for completion of drug-treatment and education programs.

\$1,815,868 was appropriated to more than triple state support for the Drug Court Program. The innovative courts offer intensive supervision, subsidized treatment and court administration costs for non-violent, drug-dependent offenders. Through DMHSAS, the new funds will provide treatment and operating costs to existing courts and help develop new programs during FY'02. Included in the total new funding is \$815,868 for administration costs incurred by Drug Courts. The courts had been supported by an \$850,000 appropriation in FY'01. (HB 1518)

The Legislature appropriated \$725,000 to the Oklahoma Indigent Defense System (OIDS) to provide forensic testing in cases where new technology might help determine innocence or guilt. The new funds will bring to about \$1 million the OIDS budget for re-examining criminal convictions that hinged on out-dated scientific evidence. (HB 1545).

\$530,935 was appropriated to OIDS to bring its attorneys to parity with prosecutors. The funding caps a three-year, \$960,000 initiative to increase public defenders' salaries, which had lagged pay for prosecutors by 26% in 1999.

District attorneys offices were provided increased budgets of more than \$4.6 million to boost prosecutorial efforts:

- ◆ SB 397 provides a \$25 fee increase for every bogus check handled in restitution cases. The fee increase, paid by offenders, is expected to generate more than \$3 million to benefit DA operations. (SB 397)
- ◆ The Legislature provided for about \$1.5 million in increased support of DA offices from the state Crime Victims Compensation Revolving Fund. HB 1547 allows courts to increase assessments against offenders to help support the funding increase. The new funds will allow quicker processing of claims by victims, better services to victims by DA Victim-Witness Coordinators, and increased payments to providers of sexual-assault examinations. (HB 1545, HB 1547, HB 1548)
- ◆ \$100,000 was appropriated to the District Attorneys Council to pay for increased costs of transcripts and expert prosecution witnesses. (HB 1545)

JUVENILE JUSTICE FUNDING

The Legislature provided about \$3.8 million towards an anticipated \$8 million loss in federal Medicaid funds. The Health Care Financing Administration (HCFA) notified the Office of Juvenile Affairs (OJA) that effective February 1, 2001, youth residing in secure institutions, state-operated group homes and the state-operated wilderness camp are not eligible to receive Medicaid for any service, including medical services, because those youth are considered "prisoners" and are therefore ineligible. Also, HCFA and OHCA have found problems with the methodology used by OJA in its cost allocation plan for Targeted Case Management (TCM) services. This resulted in lowering the per-service reimbursement rate, which adds to the anticipated loss of federal funds. OJA will cover a portion of the anticipated loss by delaying capital projects and utilizing carryover. OJA projects that it will need to cut about 50 beds, some administration and a small portion of community services to offset the rest of the loss. (SB 235)

Through OJA, the Legislature provided an increase of \$181,032 to Community Intervention Centers (CICs) located in Muskogee, Norman, Duncan and Lawton. CICs were established in FY'97 to allow municipalities a suitable facility to place juveniles arrested for misdemeanors until a parent or guardian is able to pick them up. (SB 235, HB 1505, HB 1570)

The Legislature provided \$1.6 million towards a \$4,000/year pay increase for Police Officers, Juvenile Specialists and Institutional Program Coordinators within OJA secure facilities. These positions have been identified by OPEA as having extremely high turnover, and these positions are comparable to the DOC correctional officer position. (HB 1546)

The Legislature passed an allied health pay raise targeted at groups with high turnover at OJA. The funds provide a raise of \$2,100 for Registered Nurses, Licensed Practical Nurses and Nurse Managers. (SB 702 and SB 235)

LAW ENFORCEMENT FUNDING

\$4.4 million in new funding was appropriated to the Department of Public Safety (DPS) for a variety of programs: (HB 1549)

- ◆ \$794,045 to provide for annual step increases for state troopers.
- ◆ \$330,000 to annualize the cost of Capitol Patrol troop integration.

- ◆ \$1.5 million to fund a Highway Patrol academy of about 80 cadets during 2002. About 165 troopers are eligible to retire.
- ◆ \$436,648 for capital improvements to Highway Patrol troop headquarters across the state.
- ◆ \$512,500 and 10.0 FTE to improve drivers license testing services.

SB 753 was enacted to improve staffing and funding for the crime laboratories of the Oklahoma State Bureau of Investigation (OSBI). The bill provides for a \$5 fee increase on criminal cases that will generate \$2.9 million to support 23.0 new FTE and other lab operations.

\$97,000 was appropriated to OSBI to conduct an investigative academy for its agents. (HB 1549)

\$173,780 was approved for the Bureau of Narcotics and Dangerous Drugs (BNDD) to hire 3.0 FTE criminal intelligence analysts. Working with other state and local law enforcement agencies, intelligence analysts help target the highest-priority drug cases. (HB 1549)

\$295,637 was provided to BNDD to hire 3.0 FTE narcotics agents who speak foreign languages. The new agents, who will be assigned to local offices in Woodward, Tulsa and Lawton, will ensure that every BNDD office has at least one bilingual agent. (HB 1549)

The Council on Law Enforcement Education and Training (CLEET) received an appropriation increase of \$173,323. Funding was provided for the following improvements: (HB 1549)

- ◆ \$48,000 to purchase replacement vehicles used in pursuit training for law enforcement officers.
- ◆ \$33,334 for an additional CLEET academy instructor.
- ◆ \$41,752 for an additional accountant to help in collection of fees.
- ◆ \$30,000 to initiate a special program, the "Memphis Model," which trains law enforcement officers to respond to calls involving citizens suffering from severe psychiatric episodes.

A \$577,862 increase was appropriated to the Board of Medicolegal Investigations, which investigates whether deaths were criminal. Major initiatives that were funded include: (HB 1549)

- ◆ \$272,560 to nearly double the front-line staff who conduct initial inquiries on unattended deaths. To the existing staff of 8 investigators, the agency will add 6.0 FTE, two of who will serve

the two major urban areas and four of who will work in rural areas.

- ◆ \$82,000 to help support a fifth forensic pathologist, who will be added to the Oklahoma City headquarters, which serves the western 2/3rds of the state. The additional doctor will help the agency meet national performance standards on percentage of cases that are autopsied.
- ◆ \$126,000 for increased general operations costs.
- ◆ \$26,507 to hire a custodian at the expanded Tulsa headquarters building.

Agents of the Alcoholic Beverage Laws Enforcement Commission will receive a pay increase averaging 5% in FY'02, supported by an \$80,000 appropriation. (HB 1549)

\$144,897 in new funds was provided to the Office of the State Fire Marshal. The funding will provide the following: (SB 213, HB 1570)

- ◆ \$59,100 to hire an additional fire protection engineer to review building plans in rural areas for compliance with codes.
- ◆ \$28,750 for a new secretary who will provide support to the ten additional agents added since FY'97.
- ◆ \$40,000 for increased motor pool expenses.
- ◆ The Legislature authorized the expenditure of \$100,000 in fee revenues to support training and equipment for agents, and for two new internship and apprentice slots.

ECONOMIC DEVELOPMENT MEASURES

SB 81 (Dunlap and Perry): Creates the Science and Technology Council which will consist of 14 members, appointed by the Governor with advice and consent of the Senate. The Council will identify and rank targeted market opportunities for Oklahoma in an effort to determine the best areas in which Oklahoma can become a market leader and will submit this information to the Board of Directors of the Oklahoma Center for the Advancement of Science and Technology. This bill also amends law to allow the appointment of board members of the Oklahoma Space Industry Development Authority and the J.M. Davis Memorial Commission as executive directors of these entities. Effective 7-1-01 and 6-5-01.

SB 161 (Fisher and Ervin): Changes the maximum amount that the Oklahoma Industrial Finance Authority may loan to an industrial development

agency for a single project from \$2 million to \$5 million for loans secured by a first mortgage. Effective 4-16-01.

SB 648 (Fisher/Braddock): Modifies the Quality Jobs Program Act to refer to industries by the North American Industrial Classification System rather than the Standard Industrial Classification system and to clarify the "start date" of activities for purposes of timing of incentive payments. The Incentive Approval Committee is authorized to approve establishments that would have qualified under the SIC system that no longer qualify under the NAICS. Effective 11-1-01.

SB 694 (Fisher/Rice): Creates Oklahoma Institute of Technology to enhance growth of information technology and biotechnology industries within Oklahoma. States purposes and mission of Institute. Creates board of trustees comprised of education and industry representatives to govern Institute. Creates trust fund to consist of private and public funds for support of Institute. Effective 7-1-01.

HB 1157 (McCarter/Muegge): Creates the International Trade Legislative Advisory Committee to be comprised of the Director of the Oklahoma Department of Commerce and six members of the Legislature. The Committee will make annual recommendations for legislative and policy changes regarding reforms that will result in increased international trade activities for Oklahoma. Effective 6-1-01.

HB 1198 (Ervin/Fisher): Refers to a vote of the people, as State Question 693, an amendment to the section of the Constitution that authorizes municipalities and counties, with the concurrence of their voters, to issue General Obligation Limited Tax Bonds (GOLTBs). The proposed amendment:

- ◆ Changes the purpose of GOLTBs from industrial development to economic or community development;
- ◆ Authorizes the use of a special sales tax levy or tax increment financing as additional methods for raising funds for bond payments;
- ◆ Makes tax levies or tax apportionment (tax increment financing) associated with GOLTBs irrevocable during the term of the bonds, although collection of the levy or apportionment may be suspended when not required for payment of the bonds; and
- ◆ Authorizes the Legislature to provide by law for creation of regional economic development districts for the purpose of issuing GOLTBs for regional projects.

HB 1199 (Roach/Fisher): Creates the Regional Economic Development District Act as companion legislation to HB 1198 (State Question 693). The Act sets forth a process for creating Regional Districts for the purpose of issuing General Obligation Limited Tax Bonds (GOLTBs) for regional economic development projects. The process includes:

- ◆ Preparation of a preliminary plan for the project by the Oklahoma Department of Commerce, upon the request of the Governor;
- ◆ Public hearings in the counties and municipalities proposed to comprise a Regional District;
- ◆ Preparation of a Final Project Plan which will include a list of the counties and municipalities on which the project will have a substantial economic impact and that will comprise the Regional District;
- ◆ Approval of the Plan by the Governor and a call for elections to be held by each municipality and county that will comprise the Regional District;
- ◆ Establishment by executive order of a Regional District, to include only those municipalities and counties whose voters authorize the municipality or county to issue GOTLBs, if the financial resources will be sufficient to support the project; and
- ◆ Authorization of a public trust or the Oklahoma Development Finance Authority to act as the administering agency for bond proceeds and payments.

Effective upon voter approval of State Question 693

HB 1200 (Ervin/Fisher): Creates the Oklahoma Military Base Closure Prevention Task Force. The Task Force will examine the effect of state policies on military bases in Oklahoma and methods for improving the private sector market value and potential of the bases. The Task Force will address changes in state policy which would prevent the downsizing or closing of Oklahoma's military bases, increase Oklahoma's input into the process, protect adjacent communities, mitigate the effects of downsizing or closure, and facilitate relocation to Oklahoma of responsibilities and resources of military bases located outside of Oklahoma.
Effective 5-23-01.

HB 1436 (Nations/Maddox): Modifies the income tax exemption granted to tenants of small business incubators on activities conducted as a tenant by:

- ◆ Increasing from 5 years to 10 years the period during which the income is exempt;

- ◆ Clarifying that the exemption will apply during the ten-year period even if the tenant moves out of the incubator; and
- ◆ Requiring the tenant, in order to qualify for the exemption during the sixth through tenth year, to make at least 75% of its gross sales out of state, to the federal government, or to buyers in state if the product is resold to out-of-state customers for ultimate use.

Effective 11-1-01.

HB 1895 (Roggow/Fisher): Creates the Oklahoma Small Community Economic Development Incentive Task Force, composed of 7 members. The Task Force will examine economic development incentives available to or used by small communities and will develop proposals for modifying existing incentives, including the Oklahoma Quality Jobs Program Act, and creating new incentives to encourage the growth of business or government activity near small communities that will increase quality employment opportunities.

Effective 7-1-01.

HB 1904 (Roach/Williams): Amends the Local Development Act, the Oklahoma Enterprise Zone Act, the Small Business Capital Formation Incentive Act, and the Rural Venture Capital Formation Incentive Act.

Local Development Act changes :

- ◆ Clarifies that the agreement to grant an exemption for ad valorem taxes in a commercial historic preservation area must be a written agreement between the property owners of the area and the governing body;
- ◆ Adds the following to the list of items that must be included in a written agreement between property owners and the governing body: the time frame of the agreement including the times and conditions under which renewal of the agreement can occur, rehabilitation efforts that property owners must take, reciprocal actions required by public entities to enhance surrounding commercial and residential areas, and review and approval procedures to be used when ownership of the property changes; and
- ◆ Expands the tax credit for certain rehabilitation expenditures under the Local Development Act to include a premium tax credit and allows the credit to apply in incentive districts.

Enterprise Zone Act changes:

- ◆ Modifies the definition of "area of economic distress" by changing the per capita gross income threshold from 20% to 15% or more below the state per capita income.

Small Business Capital Formation Act changes:

- ◆ Expands the tax credit provision to include a premium tax credit; and
- ◆ Prohibits claiming a tax credit under the Small Business Capital Formation Act for the same invested amount for which a tax credit is claimed under the Rural Venture Capital Formation Act.

Rural Venture Capital Formation Act changes:

- ◆ Allows rural small business capital companies to invest in any company within the state and not just rural small business entities;
- ◆ Expands the tax credit provision to include a premium tax credit; and
- ◆ Prohibits claiming a tax credit under the Rural Venture Capital Formation Act for the same invested amount for which a tax credit is claimed under the Small Business Capital Formation Act.

Various effective dates.

COMMON EDUCATION MEASURES

SB 80 (Crutchfield/Hilliard): Authorizes Oklahoma School for the Blind and Oklahoma School for the Deaf to use vehicles to transport students from public school districts when traveling to school-related activities.
Effective 7-1-01.

SB 128 (Helton/Wells): Designates November 11 as Veterans Day in public schools and requires public schools to conduct and observe an appropriate program honoring American veterans. Requires school districts to provide instruction in one or more grades in the history and etiquette relating to the United States flag. Authorizes students to recite, at the beginning of each school day, the pledge of allegiance to the flag of the United States of America. Requires a notice to be posted in a conspicuous place stating that students not wishing to participate in the pledge shall not be required to do so.
Effective 7-1-01.

SB 129 (Helton/McCarter): Authorizes school districts to grant a high school diploma to honorably discharged World War II veterans.
Effective 7-1-01.

SB 147 (Herbert/Glover): Increases the amount of permanent school funds the Commissioners of the Land Office are allowed to invest in equity securities by 5% each year until the investment in equity securities reaches a maximum of 60%. Also changes the competitive bid requirement for selection of the custodial bank from every three to every five years.
Effective 7-1-01.

SB 168 (Wilcoxson/Coleman): Sets a reading goal that by May 1, 2007, 90% or more of all third-grade students (excluding students with IEPs, LEP or ESL) will be reading at grade level. Directs elementary schools to determine the percentage of such students reading at grade level by May 1, 2002, and set and achieve annual improvement goals that will enable the school to attain the 90% reading goal by May 1, 2007. The annual improvement goals are to be included in the district's reading sufficiency plan. Modifies the Reading Sufficiency Act by requiring kindergarten students to be screened for reading skills, rather than assessed by multiple ongoing assessments. Requires assessment of reading skills of first, second, and third grade students at the beginning of each school year and throughout the year. Requires the State Department of Education to provide a list of approved comparable reading assessments to school districts. Changes the reading assessment plan to a program of reading instruction for students identified as not reading at grade level. Requires the State Department of Education to issue an annual report and evaluation of the report data.
Effective 7-1-01.

SB 373 (Leftwich/Nance): Authorizes the State Board of Education to grant exemption from certification requirements for superintendents in districts with unweighted average daily membership over 25,000.
Effective 4-3-01.

SB 388 (Williams/Roach): Modifies testing requirements for teacher licensure and certification by requiring passage of the general education and subject area portions of the competency examination for licensure and passage of the professional education portion for certification. This change applies to both standard and alternative certification applicants. Authorizes the State Board of Education to grant exceptions to the requirements for licensure and certification upon demonstration of specific competency in the subject area of specialization for alternative candidates. Authorizes certification of teachers from out of state with no other requirements if the teacher has attained National Board certification. Modifies the membership of the Oklahoma Commission for Teacher Preparation by adding four lay persons who have demonstrated long-term commitment to continual improvement of education. Amends provisions pertaining to the Teacher Competency Review Panel. Clarifies that the panel shall evaluate applicant's qualifications and career accomplishments and recommend to the State Board of Education whether the applicant should be licensed. Provides for an appeal to the State Board for applicants who do not receive a favorable recommendation from the Panel. Directs the State Board to adopt rules setting out procedures for operation of the Panel and appeals process.
Effective 6-5-01.

SB 499 (Williams/Eddins): Authorizes early childhood licensed teachers, employed by private or public providers of early childhood education programs pursuant to contract with a public school district, to participate in the residency program for licensed teachers. Specifies that the district board of education shall appoint the residency committee members. Requires the contract between the program provider and the school district to address the requirements for implementing the residency program and specifies that such teachers shall receive in salary and/or fringe benefits not less than that provided for in the teachers' minimum salary schedule.
Effective 7-1-01.

SB 595 (Easley/Phillips): Authorizes students to participate in remote internet-based courses approved by district boards of education. Requires the State Board of Education to adopt rules to provide for implementation of courses. Requires district boards of education to adopt policies and procedures that conform to rules.
Effective 6-5-01.

SB 790 (Williams/Roach): Requires the State Department of Education to issue an annual report on the Oklahoma Advanced Placement Incentive Program. Authorizes test fee assistance for eligible students taking International Baccalaureate test(s).
Effective 7-1-01.

SB 810 (Williams/Roberts): Removes school personnel attendance rates from the required criteria used for determination of the Academic Performance Index. Allows data collected for the Index to be disaggregated, when available, by socioeconomic status and ethnic group. Requires the State Board of Education to file specific status reports with the Governor and the Legislature by certain dates and notify school districts of the status of implementation. Removes option allowing district electors to add a chair of the board position. Modifies petition and election procedure for abolishing chair of the board position to require compliance with procedures for annexation elections. Authorizes a norm-referenced test to be administered to fourth-grade students contingent upon the availability of funding. Requires the English II end-of-instruction test to assess, at a minimum, writing skills. Deletes the Oklahoma Performance Index.
Effective 7-1-01.

SB 813 (Williams/Nations): Entitles applicants for licensure or certification who did not receive a favorable recommendation from the Teacher Competency Review Panel (TCRP) to appeal the decision to the State Board of Education. Includes applicants who did not receive a favorable recommendation from the TCRP prior to the effective

date of this act. Authorizes immediate hearing of appeals.
Effective 6-5-01.

HB 1044 (Erwin/Rabon): Modifies continuing education requirements for school board members to require members elected to: five-year terms (or longer) to attend 15 hours, four-year terms to attend 12 hours, and three-year terms to attend nine hours, prior to filing for reelection. Removes the in-state limitation for continuing education courses.
Effective 7-1-01.

HB 1092 (Wilt/Wilcoxson): Removes the prohibition on student possession of wireless telecommunication devices in schools and directs district boards of education to set policies governing possession of such devices by students. Deletes possession of a wireless telecommunication device as grounds for student search or out-of-school suspension.
Effective 7-1-01.

HB 1148 (Davis/Johnson): Clarifies that the general nepotism law (21 O.S., Section 481) does not apply to situations covered by Section 5-113 of Title 70, which sets out the relational prohibitions for candidates for or members of district boards of education.
Effective 11-1-01.

HB 1171 (Coleman/Williams): Specifies that compensation for instructional personnel at the Oklahoma School for the Blind (OSB) and the Oklahoma School for the Deaf (OSD) shall meet or exceed the minimum salary schedule for teachers set out in O.S. 70-118-4.7. Requires the State Department of Education to transfer to the Department of Rehabilitation Services for use by OSB and OSD any federal funds received for students attending OSB and OSD who were the basis for the receipt of the federal funds.
Effective 7-1-01.

HB 1214 (Ingmire/Fisher): Changes references to the State Board of Vocational and Technical Education, the Oklahoma Department of Vocational and Technical Education, area vocational technical schools and school districts throughout the statutes. The new references are as follows: the State Board of Career and Technology Education, the Oklahoma Department of Career and Technology Education, and technology center schools and school districts. References to "vocational-technical" education, classes, and programs remain unchanged. Effective 7-1-01.

HB 1253 (Adair/Crutchfield): Requires district attorney to notify the school district where a defendant is enrolled or employed upon charges being filed against a district student or employee. Requires OSBI and FBI criminal history records on applicants for teacher licensure to be on file with the

State Board of Education before a license can be granted.
Effective 11-01-01.

HB 1359 (Case/Milacek): Creates a 12-member Task Force on Out-of-School Programs.
Effective 7-1-01.

HB 1433 (Staggs/Crutchfield): Exempts all school districts, except low-performing or high-challenge districts, from requirements to file comprehensive local education plans, school improvement plans, professional development plans, capital improvement plans, and reading sufficiency plans with the State Board of Education. Requires the plans to be reviewed as part of accreditation process. Prohibits State Board of Education from requiring paper documentation of electronically-filed documents. Authorizes facsimile signatures on electronically-filed documents. Requires school districts to begin paying at the first of the school year any state-mandated teacher salary increases regardless of whether negotiations are ongoing after the school year begins.
Effective 7-1-01.

HB 1460 (Wells/Williams): Redirects the Alternative Approaches Grants (which include the High Challenge and the Alternative Education Grant programs) to programs serving high challenge children. Authorizes interlocal cooperatives to apply for grants. Limits the High Challenge Grants to elementary and middle grade programs in urban areas. Directs the State Department of Education to set research-based criteria for High Challenge Grants. Limits Alternative Education Grants to middle grade level and specialized high school programs. Replaces the criteria for Alternative Education Grants with the criteria provided for the statewide alternative education programs. Modifies the statewide program criteria to require individual graduation plans for each student to address whether the student is required to meet the graduation requirements set by law. Removes requirement for districts to report all revenue received and expended for alternative education students and requires only reporting of statewide alternative education funds received and expended. Authorizes elementary districts to request a waiver of the statewide program requirements from the State Board of Education and prohibits districts who are granted a waiver from receiving any statewide program funding.
Effective 7-1-01.

HB 1470 (Mitchell/Robinson): Relates to the Oklahoma School for the Deaf and the Oklahoma School for the Blind. Updates language. Increases certain powers of the Commission for Rehabilitation Services. Authorizes a tax check-off for certain donations to the schools.
Effective 6-1-01.

HB 1499 (Benson/Williams): Codifies language enacted in previous legislation that would delay implementation of requirements related to the Academic Performance Award Programs, continuing education requirements for mathematics teachers, increased bonuses for teachers certified by the National Board for Professional Teaching Standards, six-hour day kindergarten, mandatory remediation, grant programs for at-risk or disadvantaged urban school districts, middle-school and elementary alternative education programs, and elementary school counselors in urban school districts. The language clarifies that implementation of requirements related to these subjects is contingent upon per pupil expenditures reaching 90% of regional average expenditures. Repeals duplicate sections related to forgivable loan programs, student needs assessments, and alternative education.
Effective 7-1-01.

HB 1524 (Mass/Haney): Requires the State Department of Education to consider the Oklahoma School for the Blind and the Oklahoma School for the Deaf to be local education agencies for the purpose of participating in federal programs and receiving federal funds disbursed by the Department if the schools meet the eligibility requirements for the federal programs.
Effective 9-1-01

HB 1601 (Morgan/Wilcoxson): Authorizes Office of Accountability to contract for performance reviews of school districts that have administrative service costs exceeding limits established by law. Authorizes school districts to request performance review if district pays 25% of review cost. Requires cost savings that result from implementation of performance review recommendations to be spent for classroom expenses.
Effective 7-1-01.

HB 1636 (Matlock/Cain): Modifies prohibition on smoking at educational facilities. Allows Career and Technology Centers to designate smoking areas outside of buildings, away from general traffic areas and completely out of sight of children under eighteen years of age, for use by adults attending training courses, sessions, meetings, or seminars. Deletes state correctional institutions from exemption applicable to certain prisoners.
Effective 5-7-01.

HB 1706 (Roberts/Williams): Directs State Board of Education to restore or waive certain carryover penalties imposed for fiscal year 2001.
Effective 6-1-01.

COMMON EDUCATION (K-12) FUNDING

The Legislature provided \$10 million in supplemental funding to reimburse school districts for heating costs incurred during the months of November through February of FY'01. Due to the high cost of natural gas during FY'01 many school districts experienced budget shortages during the 2000-2001 winter. In some cases school districts' heating bills were more than five times higher than average in FY'01. (HB1564)

\$420,000 was provided in supplemental funding to ensure all teachers attaining National Board Certification (NBC) received the \$5,000 annual stipend required by law. As of FY'01, Oklahoma has 273 NBC teachers, the seventh highest number in the country. (HB1564)

\$63.5 million was appropriated to Common Education for FY'02, an increase of 3.2%. The top three Legislative priorities for common education were textbooks, health insurance, and retirement costs: (HB 1505)

- ◆ The Legislature provided over \$13.7 million to increase the per-student allocation for textbooks from \$32 to \$55. This amount was requested by the State Department of Education to meet the increasing costs of textbooks.
- ◆ \$14.1 million was provided to meet the increasing cost of health insurance to certified and support personnel at school districts. Effective July 1, 2001, health insurance premiums for the HealthChoice high option will increase from \$198.42/month to \$211.24/month. The new funds will allow districts to pay 33% (\$69.70/month) of the cost of health insurance for certified personnel, up from 29% (\$57.83/month) in FY'01; and 89% (\$189.69/month) for support personnel, up from 85% (\$170.24/month) in FY'01.
- ◆ The Legislature appropriated \$30.9 million to meet the full cost of the teachers retirement increase for FY'02 and meet a portion of the increase incurred during FY'01. During the 1998 session, the Legislature passed a bill requiring an increase in the employers' contribution to the teacher's retirement system beginning with FY'01. For FY'02 the employers' contribution will increase from 5.8% to 6.8%.

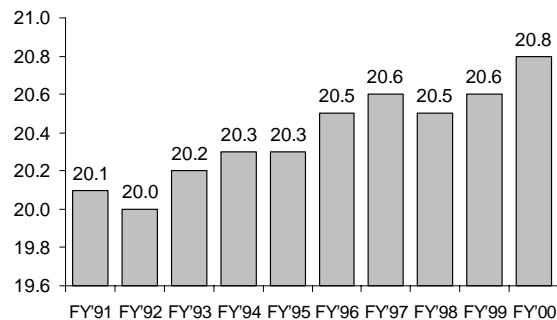
Oklahoma's landmark education reform bill, HB 1017, enacted in 1990, provided for a five-year plan to increase funding for schools by more than \$560 million. Since passage of HB 1017, Oklahoma has made significant progress in improving the quality of education in Oklahoma. Two measures of success are the increase in the number of seniors taking the

American College Test (ACT) and the increase in the state's average ACT score. The table below reflects Oklahoma's improvement in these measures over the past 10 years.

While the national average has increased from 20.8 to 21, an increase of 0.2 since 1994, Oklahoma has experienced a growth rate twice that with a 0.5 increase in average scores.

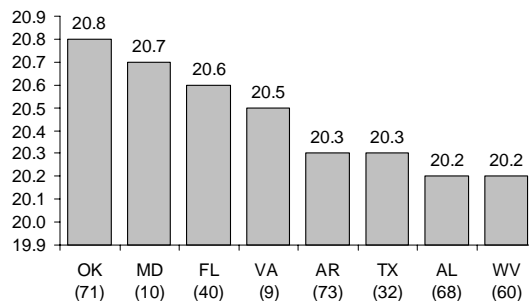
In FY'00 71% of the graduates in Oklahoma took the ACT.

**Oklahoma ACT Scores
1991 - 2000**



Of the 15 Southern Regional Education Board (SREB) states, Oklahoma's ACT score was the highest in the region.

**ACT Scores for Oklahoma and SREB States
2000**



(Source: 2000 ACT National and State Scores)

Note: The number in parentheses represents the percentage of graduates taking the ACT in the state.

The Legislature also appropriated additional state funds for the following programs: (HB 1505)

- ◆ \$811,000 to fully fund the cost of providing 200 scholarships to teachers seeking NBC status and the \$5,000 annual stipend to an additional 90 teachers in FY'02;

- ◆ \$640,584 to continue the development and implementation of the Virtual Internet School In Oklahoma Network (VISION);
- ◆ \$497,500 for the Office of Accountability to establish a school performance audit bidding process authorized by HB 1601. The bill provides for performance audits for districts that exceed the administrative expenditure cap established in law, or districts that are interested in performing an audit;
- ◆ \$313,000 to implement a writing test portion for the End-of-Instruction English II exam (SB 810); and
- ◆ \$1.3 million to implement a staff development program that emphasizes differences in students' learning styles.

The Legislature also re-appropriated state funds from FY'01 for FY'02 to provide the following increases in these programs:

- ◆ \$125,000 for the Great Expectations program. With this re-appropriation the total budget for this program will be \$875,000, a 16% increase over FY'01;
- ◆ \$200,000 to increase the professional development program for teaching geography; and
- ◆ \$823,198 to continue the development and implementation of the Virtual Internet School in Oklahoma Network (VISION).

HIGHER EDUCATION MEASURES

SB 57 (Capps/Begley): Modifies membership requirements of Physician Manpower Training Commission by requiring that two of the seven members not be physicians. Effective 11-1-01.

SB 149 (Wilcoxson/Ferguson): Creates the Task Force on State Scholarship and Student Aid Grant Programs. Effective 5-31-01.

SB 240 (Haney/Mass): Raises family income limit for purposes of Oklahoma Student Loan Act. Abolishes Medical Technology and Research Authority of Oklahoma. Transfers employees of Authority and duties of Authority related to parking to the University of Oklahoma. Effective 7-1-01.

SB 341 (Williams/Roach): Creates the Oklahoma State University Center for Health Sciences and the Oklahoma Rural Health Policy and Research Center.

Changes the name of the Oklahoma State University College of Osteopathic Medicine. Effective 7-1-01.

SB 549 (Johnson/Young): Modifies the legal description of certain property which use was granted to the Redlands Community College. Effective 4-24-01.

SB 782 (Henry/Blackburn): Modifies definition of an account owner in the College Savings Plan Act to include entities allowable under Section 529 of the Internal Revenue Code. Effective 4-17-01.

SJR 26 (Herbert/Glover): Approves the exchange of land held by the Commissioners of the Land Office for the benefit of the Common School Trust Fund for land held by the Commissioners for the benefit of the Public Building Fund and apportions certain land to Oklahoma City Community College. Effective 4-17-01.

HB 1072 (Mitchell/Monson): Requests the Board of Regents of the University of Oklahoma to establish a cancer treatment and research program. Authorizes the Board of Regents of the University of Oklahoma to create a not-for-profit corporation to raise funds to assist in the development of the program. Effective 11-1-01.

HIGHER EDUCATION FUNDING

Higher education received more than \$16.8 million in supplemental funding for FY'01. Of this amount: (HB 1564)

- ◆ \$9.0 million was directed for the endowed chairs program, which matches every private dollar raised with a state dollar to attract nationally recognized researchers and professors from across the country to Oklahoma higher education institutions. With over 355 slots awarded and \$111.4 million in endowment funds, this program has been extremely successful since its inception in 1988. The State Regents for Higher Education currently have more than \$35.8 million in private funds waiting for matching state funds to establish another 107 slots.
- ◆ \$5.0 million was provided to decrease the burden of high natural gas costs from November to February of FY'01.
- ◆ \$2.8 million was provided to ensure institutions met debt-service obligations associated with the Phase I bond projects for FY'01, and \$4.3 was provided in the FY'02 base for future obligations.

The Legislature provided an additional \$34.0 million to higher education for FY'02, an increase of 4.8% from the FY'01 original appropriation. Of the total, \$31.2 million is for general operations (increasing costs of teachers retirement, health insurance, and utilities) and \$500,000 was intended for the Cooperative Extension Service. (SB 239)

Of the \$34.0 million, the Legislature stated its intent that an additional \$2.4 million was to be used for the following grant and scholarship programs: (SB 239)

- ◆ \$1.1 million to expand the number of people eligible to receive an Oklahoma Tuition Aid Grant (OTAG). Currently the program serves more than 22,000 students. The funding will provide additional grants for about 1,375 new students;
- ◆ \$500,000 to meet financial obligations under the Oklahoma Higher Learning Access Program (OHLAP). This program provides free tuition to students in families who earn less than \$55,000/year and take a college preparatory curriculum during high school;
- ◆ \$400,000 for the Academic Scholars program, which is available to students who 1.) score among the top 0.5% of Oklahoma students on the ACT or SAT, 2.) receive one of three official national designations, or 3.) are nominated by a higher education institution;
- ◆ \$300,000 for the National Guard Tuition program, which provides an award amount equal to cost of resident tuition to members of the Army or Air National Guard who are pursuing an associate or baccalaureate degree at a state system institution.

SB 596 gives the State Regents for Higher Education authority to increase tuition over the next five years by 7% annually for resident tuition and 9% annually for non-resident tuition. This action is the first time since the early 1980s that the Legislature granted State Regents authority to raise tuition in future years.

Per Credit Hour Tuition Comparison for Higher Education Institutions in the Big 12

Institution	Resident	Non-Resident
University of Missouri	\$136.80	\$409.10
Iowa State University	\$122.00	\$407.00
University of Colorado	\$116.00	\$677.00
University of Nebraska	\$92.00	\$250.50
University of Texas	\$80.00	\$295.00
Texas Tech University	\$80.00	\$295.00
Texas A&M University	\$80.00	\$295.00
University of Kansas	\$75.55	\$301.15
Kansas State University	\$69.75	\$289.75
University of Oklahoma	\$63.00	\$208.00
Oklahoma State University	\$63.00	\$208.00

Currently tuition at Oklahoma's two comprehensive universities, the University of Oklahoma and Oklahoma State University, is ranked the lowest among Big 12 institutions.

Current and Proposed Tuition Rates for Oklahoma Higher Education Institutions

Resident Tuition Rates	Current	Proposed
<u>Lower Division</u>		
Comprehensive Universities	\$61.00	\$65.27
Regional Universities	\$49.00	\$52.43
Two-year Colleges	\$31.50	\$33.71
<u>Upper Division</u>		
Comprehensive Universities	\$65.00	\$69.55
Regional Universities	\$50.00	\$53.50
<u>Graduate Division</u>		
Comprehensive Universities	\$86.00	\$92.02
Regional Universities	\$66.00	\$70.62
Non-Resident Tuition Rates		
<u>Lower Division</u>		
Comprehensive Universities	\$136.00	\$148.24
Regional Universities	\$84.00	\$91.56
Two-year Colleges	\$67.50	\$73.58
<u>Upper Division</u>		
Comprehensive Universities	\$153.00	\$166.77
Regional Universities	\$93.00	\$101.37
<u>Graduate Division</u>		
Comprehensive Universities	\$188.50	\$205.47
Regional Universities	\$109.00	\$118.81

It is anticipated that tuition rates will be increased for the 2001-2002 school year for all colleges and universities but not necessarily for following years. An additional \$15.4 million in revenue will be generated for colleges and institutions across the state system during the 2001-2002 school year. To allay concerns regarding increased tuition rates, the Legislature provided an additional \$1.1 million to the Oklahoma Tuition Aid Grant (OTAG) program to

provide financial aid to more than 1,375 new students. Currently more than 50% of students in the higher education system receive some form of financial aid.

HB 1896 allows an income tax deduction for contributions to a college savings plan, limited to \$2,500 per tax year. This legislation is estimated to impact income tax revenues by \$690,000 beginning in FY'03.

CAREER-TECHNOLOGY EDUCATION FUNDING

The Legislature provided an additional \$5.1 million in supplemental funds to the Department of Career and Technology Education for FY'01. Of this amount, \$2.5 million was appropriated to the Training in Industry Program, which provides customized training to industries expanding their workforce in Oklahoma. Another \$500,000 was provided to cover costs of increased heating bills. \$700,000 was provided to ensure centers met debt-service obligations associated with the Phase I bond projects for FY'01, and \$1.2 million was provided in the FY'02 base for future obligations. (HB1564)

For FY'02, the Legislature provided more than \$2.5 million to meet the increased employer contribution cost of teachers retirement, \$1.7 million to increase funding for programs in the career and technology system, and over \$1 million to meet the increased cost of health insurance and central administration costs. The total appropriation increase was \$5.3 million or 5.5% more than the original FY'01 appropriation. (HB1505).

ENERGY, ENVIRONMENT AND UTILITIES MEASURES

SB 89 (Shurden/Leist): Authorizes the Board of Environmental Quality to promulgate rules allowing the Department of Environmental Quality to regulate borrow areas for soils used in solid waste disposal sites.
Effective 4-18-01.

SB 91 (Muegge/Fields): Modifies the Rural Water, Sewer, Gas and Solid Waste Management Districts Act by requiring district plans to comply with a county's written specifications for location of lines and facilities within their jurisdiction. If a county has no written plan, they must concur with the district plans or provide the district with an alternative plan.
Effective 5-21-01.

SB 196 (Easley/Leist): Deletes the out-of-state reciprocal hazardous waste fee which was declared unconstitutional. The fee remains \$9.00 per ton

regardless of where the hazardous waste was generated. The bill further clarifies for on-site facilities that receipt of hazardous waste is deemed to have occurred when the waste is first managed in any unit or manner that requires a hazardous waste permit. SB 196 also authorizes the Department of Environmental Quality to sell property to the federal government and to use the proceeds to offset the costs associated with purchasing replacement parking facilities.
Effective 5-7-01.

SB 197 (Easley/Erwin): Amends the Oklahoma Waste Tire Recycling Act by redefining "waste tire facilities" to include cement factories which utilize waste tires for fuel. The amendments to the act allow cement companies to access the waste tire indemnity fund for processing and allow waste tire transportation companies to access the fund for transporting waste tires to those facilities. Previously in the law there was an exemption for tire dealers to bypass the requirements of the act, including collection of the waste tire fee, if they were authorized by the DEQ to make other arrangements with companies to haul their waste tires to cement facilities. With the amendments in SB 197 that exemption was repealed. SB 197 also created the Oklahoma Safe Playground Surfaces Act which allows schools and certain other public facilities to be reimbursed for purchasing playground surfacing material manufactured from waste tires.
Effective 11-1-01.

SB 199 (Easley/Leist): Authorizes the Department of Environmental Quality to hold air quality enforcement hearings before an Administrative Law Judge rather than the Air Quality Council.
Effective 4-18-01.

SB 336 (Easley/Leist): Removes the two term limit for Environmental Quality Board members and permits members to serve successive five-year terms.
Effective 4-18-01.

SB 337 (Easley/Leist): Authorizes boards of county commissioners to enact and enforce ordinances to restrict and control noise, dust and traffic associated with certain construction and demolition landfill sites within unincorporated areas of a county. The bill further modifies the powers and duties of the Department of Environmental Quality by requiring the Department to establish standards for the remediation of contaminated soils related to transit spills or releases which are not otherwise subject to permitting requirements by the Department or any other state environmental agency. Additionally, the measure requires owners or operators of commercial solid waste landfills over fifty feet in height to submit a vegetation plan to the Department for the purpose of erosion and dust control and aesthetic enhancement.
Effective 6-4-01.

SB 440 (Easley/Glover): Creates the Electric Restructuring Advisory Committee to continue studying the effects of electric restructuring in this state. This bill delays the implementation of any electric restructuring activities until the Advisory Committee submits their final report and legislation is enacted to authorize necessary changes. SB 440 continues the moratorium which prohibits municipalities from condemning the facilities of electric public utilities or electric cooperatives and continues the prohibition on consumer switching of electric power suppliers until such time as legislation is enacted to implement restructuring. The bill authorizes the Oklahoma Municipal Power Authority to own a joint interest in any electric generation plant, except a nuclear facility. SB 440 creates an income tax credit for any entity producing electric power from a "zero-emission facility" which uses renewable resources such as wind, moving water, sun or geothermal energy. The bill also provides funding for the activities of the Advisory Committee, creates exemptions for the Grand River Dam Authority from the provisions of the Open Meetings and Open Records Acts relating to certain fuel and transportation contracts and directs the Department of Public Safety to distribute certain boating safety funds to all eligible waters of the state.

Effective 6-4-01.

SB 516 (Harrison/Leist): Requires the Oklahoma Water Resources Board to have an annual audit of the Wastewater Facility Construction Revolving Loan Account and removes the requirement for such audit to be performed by the State Auditor and Inspector.

Effective 4-23-01.

SB 532 (Easley/Rice): Amends the statute governing oil and gas well spacing units to allow the Corporation Commission to establish certain sized spacing units specifically for oil production using a certain method of reservoir dewatering. This amendment eliminates the need for a special Commission hearing when a person is seeking a variance for this type of drilling project.

Effective 5-23-01.

SB 612 (Littlefield/Hutchison): This measure amends a statute governing the Grand River Dam Authority by authorizing the GRDA to accept state appropriations to pay any lease-purchase obligations for property purchased from the sale of bonds. In the previous legislation session, GRDA was included in a bond project but their governing statutes contained no provision for allowing them to accept such monies.

Effective 4-10-01.

SB 617 (Littlefield/Hutchison): Authorizes the Oklahoma Water Resources Board to provide workshop training sessions for board members of rural water districts to study financing, law and ethics, and duties and responsibilities of such board

members. The bill further requires all new and existing board members to obtain such training every three years.

Effective 5-1-01.

SB 658 (Littlefield/Roberts): Authorizes a municipality to enact special ordinances restricting occupancy and use of certain contaminated property after notification by the Department of Environmental Quality of an extraordinary environmental hazard to public health and safety. This measure would allow cities to restrict occupancy by certain classes of persons who may be vulnerable to environmental hazards. This measure was created to prevent contaminated properties located in the Superfund site in far northeastern Oklahoma from being inhabited by young children who are especially vulnerable to lead poisoning. Further, the bill authorizes municipalities, wherein US Air Force military installations are located, to enact ordinances creating special zoning within five miles of the air base in order to protect the air space and nearby property.

Effective 6-1-01.

HB 1152 (Gilbert/Robinson): Authorizes the Corporation Commission to fine any local exchange telephone company who fails to provide a required notice stating the company will provide emergency telephone services. The amount of the fine may be up to \$500.00.

Effective 4-9-01.

HB 1192 (C. Pope/Price): Creates the Oklahoma Carbon Sequestration Enhancement Act. The act establishes a Carbon Sequestration Advisory Committee to identify opportunities for Oklahoma agricultural and nonagricultural landowners to participate in any carbon dioxide emissions marketing and trading that may be developed in the future and to optimize potential economic benefits for Oklahoma landowners who may participate in emission trading transactions when they become available. The Committee will be administered through the Oklahoma Conservation Commission.

Effective 4-16-01.

HB 1217 (Turner/Muegge): Creates the Oklahoma Ethanol Development Study Act. The measure creates a fifteen-member advisory committee who shall meet and prepare a report of recommendations by December 1, 2002, regarding the development and enhancement of the ethanol industry in Oklahoma.

Effective 5-14-01.

HB 1274 (Adair/Littlefield): Amends the Scenic Rivers Commission statutes to clarify voter eligibility by limiting voting to owners of real property or permanent residences and prohibiting voters from voting in more than one jurisdictional area. Authorizes the Scenic Rivers Commission to

promulgate rules governing elections that are consistent with Oklahoma's general election laws. Effective 11-1-01.

HB 1360 (Case/Herbert): Amends the Alternative Fuels Technician Certification Act. Modifies the definition of "electric vehicle technician" by clarifying that the technicians must work with onboard motors in vehicles that are powered by electricity greater than eighty volts. Effective 11-1-01.

HB 1398 (Walker/Muegge): Amends the Waste Tire Recycling Act by allowing the Department of Environmental Quality to access the Waste Tire Recycling Indemnity Fund for limited costs associated with cleaning up other waste incidental to the waste tires at a remediation site. The bill further allows landowners or someone acting on behalf of a landowner to access the fund for reimbursement for conservation projects utilizing waste tires if such landowner agrees to plant trees or vegetation on the property. The bill also allows local or county governments to apply for a waste tire permit to bale waste tires for certain approved engineering projects, and makes such governments eligible for compensation from the fund at the rate of fifty cents per tire. Repeals the provision that created an exemption for tire dealers to be certified by the Department and removed from the requirements of the state waste tire program. Effective 11-1-01.

HB 1480 (Leist/Easley): This bill modifies the current statutes governing the issuing of water permits by the Oklahoma Water Resources Board relating to "waste by pollution" determinations. Precludes the Board from making such a determination if the applicant is otherwise required to comply with the rules of either the Department of Environmental Quality or the State Department of Agriculture. Any state environmental agency with groundwater protection responsibilities must develop and enforce groundwater protection practices to prevent contamination from activities within the jurisdiction of the agency. Effective 6-1-01.

HB 1565 (Mass/Haney): Creates various utility assistance programs for state agencies, public school districts, career and technology school districts and institutions of higher education which will be administered by the Department of Central Services. Any agency or school eligible can submit claims to the Department of Central Services to receive additional state appropriated monies to cover unanticipated increases in heating bills from last winter. The bill requires the State Auditor and Inspector to audit the program and make a written report by July 1, 2001. Effective 3-28-01.

HB 1691 (Dunegan/Crutchfield): Modifies the Nine-One-One Wireless Emergency Number Act by authorizing boards of county commissioners to submit for voter approval a question imposing a 911 emergency wireless telephone fee for each wireless connection in the county as determined by zip code of the subscriber. The fee shall be not more than fifty cents (\$0.50) per month. The bill sets out procedures for the elections and how the funds will be distributed. Effective 7-1-01.

ENVIRONMENT FUNDING

The Legislature dedicated \$1.2 million to the implementation of the fourth year of the Beneficial Use Monitoring Program (BUMP). The program is designed to provide a comprehensive monitoring effort to protect the quality of the state's water resources. (SB 225)

The Legislature provided \$555,000 to match federal remediation efforts at the Tar Creek Superfund site. The U.S. Environmental Protection Agency regards Tar Creek as one of the country's most dangerous Superfund sites in terms of human health and the environment. Lead and zinc mining in northeast Oklahoma left hundreds of miles of underground tunnels and millions of tons of hazardous debris. \$6.3 million was requested for remediation efforts. (SB 225)

In response to chronic drought conditions and expanded water usage in rural areas of the state, \$450,000 was secured to study water demand projections and public water supplies with emphasis on water supply sources during droughts. (SB 225)

CONSERVATION COMMISSION

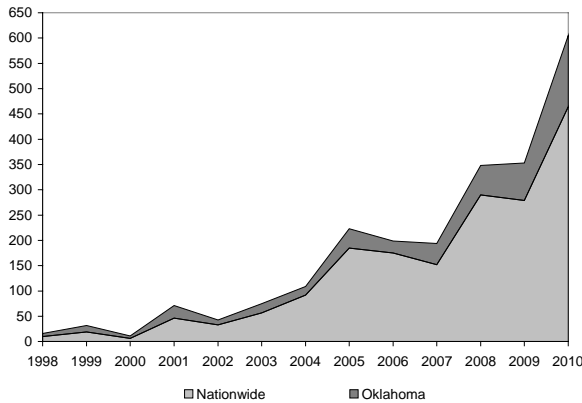
The Legislature funded the Conservation Commission's cost-share program at the \$1.5 million level, an increase of \$500,000 from FY'01. The program will fund locally led animal waste management, water quality and soil conservation priorities throughout the state to address non-point source pollution. (SB 225)

The Legislature also provided \$175,000 to replace a federal budget cut in local Conservation District offices. The funds will be used to fund salaries of district office employees. (SB 225)

The Legislature appropriated \$500,000 to match federal funds made available to rehabilitate upstream flood control structures throughout the state. Out of the total 10,500 watershed structures in the United States, Oklahoma maintains 2,100 or 20% of the total number. Many of these structures will require rehabilitation and repair as they reach

the end of their usable life within the next five years. (SB 225)

Number of Dams That Will Reach the End of Their Evaluated Life



Funds were also made available to match federal funds for non-point source pollution implementation programs in at Lake Wister, Fort Cobb, and Stillwater. (SB 225)

The Legislature funded the fourth year of the state's commitment to the Geographic Information System (GIS) digital orthophotography program. This state-federal initiative involves the digitization and analysis of aerial photographs of Oklahoma. The resulting data will be used for industrial, economic, environmental, conservation, educational, and community planning and development. (SB 225)

**GOVERNMENT MEASURES
(COUNTY, MUNICIPAL, LOCAL)**

SB 47 (Martin/McCarter): Authorizes the board of county commissioners to appoint additional directors for county fire departments which operate more than five fire stations. When a new fire station is added, the board shall appoint an additional director from that district in which the new fire station has been added. Effective 11-1-01.

SB 114 (Herbert/Rice): Modifies the width of the boundary of a municipality petitioning to annex unincorporated territory from 200 feet to 20 feet. Effective 7-1-01.

SB 115 (Leftwich/Nance): Authorizes the board of county commissioners, upon the recommendation of the County Jail Trust Authority, to enter into contracts with private contractors for the management and operation of any jail owned by the county, or for the incarceration of inmates in jail facilities owned and operated by private contractors. Provides immunity for board of county commissioners, county sheriff and County Jail Trust Authority. Authorizes any contract between a

county and a private prison contractor to be terminated for cause upon giving a sixty-day written notice. States the contract shall contain certain provisions, requires notice of termination of contract, prohibits impairment of contract and states exceptions to the contract. This bill also modifies the membership of the directors of the County Jail Trust Authority. Effective 7-1-01.

SB 346 (Johnson/Hutchison): Authorizes the Department of Transportation or the board of county commissioners of any county or federally recognized tribal government to make agreements with municipalities having a population of less than 5,000 to construct, improve, repair or maintain any of the streets of the municipality. Increases the population limit of municipalities from less than 2,500 to less than 5,000 in which county owned equipment, labor and supplies may be utilized. Also states that cooperative agreements shall contain work schedules and assign cost responsibilities for the work being performed. Effective 7-0-01.

SB 553 (Horner/Tyler): Authorizes municipalities or subdivisions to adopt a renovation code for existing buildings approved by the Office of the State Fire Marshal as an equivalent code to the existing building provisions of the state-adopted building code. Also adds the International Building Code to the list of approved codes. Effective 11-1-01.

HB 1033 (Taylor/Littlefield): Adds the following powers to the board of county commissioners:

- Requires that cooperative agreements be executed and approved by the district attorney prior to work being performed, except when a state of emergency has been declared.
- Allows acceptance of donations of right-of-way or right-of-way easements.
- Authorizes use of county funds and resources for environmental remediation.
- Provides for the sale of real property by public auction.
- Adds rights-of-way to gifts of property to the state and subdivisions.

Effective 11-1-01.

HB 1035 (Taylor/Price): Requires approval of the board of county commissioners before plats in unincorporated areas with roads of public designation are filed in the county clerk's office. Allows meetings of the county commissioners to be away from the county courthouse if the meetings are

beneficial to the general public and are in compliance with the Oklahoma Open Meeting Act. Effective 11-1-01.

HB 1166 (Maddux/Rabon): Relates to the county deferred savings plan. Authorizes the county commissioners of each county to set the amount of the county contribution in an amount not to exceed \$50.00. Effective 7-1-01.

HB 1216 (Turner/Wilkerson): Provides procedures for establishing appraised value of items to be sold by the board of county commissioners and sets methods for advertising of the surplus property to be sold. Authorizes the county purchasing agent to use the proceeds from the surplus property sale to purchase items previously identified by the county at the same surplus sale and sets the procedures for the purchase of such supplies, materials and equipment. Effective 11-1-01.

HB 1221 (Staggs/Rozell): Creates the Oklahoma Local Library Capital Revolving Fund to be used for capital grants to public library systems in counties with less than 500,000 in population. Authorizes the Oklahoma Department of Libraries to establish guidelines for the equitable apportionment of monies to public libraries applying for such grants. Effective 9-1-01.

HB 1329 (Covey/Littlefield): Establishes fees not to exceed \$500.00 for services provided by the Oklahoma Water Resources Board, county commissioners and municipalities in the administration or their responsibilities pursuant to the Oklahoma Floodplain Management Act. Effective 4-9-01.

HB 1376 (Plunk/Shurden): Authorizes the county commissioners to approve the creation of public trusts to operate county jails and allows the trustees of the public trust to appoint certain persons to provide security for inmates. Also, in the event the Governor declares an emergency, the district attorney of a county is authorized to temporarily waive competitive bidding procedures to expedite a response to the emergency situation. Effective 7-1-01.

GOVERNMENT MEASURES (STATE)

SB 31 (Price/Bonny): Relates to the Joint Committee on Federal Funds. Deletes requirement for monthly meeting, eliminates certain powers and duties of the Committee, and deletes mandatory public meetings. Effective 4-16-01.

SB 77 (Helton/Askins): Modifies from 10 to 30 days the allowed time for making changes adopted in certain initiative petitions. Effective 5-31-01.

SB 181 (Robinson/Ferguson): Amends statutes relating to public buildings and public works. Requires yearly re-registration of construction managers and design consultants with the Construction and Properties Division of the Department of Central Services. Requires the Division to review and approve state agency transactions to lease or acquire real property, with some exceptions. Effective 5-31-01.

SB 224 (Haney/Mass): Requires the Administrator of the Office of Personnel Management to conduct a salary study of all agency directors of both appropriated and non-appropriated agencies. Effective 7-1-01.

SB 247 (Haney/Mass): This bill allocates certain space in the State Capitol Building to the Oklahoma Capitol Complex and Centennial Commemoration Commission. Effective 7-1-01.

SB 317 (Haney/Mass): Increases the limit on full-time-equivalent employees and maximum salary caps of chief executive officers of certain agencies. Effective 7-1-01.

SB 318 (Haney/Mass): This bill unclassifies certain positions within the Department of Transportation, State Department of Agriculture, and Oklahoma Motor Vehicle Commission. Effective 5-31-01.

SB 323 (Haney/Mass): Grants authority to the Oklahoma Capitol Improvement Authority to make renovations and improvements to the Samuel Layton Building for use by the Attorney General's Office. Allows the Authority to issue bonds for such purpose. Grants management and control of certain portions of the State Capitol Building to the Legislature. Effective 7-1-01.

SB 340 (Dickerson/Corn): Provides updated names for the Bureau of Indian Affairs Eastern Oklahoma Region Office and the Bureau of Indian Affairs Southern Plains Region Office. Effective 4-18-01.

SB 497 (Harrison/Kirby): Provides for three professional-level data processing positions in the State and Education Employees Group Insurance Board to be in the unclassified service. Effective 5-7-01.

SB 611 (Wilkerson/Turner): This bill allows a chief administrative officer of an agency to approve donated leave in excess of the statutory maximums. Effective 6-1-01.

SB 619 (Taylor/Adair): Creates the State Senate Redistricting Act of 2001 and provides for the terms of state senators. The act repeals sections of law relating to the State Senate Apportionment Act of 1991 and replaces them with descriptions of the new boundaries for state senatorial districts. It provides that the Department of Transportation shall prepare and publish a description and maps of the new districts and provide them to the State Election Board. It also directs the State Election Board to conduct the elections for the Senate in 2002 in accordance with the new districts provided for in this act and sets an operative date for the new districts to be the 15th day following the General Election in November 2002. Effective 5-23-01.

SB 620 (Littlefield/Hefner): Relates to dual office holding. Modifies the exemption to include compensated reserve force deputy sheriffs or reserve municipal police officers. Effective 11-1-01.

SB 665 (Wilkerson/Easley): Provides an exemption to the Oklahoma Open Records Act for certain information in the files of the Board of Medicolegal Investigations that may be hearsay, preliminary unsubstantiated investigation-related findings, or confidential medical information. Effective 4-24-01.

SB 685 (Wilkerson/Askins): Modifies the membership of the State Fire Marshal Commission to include one member representing a statewide association of electrical workers and one member representing a statewide organization of exclusively professional firefighters. Effective 11-1-01.

HB 1090 (Benge/Smith): Provides that state agencies shall not discriminate against out-of-state bidders. However, it does provide for reciprocal treatment of such bidders if the state or nation of the out-of-state bidder discriminates. Effective 7-1-01.

HB 1119 (Adair/Taylor): Allows for increases to the maximum amount a state employee may receive as donated leave if the employee is suffering from a terminal illness. Terminal illness is defined as being one likely to result in death within two years. The maximum amount for such persons is raised from 260 to 365 days. Effective 2-20-01.

HB 1178 (Ross/Horner): Creates The 1921 Tulsa Race Riot Reconciliation Act of 2001 which:

- ◆ Concurs with certain findings from the final report of The 1921 Tulsa Race Riot Commission;
- ◆ Addresses issues related to the funding of and site location for the 1921 Tulsa Race Riot Memorial of Reconciliation;
- ◆ Creates a Greenwood Area Redevelopment Authority to develop and implement a long term plan for investment of capital in and redevelopment of the Greenwood Area; and
- ◆ Establishes an education and scholarship program for residents of the Tulsa area who meet certain qualifications, giving preference to applicants who are direct lineal descendants of persons who resided in the Greenwood Area on April 30 through June 1, 1921.

Effective 7-1-01 and 9-1-01.

HB 1215 (Turner/Wilkerson): Proclaims the official Oklahoma State Folk Song to be the song "Oklahoma Hills" composed by Woody Guthrie and Jack Guthrie. Effective 11-1-01.

HB 1254 (Webb/Coffee): Grants the State Auditor and Inspector authority to employ legal counsel on an as-needed basis. Effective 8-23-01.

HB 1276 (Friskup/Haney): Directs public bodies with Internet websites to make certain information about the public bodies and their meetings available on the Internet. Effective 11-1-01.

HB 1326 (Covey/Herbert): Relates to state motor vehicles and the Fleet Management Division of the Department of Central Services. Provides clean-up language and increases petty cash fund of the Division. Provides for appointment and duties of the Fleet Manager. Reduces the number of days for approval of a requisition to purchase a vehicle by a state agency. Effective 11-1-01 and 5-2-01.

HB 1332 (Nations/Coffee): Allows state agencies to establish employee productivity programs and to purchase employee productivity recognition awards. Effective 11-1-01.

HB 1434 (Nations/Crutchfield): Requires the petition for assessment districts to state in bold, capitalized letters at the top of the page that the cost of the proposed improvements shall be assessed against the property benefited by the improvements. Effective 11-1-01.

HB 1515 (Adair/Taylor): Creates the House of Representatives Redistricting Act of 2001 which

enacts new districts for House members, based on population changes as determined by the 2000 Federal Decennial Census. The districts are effective for the November 2002 elections.
Effective 9-1-01.

HB 1662 (Perry/Coffee): Recognizes the need for a state portal system. Defines a portal system as a system that hosts and connects to a collection of on-line government and public services and serves as the single point of access to state government services, information, and transaction processing with a common enterprise, wide user interface allowing navigation among the services. Authorizes the charge of a convenience fee for electronic/on line transactions, requires review, and requires certain records to be kept. Requires certain state entities to use an open-systems concept for an electronic portal system. Creates the State Government Internet Applications Review Board.
Effective 6-4-01.

HB 1768 (Dunegan/Dickerson): This legislation amends many sections of the Oklahoma Personnel Act. Chiefly it provides for performance-based salary adjustments for state employees. Provides for Family Medical Leave Act benefits for state employees if it is found that the federal law is not applicable to state employees. Amends SB 702 (2001) to add other targeted state employees to the salary increase.
Effective 7-1-01.

HB 1869 (Dunegan/Mickle): Authorizes public entities to enter into performance-based efficiency contracts with qualified providers. Public entities are defined as political subdivisions of the state, a public trust that has a political subdivision as its beneficiary, and public institutions of higher education. Performance-based efficiency contracts are contracts for the design, development, financing, installation or servicing of energy conservation services, systems, or equipment, and include contracts for operation or support programs that reduce utility consumption or operating costs.
Effective 6-8-01.

HJR 1003 (Davis/Morgan): This joint resolution transfers the original or replica of the Great Seal of the State of Oklahoma to the City of Guthrie, Oklahoma. The seal will be placed in the former state capitol building which is now the Logan County Courthouse.
Effective 4-10-1.

GENERAL GOVERNMENT FUNDING

The Legislature appropriated \$144,168 to the Oklahoma Tax Commission (OTC) for the Federal Refund Offset Program. This new authority allows the commission to capture federal tax refunds and

overpayments for the settlement of delinquent state tax liabilities. OTC estimates that this program will recover \$2 million per year. (SB 217 and HB 1570)

\$726,100 was appropriated to the Office of State Finance for the VISION program; a statewide computer system designed to improve student access to the Internet. (HB 1570)

At the suggestion of legislators, the Office of Personnel Management (OPM) began contracting with 21 state Career Technology centers to provide sites for merit system testing and employment counseling. Previously, OPM operated such facilities in a cooperative with the Oklahoma Employment Security Commission; however, recent cuts of 50% in federal funding compelled the closing of 12 offices. OPM had estimated that \$400,000 in state funding would be required to continue these services on a statewide, but the new cooperative with Career Tech required no appropriation.

HB 1896 allows an income tax deduction for contributions to a college savings plan, limited to \$2,500 per tax year. This legislation is estimated to impact income tax revenues by \$690,000 beginning in FY'03.

HEALTH AND HUMAN RESOURCES MEASURES

SB 39 (Cain/Gilbert): Defines a residential child care facility and exempts boarding schools from licensure under the Oklahoma Child Care Facilities Licensing Act. Clarifies that the Oklahoma School of Science and Math is a boarding School and as such is exempt from licensure. Requires notice to a facility in violation of the provisions of the act. Clarifies that the Department of Human Services may issue an emergency order. Allows the Department of Human Services to appoint an advisory committee by the Commission of Human Services.
Effective 11-1-01.

SB 59 (Monson/Mitchell): Authorizes the State Department of Rehabilitation Services to solicit and receive gifts.
Effective 11-1-01.

SB 133 (Cain/Peters): Expands the definition of "sexual abuse" to include proposals made to a child. Requires a child advocacy center to be an entity that is a full member in good standing with the National Children's Alliance.
Effective 7-1-01.

SB 134 (Monson/Mitchell): Requires the Oklahoma Health Care Authority to immediately cover any new USDA-approved drug that is in a drug class that is already under prior authorization.
Effective 6-1-01.

SB 193 (Monson/Mitchell): Includes as a contract provision for providers and subcontractors participating under the Oklahoma Medicaid Healthcare Options Act the requirement that legislatively appropriated funding for specific purposes be apportioned pursuant to legislative intent.

Effective 7-1-01

SB 345 (Cain/Lindley): Modifies definitions of the Protective Services for Vulnerable Adults Act. The Act allows, instead of requires, the Commission for Human Services to promulgate rules to establish and maintain a community services workers registry. The Act allows the Attorney General to be licensed as a party to any complaint made by the State Department of Health or the Department of Human Services alleging a violation of the Nursing Home Care Act. The Act also prohibits, as of November 1, 2001, a caregiver from soliciting or accepting anything of value greater than one dollar from any person in the caregiver's care, makes such action a misdemeanor and defines the term "caregiver".

Effective 11-1-01 and 6-4-01.

SB 385 (Robinson/Blackburn): Increases the membership of the Long-Term Care Facility Advisory Board from 23 to 27 to include licensed continuum of care facility or assisted living center owner-operators.

Effective 7-1-01.

SB 494 (Cain/Blackburn): Provides for a possible fine, not to exceed \$10,000.00, for caretaker abuse; prohibits verbal abuse of any person in a caretaker's care.

Effective 7-1-01.

SB 557 (Kerr/Mitchell): Provides for a 13% rate increase for employees of Older Americans Act Title IIIB projects. Effective 7-1-01.

SB 558 (Kerr/Mitchell): Authorizes the Commission for Rehabilitation Services to recognize outstanding employee performance through establishment of an employee performance recognition program. Awards may consist of items valued at \$100 or less per award.

Effective 11-1-01.

SB 677 (Monson/Mitchell): Modifies the duties of the Division of Health Care Information in the State Department of Health. The Act requires the Division to analyze health care data including geographic mapping of disease entities; to be authorized to access all state agency health-related data sets; and to collaborate with county health departments in developing city-county health data sets. The Act also requires a fine for violation of confidentiality provisions. A majority of the members of the Health Care Information Advisory Committee are able to take action on behalf of the Advisory Committee.

The Act also specifies qualifications for members of the Hospice Advisory Board and further requires that tissue banks must be accredited by a nationally recognized accreditation organization within one year after receipt of a permit to operate in the State of Oklahoma.

Effective 11-1-01.

SB 707 (Coffee/Reynolds): Creates the Blue Ribbon Task Force on Protection of Children from Violence in the Media to examine the issue, develop ways to protect children, and recommend legislation to address the problem.

Effective 4-30-01.

SB 708 (Cain/ Gilbert): Creates the Task Force on the Promotion of Children's Health to study issues related to the promotion of children's health, including reducing obesity through nutrition and physical activity.

Effective 4-17-01.

SB 738 (Robinson/Staggs): Modifies definitions in the Residential Care Act, requires the State Board of Health to promulgate rules in specified areas, and modifies powers and duties of the Department of Health. Modifies the qualifications of an applicant for a license to establish or authorize a residential care home, prohibits persons convicted of specified felonies from participating in the management or operation of a residential care home.

The bill reduces the amount of time an applicant has to notify the Department of change in ownership. A certified administrator is required for residential care homes. Imposition of a temporary manager is a new penalty authorized for violation of the provisions of the Residential Care Act. Employees of the Department of Health who disclose an unannounced residential care home inspection shall, upon conviction, be guilty of a misdemeanor, punishable as a violation of Ethics Commission rules.

The bill requires the State Board of Health to promulgate rules establishing criteria for emergency transfer of residents initiated by the State Department of Health. The Act states that operation of a residential care home without a license is a public health emergency. Requires that an accounting be made of financial records of the client and shall be given to the resident and/or the resident's representative upon request. Authorizes the Health Department to create a volunteer program for long-term care facilities.

Effective 11-1-01.

SB 741 (Dunlap/Askins): This bill expands the state Medicaid program to include services for eligible individuals who are in need of breast or cervical cancer treatment. Provides for presumptive eligibility for applicants and continuation of assistance throughout the period required for treatment of the individual's breast or cervical

cancer. Requires implementation of the program by July 1, 2002, contingent upon funds availability.

Requires the Oklahoma Breast Cancer Prevention and Treatment Advisory Committee to review and make recommendations to the State Commissioner of Health regarding contracting for statewide services or issues related to breast cancer. Requires Committee approval for expenditures from the Breast Cancer Act Revolving Fund.

Modifies the Oklahoma Emergency Response Systems Development Act to include procedures for licensure and regulation of stretcher aid vans, including a provision that such services shall only be permitted in areas with populations in excess of 300,000.

Effective 11-1-01.

SB 789 (Henry/Nations): Establishes a program within the Aging Services Division of the Department of Human Services to ensure a comprehensive elder rights system for Oklahoma's vulnerable elderly. Establishes the Office of Elder Rights and Legal Assistance Services Development.

Effective 11-1-01.

SB 803 (Shurden/Mitchell): Creates the Long-Term Care Reform and Accountability Act of 2001. The purpose of the act is to develop policies to improve the quality of care for elderly and disabled persons. Adds abuse of a vulnerable adult to the mandatory minimum 85% of sentence to be served before parole. It recreates the Continuum of Care Task Force until 2002 with 27 members to study long-term care programs in this state. A report from the task force is due April 2002. The bill modifies eligibility for reimbursement under the Oklahoma 2001 Healthcare Initiative. It modifies the calculation of rates for nursing homes and direct-care staff ratios. It creates a special task force to study nursing and specialized facilities.

Effective 6-5-01.

HB 1009 (Adair/Hobson): The Oklahoma Tobacco Use Prevention and Cessation Act:

- ◆ Creates a tobacco use reduction fund within the State Department of Health and prohibits the use of such funds for political activities or lobbying;
- ◆ Creates a Tobacco Use Prevention and Cessation Advisory Committee;
- ◆ Provides the method of appointment of an executive director;
- ◆ Specifies dates by which the committee must develop and adopt a state plan and provides for yearly amendments to the plan by June 30 of each year;

- ◆ Stipulates criteria for the state plan and for contract proposals and smoking prevention programs; and

- ◆ Provides for funding of school-based education programs and community-based youth programs.

Effective 5-31-01.

HB 1063 (Leist/Shurden): Authorizes the sale of heirloom birth certificates to fund child abuse training and coordination programs within the State Department of Health. Programs will provide training to judges, prosecutors and members of multidisciplinary teams who intervene in child abuse cases. Ten dollars of the \$35 heirloom birth certificate fee remains with the Department to cover the cost of the birth certificate.

Effective 4-30-01.

HB 1064 (Mitchell/Monson): Adds licensed dietician services to the scope of professional services for purposes of the Central Purchasing Act and reimbursement.

Effective 11-1-01.

HB 1103 (Mitchell/Kerr): Increases the Department of Human Services' maximum number of unclassified positions from 2% to 4% of full-time-equivalent positions. Authorizes the department to enter into lease-purchase agreements for office space or facilities in certain counties within a specified time frame.

Effective 5-31-01.

HB 1106 (Leist/Shurden): A measure pertaining to vulnerable adults which:

- ◆ Amends the Protective Services for Vulnerable Adults Act by removing the Department of Human Services' (DHS) authorization to file petitions in the district court in the county where protective services are to be provided;
- ◆ Requires the Commission for Human Services to establish duties and responsibilities of DHS staff in relation to providing or arranging services for vulnerable adults, regardless of the payor source; and
- ◆ Amends the Oklahoma Public Guardianship Act, subject to availability of funds, to create the Office of Public Guardian within DHS. Provides for development of a pilot public guardianship program, and requires evaluation of the pilot prior to statewide expansion.

Effective 6-1-01.

HB 1107 (Gilbert/Cain): This bill:

- ◆ Amends definitions and the purpose of the Mental Health Law to include domestic violence or sexual assault services;
- ◆ Authorizes the Board of Mental Health and Substance Abuse Services to establish a \$150 application fee to defray the cost of facilities certification under the United Community Mental Health Services Act;
- ◆ Requires the Department of Mental Health and Substance Abuse Services to certify alcohol and drug assessment evaluation agencies, personnel and practitioners for purposes of driver license revocation;
- ◆ Requires Department approval of drugs used in narcotic treatment programs; and
- ◆ Repeals obsolete language related to officers and employees of the Department, the schedule of services and the Oklahoma Alcohol and Drug Abuse Services Act.

Effective 11-1-01.

HB 1109 (Gilbert/Horner): Creates a ten-legislative-member Joint Legislative Oversight Committee for the Oklahoma Health Care Authority, appointed by the President Pro Tempore of the Senate and the Speaker of the House. Requires the Committee to:

- ◆ Review federal and state Title XIX negotiations and agreements;
- ◆ Review and make recommendations regarding additions or modifications to populations covered or services provided by the Oklahoma Health Care Authority and to monitor implementation of such changes, including review of the pre-admission screening instrument, the eligibility and enrollment system and the service delivery system;
- ◆ Study client advocacy and community outreach; and
- ◆ Submit a report annually to the Governor, President Pro Tempore of the Senate and Speaker of the House.

Effective 11-1-01.

HB 1115 (Lindley/Robinson): This bill provides for a study of service and treatment provision to dually diagnosed children and youth by the Department of Human Services, the Department of Mental Health and Substance Abuse Services and the Oklahoma Health Care Authority. Requires the Department of Mental Health and Substance Abuse Services ,

contingent upon funds availability, to continue previously established pilot projects for delivery of mental health services to children and adolescents through a community-based system of care. Increases the membership of the Task Force on the Promotion of Children's Health from 12 to 16 members.

Effective 6-1-01.

HB 1122 (Winchester/Cain): Prohibits prosecution of a parent for child abandonment or neglect when the allegations are based solely on the relinquishment of a child seven days of age or younger to a medical services provider or child rescuer. Specifies duties and responsibilities of the entity receiving the child, including the duty to notify the local Department of Human Services office of the relinquishment. Further specifies the duties and responsibility of the Department with regard to the child and dissemination of information. Provides immunity from civil and criminal liability for medical services providers and child receivers acting in good faith in receiving a relinquished child.

Effective 7-1-01.

HB 1143 (Peters/Williams): This bill:

- ◆ Creates and specifies requirements for a pilot program to serve children at high risk of abuse and neglect;
- ◆ Requires the pilot to begin by February 1, 2002, and to end by May 1, 2005;
- ◆ Establishes an evaluating board and requires the state plan for prevention of child abuse of the Oklahoma Commission on Children and Youth to include specific proposals detailing interagency provision of services to populations at risk of committing child abuse; and
- ◆ Modifies the membership of the Interagency Child Abuse Prevention Task Force and expands information to be included in the annual report on the Children First Fund from the State Department of Health.

Effective 6-4-01.

HB 1183 (Wright/Milacek): Requires the wishes of a deceased person, as indicated by an advance directive, driver license designation or will, to take precedence over the wishes of the deceased individual's family. Makes consent of a family member or guardian unnecessary if a decedent has a donor card or other document consenting to an anatomical gift. Prohibits civil liability for adherence to the provisions of the Uniform Anatomical Gift Act.

Effective 4-10-01.

HB 1194 (C. Pope/Price): Modifies the membership of the Telemedicine Advisory Council and makes all members voting members. Requires the State Board of Health to establish a separate office to be known as the Oklahoma Center for Telemedicine. Requires the center to maintain a telehealth website. Effective 6-1-01 and 11-1-01

HB 1241 (Greenwood/Cain): Cites the Youth Suicide Prevention Act and creates a 29-member Youth Suicide Prevention Council until January 1, 2005. Requires the council to:

- ◆ Collaborate with communities to assist in development and coordination of local resources and in building community capacity to address the issue of youth suicide;
- ◆ Provide technical assistance to schools and communities with regard to best practices in the identification and treatment of children and youth at risk of committing suicide;
- ◆ Identify and promote strategies to prevent suicide among young people;
- ◆ Promote public awareness of the problem and efforts to reduce morbidity and mortality associated with suicide; and
- ◆ Annually provide an update of activities and progress in implementing the act's provisions and offer policy and legislative recommendations.

Identifies the Department of Mental Health and Substance Services as the lead agency, in conjunction with the Council, in the act's implementation. Directs the Department to have primary responsibility for evaluating the effectiveness of efforts designed to reduce the number of attempted and completed suicides, and to submit evaluation reports by July 1 of each year to specified entities. Requires the State Board of Health to establish a system for collecting information concerning attempted suicides. Effective 5-2-01.

HB 1297 (Gilbert/Cain): Creates the Utilization of Unused Prescription Medications Act. Requires the State Board of Health, the Board of Pharmacy and the Health Care Authority to jointly develop, implement and promulgate rules for a pilot program to transfer unused prescription medications from nursing facilities to pharmacies for use by medically indigent residents of this state. The Act:

- ◆ Provides for evaluation of the pilot program and recommendations;

- ◆ Establishes program implementation requirements, including the ability of nursing facility residents to donate unused medications and the release from liability of participating health care professionals;
- ◆ Changes the term "pharmacist" to "Doctor of Pharmacy" and makes the terms interchangeable in statutes; and
- ◆ Exempts any donation under the act from being considered an unlawful activity.

Effective 11-1-01.

HB 1298 (Gilbert/Cain): Continues the Child Welfare System Reform Review Committee until 2004. Amends the Subsidized Adoption Act by expanding the definition of a child. Effective 6-5-01.

HB 1299 (Gilbert/Cain): Authorizes the Department of Human Services to purchase recognition awards for employees, and to establish an employee benefit program each fiscal year for cash awards to recognize outstanding performance. Limits the program to \$5,000.00 each year. Effective 4-10-01.

HB 1401 (Lindley/Cain): Extends the life of the Task Force to Review the Complaint System for Persons with Disabilities until June 30, 2002, and delays the deadline for filing a report of findings and recommendations until March 15, 2002. Effective 4-16-01.

HB 1417 (Blackburn/Monson): Recreates the 24-member Task Force on Behavioral Health until July 1, 2004, and requires the task force to make recommendations regarding the cooperative and coordinated delivery of behavioral health services by state agencies responsible for providing such services. Requires the task force to make at least annual reports to each affected agency, the Governor, the President Pro Tempore, the Speaker and the appropriate legislative committees. Effective 4-10-01.

HB 1420 (Case/Fisher): Modifies the definition of a long-term care facility. Stipulates items to be included in a State Department of Health investigation made pursuant to an application by a not-for-profit life care community for a certificate of need. Authorizes the Department to approve a certificate of need for a not-for-profit life care community for nursing home beds not to exceed 20% of the total number of units in the life care community for which no certificate of need is required. Provides that approval of the initial certificate of need shall include authorization for an open admission period of not more than seven years following initial licensure of nursing care beds in the

life care community. Provides that upon expiration of an initial one-time, seven-year open admission period, a qualified continuing care retirement community that has obtained a certificate of need for a nursing facility may admit only certain persons into its nursing home beds. Authorizes the Department to approve a subsequent certificate of need for a not-for-profit life care community that has obtained a certificate of need when a subsequent application does not cause beds to exceed 20% of the total number of units in the life care community for which no certificate is required.

Effective 11-1-01.

HB 1429 (Benson/Robinson): Authorizes the Oklahoma Health Care Authority to require reporting by facilities of compliance with wage and salary adjustment requirements, and to penalize facilities for noncompliance with the payment of the adjustment. Removes language requiring the Authority to review reports or records during the regular cost reporting process and normal auditing procedure to ensure compliance with such requirements. Permits the Authority to offer to eligible contracted incorporated physician providers elective income deferral programs that can result in federal income tax advantages and other advantages to such providers and their employees. Directs the Authority to work with the State Treasurer and Attorney General to establish the program and to establish the Medicaid Income Deferral Plan Account for the benefit of contracted physician providers who elect to participate.

Effective 4-30-01.

HB 1484 (Lindley/Muegge): Creates the Oklahoma Ticket to Work and Work Incentives Improvement Act. Requires the State Department of Rehabilitation Services to establish a program to enhance the range of choices and options available to disabled individuals seeking employment and training, vocational rehabilitation, or other support services.

Requires the Oklahoma Health Care Authority to implement a Medicaid Buy-In Program for persons with disabilities. Further requires the Authority to develop a results-based funding pilot project for eligible persons who participate in the state Medicaid program and are currently receiving outpatient behavioral health services.

Effective 6-4-01.

HB 1523 (Mass/Haney): Modifies the basis for determining the nursing facility quality assurance fee and deletes reference to a maximum fee. Requires the Oklahoma Health Care Authority to provide for administrative penalties for nursing facilities that fail to submit certain documents.

Effective 7-1-01.

HB 1670 (Roach/Williams): Creates the Investing in Stronger Oklahoma Families Act. Requires the Department of Human Services to collaborate with other appropriate local, state and federal agencies and private entities to develop, by December 31, 2001, a comprehensive strategic state plan for investing in stronger families. Requires the Department, from available funds, to develop an information database consisting of data on existing programs serving families who have taken on the responsibility of providing children with safe, secure and permanent homes. Requires that county-specific information on the number of children currently served be compared to the local projected need. Requires that certain information be compiled, including information on technical assistance activities presently available to existing and potential families. Requires the Department to submit a preliminary report by February 1, 2002, of existing data and information available on private-sector interest, involvement or plans for development of assistance programs in the state. Encourages establishment of family resource assistance that links state governmental agencies and private and nonprofit entities. Provides that any relative related to a child within the third degree who has permanent care and custody of a child, and who completes the caregiver's authorization affidavit shall have the same rights to authorize medical care on behalf of the minor that are given to legal guardians.

Effective 6-8-01.

HB 1727 (Sullivan/Wilkerson): This bill:

- ◆ Removes the authority of the Attorney General to bring action for an injunction to restrain violations of the Nursing Home Care Act or to enjoin the future operation or maintenance of any such facility. Makes the Attorney General a party pursuant to the Administrative Procedures Act for purposes of a complaint made by the Department of Human Services to the State Department of Health for violations of the act;
- ◆ Provides that any person who performs an abortion on a minor without parental consent or knowledge will be liable for the cost of any subsequent medical treatment the minor might require because of the abortion;
- ◆ Requires the Oklahoma Health Care Authority to reimburse licensed nursing facilities that are not Medicaid certified for purposes specified in statute. Allows the maximum nursing facilities quality of care fee to be set at the lesser of 6% of the total annual patient gross revenues of all licensed nursing facilities in the state, or 6% of the total annual patient gross revenues of an individual licensed nursing facility.

Effective 6-4-01.

HB 1824 (Eddins/Robinson): Creates a ten-member Joint Legislative Task Force on Residential Mental Health Programs. Requires the task force to investigate current methods of providing care and medically necessary services for residents of residential care homes, whether or not the facility has a contract with the Department of Mental Health and Substance Abuse Services. Effective 7-1-01.

HB 1825 (Greenwood/Martin): Requires the Commission on Children and Youth to act as lead agency in a collaborative effort to create a statewide system of risk behavior prevention and positive youth development. Effective 5-2-01.

HEALTH CARE AUTHORITY FUNDING

The Oklahoma Health Care Authority (OHCA) received a supplemental appropriation of \$20,928,370 in April 2001 (HB 1564). The funding was provided for the following purposes:

- ◆ Enrollment in the SoonerCare program increased from 249,094 in June 2000 to 267,035 in March 2001. This was an average increase of 1,993 individuals per month. The SoonerCare portion of the supplemental totaled \$5,916,663.
- ◆ Inpatient and outpatient hospital expenditures increased throughout FY'01. The increases were attributable mainly to growth in enrollment and an increase in cost of Medicare crossover claims. The hospital portion of the supplemental totaled \$7,093,229.
- ◆ Prescription drug costs for the fee-for-service populations were over budget. The cost overruns were attributable to three factors: the number of drugs used per month per recipient increased by 4%, the average cost per drug increased 5.4%, and the number of recipients requiring medication increased 5.1%. The prescription drug portion of the supplemental totaled \$7,918,477.

HB 1564 annualized the agency's supplemental appropriation. It also provided \$6,559,941 to annualize the 2001 Health Care Initiative, which increased rates for historically underfunded Medicaid providers. HB 1564 also appropriated \$8,757,769 to cover the decrease in the state's federal medical assistance percentage (FMAP). This percentage varies by state in inverse relation to a state's per capita income. Oklahoma's per capita income increased, causing the federal FY'02 FMAP to decrease from 71.24% to 70.43%

\$520,385 was appropriated for the Medicaid program's share of increased Medicare premiums,

deductibles and co-pays for low-income seniors and disabled persons. (HB 1518)

\$7,955,111 was provided for anticipated increases in costs of the prescription drug program. OHCA estimates that the overall cost of drugs will increase by 9.6% during FY'02, the number of enrollees will increase by 2.3% and the total number of prescriptions will increase by 6.5%. (HB 1518)

\$6,375,772 was appropriated for provider rate increases. The funds will be used to increase physician and hospital rates in the fee-for-service and SoonerCare populations by 3%. (HB 1518)

\$810,019 was appropriated to fund a TEFRA 134 (Katie Beckett) Amendment. The TEFRA 134 Amendment will allow the state to undertake a categorical expansion of Medicaid eligibility for children under 19 years of age. It applies to children who: 1) are not presently eligible for Medicaid due to "excess" income/resources of the family; and 2) would be Medicaid eligible if their family chose to have them institutionalized. (HB 1518)

PUBLIC HEALTH FUNDING

As part of the 2001 Health Care Initiative, the State Department of Health (OSDH) was directed to initiate a comprehensive tobacco prevention and cessation program. The Legislature directed \$1,750,000 in funding toward this purpose for FY'02 (HB 1518, HB 1570).

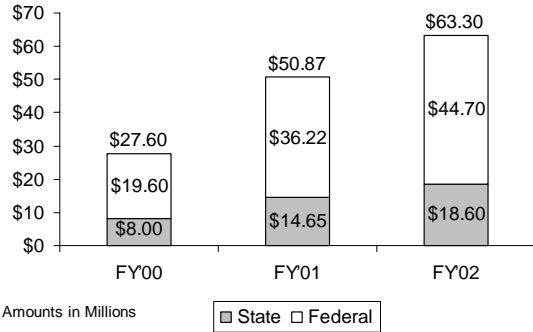
The Legislature passed an allied health pay raise targeted at groups with high turnover at several agencies, including OSDH, Department of Veterans Affairs and the J.D. McCarty Center for Developmentally Disabled Children. The raises were targeted at Registered Nurses, Licensed Practical Nurses and Nurse Managers. Patient Care Assistants also received a pay increase. (HB 1546, HB 1518)

GRADUATE MEDICAL EDUCATION FUNDING

Two bills were enacted providing a total of \$15.25 million for graduate medical education programs. (HB 1518, HB 1564)

Since June 1, 1999, the Oklahoma Health Care Authority has provided qualified teaching hospitals supplemental payment adjustments for direct medical education (DME) expenses. DME payments are distributed to about 15 teaching hospitals based on the number of resident-months at each participating hospital. The funds are made available by matching state dollars appropriated to the University Hospitals Authority with federal funds.

DIRECT MEDICAL EDUCATION FUNDING HISTORY



Hillcrest Hospital System, or HHS, (Hillcrest Hospital and Tulsa Regional Hospital) asked the Legislature in November 2000 for funds to offset the costs associated with their graduate medical education program. HHS is the second largest teaching system in the state. Tulsa Regional is the only training facility available for 105 Oklahoma State University residents from its School of Osteopathic Medicine. Hillcrest Hospital has residency positions for approximately 60 University of Oklahoma students. HHS claimed the costs associated with these programs were forcing them into bankruptcy.

HHS maintained that without \$10 million by the end of FY'01 and an additional \$20 million for FY'02, it would be forced to eliminate these programs and close Tulsa Regional Hospital. HHS also maintained it would be forced to cancel its managed care contracts with more than 35,000 Medicaid enrollees. Without these contracts, the survival of managed care in the city of Tulsa was threatened.

After six months of negotiations, the Legislature agreed to fund a portion of Hillcrest's requests through DME funding. Two FY'01 supplemental payments totaling \$5.65 million generated \$13.7 million in federal matching money. The total of \$19.3 million was divided among the state's teaching hospitals through the regular distribution formula. Of those funds, HHS received approximately \$8.7 million (of \$10 million requested) in new funding.

The Legislature also increased the FY'02 base appropriation for DME by \$9.6 million, which will generate an additional \$22.8 million in federal funds. Of the \$32.4 million in new FY'02 funding, HHS will receive approximately \$12 million (of \$20 million requested). With the new funding, HHS has agreed to maintain its managed care contracts for the Tulsa Medicaid population, and to continue its teaching missions at both Tulsa Regional and Hillcrest hospitals.

CHILDREN'S SERVICES FUNDING

The Department of Human Services received more than \$8 million for the following children's programs: (SB 235)

- ◆ Adoption Subsidy - \$3,292,570
- ◆ Foster Family Care - \$285,067
- ◆ Therapeutic Foster Care - \$148,686
- ◆ Prader Willi Syndrome - \$296,146
- ◆ High-risk Child Abuse Prevention - \$250,000
- ◆ Home and Community-based Waiver (Developmental Disability Services Division, or DDSD, waiver which serves children and adults) - \$4,821,305

The Legislature provided \$167,339 to finish building the Children's Coordinated Data System through the Oklahoma Commission on Children and Youth. The system will provide a one-stop source for all children's services provided and available to a client, as well as providing a comprehensive data base for statistics and analysis. The cooperative effort involves ten state agencies: (SB 230)

- ◆ Oklahoma Commission on Children and Youth (OCCY)
- ◆ Oklahoma Department of Commerce
- ◆ Department of Human Services (DHS)
- ◆ Department of Health (OSDH)
- ◆ Department of Education
- ◆ Department of Mental Health and Substance Abuse Services (DMHSAS)
- ◆ Office of Juvenile Affairs (OJA)
- ◆ Office of State Finance
- ◆ Department of Rehabilitation Services (DRS)
- ◆ Oklahoma Health Care Authority (OHCA)

A comprehensive Children's Mental Health Initiative was funded with appropriations of more than \$1 million to two agencies. The initiative has 3 key components: (HB 1518)

- ◆ Katie Beckett Waiver - \$810,019 was appropriated to OHCA to fund a TEFRA 134 (Katie Beckett) Amendment. The TEFRA 134

Amendment will allow the state to undertake a categorical expansion of Medicaid eligibility for children under 19 years of age. It applies to children who: 1) are not presently eligible for Medicaid due to "excess" income/resources of the family; and 2) would be Medicaid eligible if their family chose to have them institutionalized.

- ◆ Systems of Care - A comprehensive spectrum of mental health and other support services which are organized into a coordinated network to meet the multiple and changing needs of children and adolescents with serious emotional disturbance and their families. \$196,680 was appropriated to the DMHSAS for both Systems of Care and Centers of Excellence.
- ◆ Centers of Excellence - DMHSAS, along with other agencies, will develop satellite assessment centers in rural communities which will use telemedicine (OneNet) to put professionals with expertise in children's mental health in touch with individuals who are providing children's mental health services.

Through OJA, the Legislature provided an increase of \$181,032 to Community Intervention Centers (CICs) located in Muskogee, Norman, Duncan and Lawton. CICs were established in FY'97 to allow municipalities a suitable facility to place juveniles arrested for misdemeanors until a parent or guardian is able to pick them up. (SB 235, HB 1505, HB 1570)

The Legislature also appropriated \$200,000 to meet the Master Cooperative Agreement between the National Guard Bureau and Oklahoma. The state share of that contract rose from 30% to 40% for FY'02. Without the additional funding, the Military Department faced a loss of \$1.7 million in federal funding for the Thunderbird Youth Academy, a nationally recognized institute where at-risk teenagers pursue their education within a disciplined (boot camp) atmosphere.

MENTAL HEALTH AND SUBSTANCE ABUSE FUNDING

On July 1, 2000, Eastern State Hospital, which served individuals with chronic mental illness, was closed. The 2001 Legislature responded to the closing of Eastern State by appropriating \$3 million for community based services. The funds will be used by the seven Community Mental Health Centers (CMHCs) in the Eastern State catchment area. (HB 1518)

The Legislature provided \$1.25 million for mental health services in central Oklahoma. Both the central and eastern regions of Oklahoma have seen an increased demand for services, to the point of

crisis according to many advocates. The funds provided will be used by DMHSAS to address this demand. (HB 1518)

\$1,560,000 was appropriated to continue the Programs for Assertive Community Treatment (PACT) teams that began in Tulsa and Oklahoma City during FY'01. PACT teams are best-practice models that provide intensive services to severely mentally-ill individuals that involve visiting the client several times daily to ensure that medications are being taken, basic needs are being met, and clients are functioning in society. (HB 1518)

A comprehensive Children's Mental Health Initiative was funded with appropriations of more than \$1 million to two agencies. (See Children's Services) (HB 1518)

The residential care facility reimbursement rate was raised from \$7.66 per resident per day to \$8.66. These funds are used to provide socialization activities for clients in residential care homes. (HB 1518)

\$1,815,868 was added to the Drug Court Program, which offers subsidized treatment and court administration costs for non-violent, drug-dependent offenders. Through DMHSAS, the new funds provide treatment and operating costs to 23 existing drug courts. Ten more counties may have drug courts come on-line during FY'02. Included in the total new funding is \$815,868 for administration costs incurred by Drug Courts. (HB 1518)

An increase of \$450,000 was appropriated for the 29 existing domestic violence and sexual assault programs throughout the state. This will provide each program with an increase of about \$15,000. For every state dollar currently spent, domestic violence and sexual assault programs contribute an average of \$3 in other resources. In FY'00, services were provided to more than 15,000 individuals, 18% of who were children. (HB 1518)

The Legislature passed an allied health pay raise targeted at groups with high turn-over at DMHSAS. The funds will provide a raise of \$2,100 for Registered Nurses, Licensed Practical Nurses and Nurse Managers. Also, Patient Care Assistants received an increase of \$1,550. (SB 702 and HB 1518)

The Legislature appropriated supplemental funding of \$980,000 for the renovation of the medical surgical unit at Griffin Memorial Hospital. These facilities have been used for the medical care of Department of Corrections (DOC) inmates for decades. Late in session, legislation was passed that transferred the responsibility of inmate medical care to DOC as of February 1, 2000. DOC plans to contract with Lindsay Hospital for the services previously provided at Griffin Memorial. With this

change, \$600,000, of the \$980,000 supplemental appropriation, was transferred from DMHSAS to DOC. Additionally, DMHSAS spends \$1.7 million annually for the care of DOC inmates at Griffin. \$700,000 of these funds was also transferred to DOC to be used in contracting with Lindsay Hospital for services. (HB 1564 and HB 1570)

Supplemental funding of \$241,000 was appropriated to DMHSAS to bring an additional residential care home on-line, to fund an increase in the rate for enhanced residential care services, and for a substance abuse prevention program. (HB 1564)

\$30,000 was appropriated to the Council on Law Enforcement Education and Training to initiate a special program, the "Memphis Model," which trains law enforcement officers to respond to calls involving citizens suffering from severe psychiatric episodes.

During FY'01, DHS was forced to operate with a \$27 million budget "hole". The Legislature provided \$4,664,859 toward the operating shortfall for FY'02. DHS will identify carryover and one-time federal funds to cover the rest of the operations "hole". (SB 235)

The ADvantage and Personal Care Medicaid Waiver programs were provided approximately \$3.5 million to cover the growth in eligible individuals for FY'01 and FY'02. The ADvantage program provides an alternative to nursing home care by providing in-home health care and case management services to seniors who qualify medically for nursing home care under Medicaid and who meet income guidelines. The average annual per-client cost of the ADvantage program is \$11,700 - less than half the \$23,000 cost for nursing home care. The program is funded with 30% state funds and 70% federal funds. (SB 235)

HUMAN SERVICES FUNDING

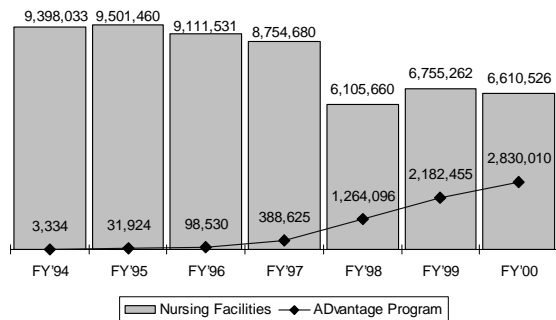
The Legislature provided \$7,976,297 to annualize the 2001 Health Care Initiative. For DHS, this included annualizing: (SB 235)

- ◆ Rate increases for senior nutrition center programs;
- ◆ Rate increases for providers of home- and community-based services to the elderly and the disabled (ADvantage, Personal Care, and Home and Community-based Waiver);
- ◆ Funding to provide services to DDS clients through the Home- and Community-based Waiver. Many of these people with developmental disabilities have been placed on a waiting list due to lack of funding;
- ◆ Funding to provide home and community-based services (ADvantage Waiver) to disabled adults who were previously ineligible due to lack of cognitive impairment.

DHS received more than \$8 million for the following children's programs: (SB 235)

- ◆ Adoption Subsidy - \$3,292,570
- ◆ Foster Family Care - \$285,067
- ◆ Therapeutic Foster Care - \$148,686
- ◆ Prader Willi Syndrome - \$296,146
- ◆ High-risk Child Abuse Prevention - \$250,000
- ◆ Home and Community-based Waiver (DDS waiver which serves children and adults) - \$4,821,305

Comparison of Medicaid Days for Nursing Facilities vs. ADvantage Program FY'94 - FY'00



\$500,000 was provided to senior nutrition centers and \$205,716 was provided to the Retired Senior Volunteer Program. These centers provide congregate and home-delivered meals to seniors. Both programs provide transportation services to medical appointments, shopping and other social services. Additionally, these programs are able to provide social interaction, which is critically important to many isolated Oklahoma seniors. (SB 235)

The Legislature passed an allied health pay raise targeted at groups with high turn-over at DHS. The funds will provide a raise of \$2,100 for Registered Nurses and Licensed Practical Nurses. DHS was given authority to provide a pay increase of \$2,100 to Nurse Managers, but funding was not provided. Also, Direct Care Specialists received a funded increase of \$1,550. (SB 702, SB 235 and HB 1768)

The Legislature appropriated \$4.8 million to DHS for the Low Income Home Energy Assistance Program (LIHEAP). This supplemental funding will help thousands of low-income households pay for the increase in heating costs associated with the rise in natural gas prices. (HB 1564)

INSURANCE AND MANAGED CARE MEASURES
--

SB 132 (Monson/Cox): Nullifies the provision that a health insurer shall not deny enrollment of a child when there is coverage through a group plan, when coverage through the insurer is discontinued, or when the non-custodial parent is no longer insured in the group plan.
Effective 11-1-01.

SB 192 (Shurden/Erwin): Modifies provisions pertaining to unfair claim settlement practices by insurers (includes prepaid health plans and the State and Education Employees Group Insurance Plan) processing accident and health claims. Requires insurers to reimburse clean claims (claims without defects) within 45 calendar days after receipt of the claim. An insured must be notified of any defects within 30 calendar days after receipt of claim by insurer. Defective claims must be denied or paid within 45 calendar days of receipt of information causing the claim to be defective. States consequences for failure to process claims accordingly.
Effective 11-1-01.

SB 676 (Monson/Winchester): Requires credentialing and use of the uniform credentialing application form for credentialing for physicians and other health care providers within health insurance benefit plans and managed care plans. Specifies procedures for compliance with the requirement and for reviewing and processing of the application.
Effective 11-1-01.

SB 711 (Dickerson/Askins): Modifies mandated insurance coverage for mammography screenings for women of specified ages to include the State and Education Employees Group Insurance Board and increases the reimbursement amount from \$75 to up to \$115. Prohibits conditioning of payment on receiving a screening at a specified time. Provides for coverage for a low dose mammography screening at no charge for women 40 years of age and older and at a specified cost for women 35-39 years old.
Effective 7-1-01.

SB 733 (Cain/Askins): Requires health benefit plans in this state to offer coverage for colorectal cancer examinations and laboratory tests, and specifies to whom such coverage shall be offered. Further provides that coverage shall be subject to the same provisions as the health plan's other covered benefits. Provides that third party reimbursement for nonsymptomatic screening may be at the existing Medicaid reimbursement rate, which shall be considered as payment in full.
Effective 11-1-01.

HB 1341 (Cox/Wilkerson): Comprehensive insurance bill, which includes provisions requiring certain insurers to pay an annual fee to be credited to the Insurance Department Anti-Fraud Revolving Fund, authorizing the Insurance Commissioner to approve deviations in forms offering uninsured motorist coverage, specifying what information must be included in certain group health policy certificates, and eliminating group size as a case characteristic that can be used in determining premium rates for small employers.
Effective 7-1-01.

HB 1422 (Braddock/Snyder): Modifies the Viatical Settlement Act and the Life Settlement Act by establishing provisions that assure truthful advertising, set out prohibited acts, and authorize the Insurance Commissioner to assess certain penalties for violation. Deletes minimum percentage of face value, based on age, associated with the sale of a life settlement policy.
Effective 5-23-01.

HB 1801 (Cox/Easley): Eliminates the requirement for a new form affecting uninsured motorists coverage for the addition, substitution, or deletion of a vehicle from a commercial automobile policy covering a fleet of 4 or less vehicles.
Effective 11-1-01.

JUDICIARY/COURTS MEASURES

SB 79 (Morgan/Ericson): Excepts a financial institution with a valid security interest in property of a decedent from being liable for embezzlement if the institution repossesses the property. The financial institution must use diligent efforts to notify heirs or personal representatives of the decedent of the repossession. The heirs or representatives have 20 days from receipt of the notice to redeem the goods by paying the full amount of the debt to the secured creditor. The financial institution is authorized to dispose of repossessed goods if there is no heir or representative or if notice is returned undelivered.
Effective 11-1-01.

SB 112 (Hobson/Hefner): Modifies pre-lien notice requirements by eliminating monthly notices, with subcontractors and suppliers instead required to send 1 notice to the original contractor, and property owner (with exception) no later than 75 days after the date of supply of material, services, labor, or equipment in which the claimant is entitled or may be entitled to lien rights. The one-time, pre-lien notice protects the claimant's rights in any subsequent supplies furnished during the course of a construction project. Requires claimant, at the time of filing the lien statement, to provide court clerk with a notarized affidavit verifying compliance with the notice requirements. Makes falsifying the

affidavit a misdemeanor. Excepted from the notice requirements are retainages, residential projects as defined, and a claimant whose aggregate claim is less than \$2,500.00.
Effective 4-3-01.

SB 130 (Cain/Benson): Amends the Governmental Tort Claims Act to clarify that the state shall not be held liable for tortious conduct of any physician, resident physician or intern while practicing medicine or treating patients. Modifies the time for the presentment of a wrongful death claim to within one year after a death occurs.
Effective 11-1-01.

SB 382 (Smith/Askins): Expands the scope of interrogation and discovery relating to a judgment debtor's assets when appearing pursuant to a subpoena issued by an attorney for a judgment creditor.
Effective 11-1-01.

SB 394 (Smith/Askins): Excepts the service of summons for a forcible entry and detainer action from the general time computation provisions of the civil procedure code.
Effective 5-2-01.

SB 395 (Smith/Askins): Modifies the process for filing a disclaimer of interests passing by deed by requiring the disclaimer to be filed on the miscellaneous docket in the office of the county clerk of any county in which the district court would have jurisdiction and venue on the matter.
Effective 11-1-01.

SB 469 (Stipe/Dunegan): Confers exclusive jurisdiction on the Supreme Court for the determination of validity of bonds. Requires the Supreme Court to give applications for bond approval precedence over other Court business, and authorizes the Court to establish rules and procedures.
Effective 5-24-01.

SB 541 (Henry/Ervin): The Council on Law Enforcement Education and Training may waive all or part of the penalty assessed to district court for failure to make timely deposits of collected CLEET funds.
Effective 11-1-01.

SB 545 (Henry/Braddock): Creates the "Structured Settlement Protection Act of 2001". Primarily provides provisions to protect parties to a structured settlement transfer agreement by requiring, prior to signing a transfer agreement, a disclosure statement to the payee concerning payments, transfer expenses, penalties, and cancellation rights. Requires express findings by a court or administrative authority that the transfer is in the best interest of the payee, that the payee has been advised in writing by transferee to seek independent

professional advice, and that the payee has received or waived the advice. States parties liabilities, procedures for filing an application for approval of a transfer of payment rights, and prohibitions.
Effective 11-1-01.

SB 546 (Henry/Toure): Makes the Oklahoma Court Information System's accounting, auditing and financial reporting functions subject to the approval of the State Auditor and Inspector. Requires the return of a search warrant to be filed with the district court clerk, and requires a district attorney to make an application for a court order to have a search warrant or transcript of oral testimony transferred if a criminal prosecution is filed. Increases the court fee collected in civil and criminal cases to be credited to the Law Library Fund. Provides for exoneration of a bail bond if the court clerk fails to provide adequate notice of bond forfeiture to the bondsman within 30 days of a defendant's failure to appear.
Effective 11-1-01.

SB 610 (Coffee/Vaughn): Makes various changes to sections of the Oklahoma General Corporation Act, including provisions related to certificates of incorporation, bylaws, voting procedures, and articles of conversion. Adds new sections to the Oklahoma General Corporation Act, including provisions related to voting procedures and inspectors of elections, electronic notice, conversion of certain business entities, and annual certificates for limited liability companies and limited partnerships.
Effective 11-1-01.

SB 628 (Smith/Braddock): Prohibits court reporters or court reporting firms from entering into certain contracts that compromise impartiality or that may result in the appearance of compromised impartiality of the court reporter or firm. Requires the State Board of Examiners of Certified Shorthand Reporters to suspend or revoke the enrollment of a licensed court reporter who enters into prohibited contracts.
Effective 11-1-01.

SB 632 (Smith/Hastings): The bill establishes an administrative fee of 2% for municipal courts on fees imposed by state statute, provided the municipal court has a basic law enforcement academy approved by CLEET. It authorizes an administrative fee of 10% to the district court clerk on any fees collected but not to be deposited in the court fund or the court clerk's revolving fund.
Effective 7-1-01.

SB 662 (Coffee/Vaughn): Modifies various filing fees and requirements for certain documents to be filed with the Secretary of State. Requires hearing aid dispensers to give consumers a full refund on hearing aids returned within 30 days of purchase, minus a reasonable cancellation fee. Modifies

certain requirements related to notaries public, including establishing procedures for changes of name or residence.

Effective 6-4-01

SB 675 (Cain/Vaughn): Amends various child support provisions to conform with federal requirements. Authorizes the court to enter an order requiring either or both parents to provide for the support of an adult child incapable of self-support due to a mental or physical disability. Creates the Parenting Coordinator Act which primarily authorizes a court upon its own motion, or by motion or agreement of the parties, to appoint a parenting coordinator (a neutral third party) to hear and decide disputed issues relating to the minor children in any action for divorce, paternity, or guardianship.

Effective 7-1-01

SB 692 (Coffee/Vaughn): Provides clarification to provisions of the Uniform Commercial Code related to perfection of security interests, disposition of collateral, and uniformity of fees.

Effective 7-1-01

HB 1062 (Case/Williamson): Clarifies that in cases in which a child is removed from the custody of the custodial parent, priority for placement of the child is with the noncustodial parent unless the placement is not in the best interest of the child.

Effective 4-30-01.

HB 1074 (Fields/Stipe): Adds business practices that are violations of the Oklahoma Consumer Protection Act, including refusing to honor certain gift certificates and warranties, and charging a consumer for products or services without the advance authorization of the consumer.

Effective 11-1-01.

HB 1083 (Vaughn/Snyder): This measure allows a party to divorce, annulment or separate maintenance to petition the court for a transfer of the case to another district court. The court must transfer the case upon petition when one party is no longer a resident of the state or has been absent for more than six months. The court must grant a transfer when the petition complies with the Uniform Child Custody Jurisdiction and Enforcement Act.

Effective 6-1-01.

HB 1354 (Vaughn/Coffee): Deletes the ten-day maximum time period for a special guardianship and authorizes the court to waive filing of annual guardianship reports and related fees.

Effective 5-24-01.

HB 1384 (Matlock/Henry): Creates a seven-year statute of limitations on actions to foreclose in a mortgage, contract for deed or deed of trust.

Effective 11-1-01.

HB 1424 (Walker/Capps): Modifies District Attorney and Judicial Districts of Kiowa, Jackson, Tillman, Harmon, Greer, Washita, Ellis, Roger Mills, Custer and Beckham counties.

Effective 11-1-01.

HB 1541 (Adair/Taylor): Redistricts District Court Judicial District No. 7 to comply with the provisions of a consent decree entered into in *Gregory C. Robinson, et al, v. State of Oklahoma* that requires District No. 7 to contain "a majority of at least 62% African-American voting age population".

Effective 9-1-01

HB 1621 (Vaughn/Coffee): Authorizes a trustee beneficiary in certain trusts to make discretionary distributions of trust principal or income to the trustee beneficiary only for the health, education or maintenance in the accustomed manner of living.

Effective 11-1-01.

HB 1640 (Dunegan/Rabon): Confers exclusive jurisdiction on the Supreme Court for the determination of validity of bonds. Authorizes the Supreme Court to give applications for bond approval precedence over other Court business.

Effective 11-1-01.

HB 1724 (Rice/Easley): Requires an appraiser appointed by the court to make recommendations related to potential surface damages caused by a drilling operation to be a state-certified general real estate appraiser in good standing with the Oklahoma Real Estate Appraisal Board.

Effective 7-1-01.

HB 1752 (Peterson/Pruitt): Expands concurrent jurisdiction of a district court over issues relating to trusts or guardianships that may arise under the administration of an estate.

Effective 11-1-01.

HB 1819 (Adair/Taylor): Authorizes the compilation, codification, and annotation of the Oklahoma Statutes.

Effective 4-9-01.

HB 1885 (Graves/Williamson): Requires a court to document in the court record reasons for a determination that shared parenting would be detrimental to a child of parents who are separated or divorced.

Effective 11-1-01.

LEGAL SERVICES FUNDING

The state's 77 district courts were provided an appropriations increase of \$2.1 million or 5.4% for FY'02. The increased funding will provide the following improvements: (HB 1539, HB 1570)

- ◆ \$575,202 was appropriated for six additional special judges to be hired in judicial districts across the state. The new judges will help provide timely resolution of an increasing number of case filings.
- ◆ 12 new secretary-bailiffs, supported by a \$218,775 appropriation, will provide staff support to existing judges.
- ◆ \$218,775 will support five additional court reporter slots across the state.
- ◆ Court reporters at district courts received a pay increase of about 12.6% during FY'02, supported by an appropriation of \$177,125.

The Legislature approved in HB 1539 a new project management program for the Oklahoma Court Information System, which serves district courts. The new program is intended to improve system operations and facilitate collections of fines and fees that support a variety of government operations. The Supreme Court, which supervises the computerization project, was authorized to hire 10.0 additional FTE. (HB 1539)

The Supreme Court was granted an appropriations increase of \$1.1 million or 8.4% for FY'02. The new funds will pay bond obligations for the new Supreme Court offices (at the Wiley Post Building), support expansions in judicial education, and improve development of uniform jury instructions. (HB 1539)

\$141,646 was appropriated to the Court of Criminal Appeals, an increase of 5.2%. Included was \$76,091 to replace aging data processing equipment. (HB 1539)

\$133,937 was appropriated to the Workers' Compensation Court, an increase of 3.2%. The new funds, coupled with a new fee authorization, will support 1.0 new FTE to improve responses to public requests for information and 3.0 FTE to improve monitoring of employers' work comp insurance coverage. (HB 1539)

MOTOR VEHICLES MEASURES

SB 3 (Muegge/Kirby): Provides that retirees receiving special license plates must provide proof of eligibility upon initial application, but are not required to provide proof of eligibility annually. Effective 11-1-01.

SB 83 (Price/Benge): Makes changes to the rules regarding wrecker services. Requires the wrecker service to file a Tow Request and Authorization Form with the sheriff's office when it has towed a vehicle from real property located outside of an incorporated municipality. Effective 7-1-01.

SB 84 (Capps/Braddock): Eliminates the requirement for motor license agents to inspect commercial vehicles which do not bear the name of the business and modifies residency requirements for motor license agents in municipalities which cross county lines. Effective 11-1-01.

SB 124 (Herbert/Corn): Provides special license plates for Oklahoma state parks supporters, American Business Clubs, and the Merchant Marine. The bill also allows persons eligible to purchase a physically disabled license plate to purchase a duplicate for the front of the vehicle for a \$10 fee and allows contractors as well as employees of the Department of Tourism and Recreation to operate golf carts on roads within state parks. Effective 7-1-01.

SB 526 (Fisher/Phillips): Changes the date by which a security interest in a motor vehicle is deemed to be perfected from the date of delivery of the lien entry form, filing fee and appropriate documents to a motor license or the Tax Commission to the date of execution of the lien entry form (only if the form, filing fee and documents are delivered within 20 days after the date of the form). Effective 7-1-01.

SB 539 (Helton/McCarter): Relates to the Highway Safety Code. Deletes obsolete language, modifies definitions, provides for the adoption of the United States Department of Transportation specifications and standards for lighting equipment and signal devices, removes the Capitol Patrol designation from the license plates of the Capitol Patrol vehicles, exempts the Department of Public Safety from promulgating rules for instructors of driver education and authorizes the Department of Public Safety to provide for the Oklahoma Organ Donor and Education and Awareness Program Fund. Effective 7-1-01.

SB 621 (Wilkerson/Dunegan): This bill allows the Department of Public Safety to accept personal or company checks, cash, money orders, certified checks, and credit cards for any payments due the Department. Effective 11-1-01.

SB 747 (Leftwich/Nations): Modifies the Graduated Driver License law.

- ◆ Removes the exemption which allows students who live in a school district that does not offer driver education to be issued a Class D license upon successfully completing all parts of the driver license examination;
- ◆ Authorizes any person who is at least 15 1/2 years of age to drive after successfully passing all parts of the driver license examination for an

instruction permit which will grant the permittee the privilege to operate a Class D motor vehicle while accompanied by a licensed driver who is at least 21 years of age and who is occupying a seat beside the permittee;

- ◆ Authorizes any person who is at least 15 1/2 years of age and who is being instructed in a parent-taught driver education course certified by the Department of Public Safety to drive after successfully passing all parts of the driver license examination for an instruction permit which will grant the permittee the privilege to operate a Class D motor vehicle while accompanied by a parent or guardian who is actually occupying a seat beside the permittee;
- ◆ Increases the amount of time for behind-the-wheel training from 25 hours to 36 hours for any person who is at least 15 1/2 years of age and who is not being instructed in a driver education course but whose parent or guardian has certified to the Department by sworn affidavit that the person will receive the 36 hours of driving time; and
- ◆ Authorizes any person who is enrolled in a commercial driver education course, after successfully passing all parts of the driver license examination for an instruction permit which will grant the permittee the privilege to operate a Class D motor vehicle on the public highways while accompanied by a licensed driver who is at least 21 years of age and who is occupying a seat beside the permittee. The Student must obtain the permit before operating a Class D vehicle. The permittee may be issued a Class D license after successfully passing the driving examination.

Effective 7-1-01.

HB 1081 (Phillips/Coffee): Provides for state preemption on legislation relating to inattentive driving and cellular telephone usage and enacts the provisions of the federal Mobile Telecommunications Sourcing Act, which relates to taxation of mobile telecommunications services. The general rule under this Act is that such services are taxable in the area of the customer's place of primary use and are taxable by the customer's home service provider.

This bill also repeals Sections 851 through 860 of Title 47, which are the statutes that require annual vehicle inspections. These sections also require an emissions inspection in counties over 500,000 population which include air quality nonattainment areas according to the EPA. (See also HB 1728)

Increases vehicle tag fees by \$1, to replace the \$1 that the state retains from the vehicle inspection fee. Revenue from this fee will be apportioned to the

General Revenue Fund (50%) and the Oklahoma Law Enforcement Retirement Fund (50%, with the first \$500,000 to the DPS Patrol Vehicle Revolving Fund).

Effective 8-23-01.

HB 1086 (Mitchell/Helton): Modifies definitions and provisions regarding disqualification for commercial driver licenses. Requires commercial vehicles placarded for hazardous materials to stop at railroad crossings; requires vehicles transporting explosives to be in compliance with federal law; eliminates load-limit exceptions and requirements for unloading certain loads; authorizes enforcement actions against employers and employees transporting hazardous materials be administrative and deletes obsolete language.

Effective 11-1-01.

HB 1131 (Webb/Shurden): Prohibits the attachment of unauthorized stickers to driver licenses. Authorizes persons to request expiration of driver licenses to coincide with their date of birth. Establishes procedures for persons who have a diplomatic driver license and have committed offenses. Removes the separate substance abuse courses developed for persons under the age of 21.

Effective 11-1-01.

HB 1308 (Sweeden/Rozell): This bill establishes the KIDS ID Act to allow the Department of Public Safety to establish child identification programs. It allows fingerprinting on identification cards and driver licenses. Driver license fees and identification card fees are increased as of July 1, 2004 to maintain the new program and driver license technology. It allows removal of social security numbers from driver licenses. The Department of Public Safety Computer Imaging System Revolving Fund is established for the purpose of creating and maintaining a computer imaging system for driver licenses and identification cards. Each year beginning July 1, 2002, \$250,000 will be transferred to the Computer Imaging System Revolving Fund.

Effective 7-1-01.

HB 1385 (Matlock/Kerr): Provides special license plates for the Civilian Conservation Corps, Rotarians, Benevolent Protective Order of Elks, Boy Scouts of America, Humane Society, Urban Forestry and Beautification, and the Oklahoma Mustang Club. The bill also allows persons eligible to purchase a physically disabled license plate to purchase a duplicate for the front of the vehicle for a \$10 fee.

Effective 11-1-01.

HB 1486 (Glover/Henry): Clarifies certain definitions and references related to motor vehicles. Defines "factory" as it relates to used motor vehicles. Modifies the reasons which may be used by the Oklahoma Used Motor Vehicle and Parts Commission to deny an application for a license or

revoke or suspend an existing license. Authorizes the Commission to deny a license when the application is by a manufacturer or factory for the purpose of selling used motor vehicles to a retail customer outside retail franchised dealers.
Effective 4-1-01.

HB 1721 (Steele/Wilkerson): Adds a new condition under which certain recreational vehicle dealers may obtain a license to sell new recreational vehicles at an off-premise display.
Effective 11-1-01.

PROFESSIONS AND OCCUPATIONS MEASURES

SB 32 (Robinson/Erwin): Expands the physician assistant scope of practice to include certification of physical disability for parking purposes. Expands the definition of health care services under the Physician Assistant Act by specifying additional services that may be provided by a physician assistant, and adds a definition to further clarify the physician assistant scope of practice. Expands the appropriate methods for physician assistant supervision by clarifying the supervisory relationship between a supervising physician and a physician assistant. Expands the prescriptive authority of physician assistants to include schedule II through V controlled drugs. Specifies procedures for physician assistants to write schedule II drug orders. Provides that a physician assistant may perform health care services in patient care settings as authorized by a supervising physician. Provides that a physician assistant, instead of the health facility, shall keep his or her license available for inspection and shall be responsible for informing patients of his or her status as a physician assistant. Expands the Physical Therapy Practice Act and the Uniform Controlled Dangerous Substances Act to include physician assistants.
Effective 11-1-01.

SB 154 (Shurden/Turner): Modifies licensing procedures for the practice of osteopathy. Modifies purposes of the State Board of Osteopathic Examiners Revolving Fund. Eliminates the requirements for applicants for the osteopathic examination.
Effective 11-1-01.

SB 166 (Shurden/Leist): Creates Oklahoma Licensed Pedorthists Act. Sets up a regulatory process for licensure of pedorthists.
Effective 11-1-01.

SB 177 (Crutchfield/Hilliard): Transfers authority over licensing, inspection and regulation of crematories from the State Department of Health to the Oklahoma State Board of Embalmers and

Funeral Directors. Authorizes the Board to adopt rules necessary for regulation.
Effective 11-1-01.

SB 189 (Maddox and Matlock): Enacts the Orthotics and Prosthetics Practice Act to regulate persons who, pursuant to a prescription from a licensed physician, design, make, service, or fit persons with custom-made braces or supports or with custom-made prostheses to replace missing limbs. The Act does not apply to persons engaged in these activities as an employee or authorized representative of an orthotics manufacturer or to certain medical professionals or students. Creates the Advisory Committee on Orthotics and Prosthetics, which will advise the State Board of Medical Licensure and Supervision on matters related to licensure, certification, and regulation of orthotists and prosthetists and prosthetist/orthotist assistants and technicians. Provides for licensure or certification without examination for persons with a verifiable work history of practicing full time as an orthotist or prosthetist or as a prosthetist/orthotist assistant or technician during the three-year period preceding the Act's effective date.
Effective 11-1-01.

SB 198 (Milacek/Toure): "Home Inspection Licensing Act". Provides for the certification of individuals who conduct home inspections for compensation. Prohibits unlicensed home inspections and provides exemptions. Creates the Committee of Home Inspector Examiners and provides for terms of office. Sets fee for certain inspections, licensure, renewal and reactivation and creates the "Home Inspection Licensing Act Revolving Fund". Authorizes the Health Department to promulgate rules relating to home inspection licensing. Establishes requirements for licensure applicants. Limits the duration of an active license and establishes continuing education requirements. Sets fine for violation of the act and authorizes the Committee of Home Inspector Examiners to direct the Department of Health to investigate complaints.
Effective 11-1-01.

SB 354 (Snyder/Fields): "Construction Industries Board Act". Creates a nine-member Construction Industries Board with regulatory and rulemaking authority over the plumbing, electrical and mechanical, and building and construction inspector trades. Transfers power, duties, responsibilities, equipment and staff from the Department of Health to the authority of the Construction Industries Board. Provides for the hiring of a Construction Industries Administrator. Establishes the "Oklahoma Construction Safety Code Review Task Force" to review current safety and construction codes. Modifies references to regulatory bodies.
Effective 7-1-01 and 1/1/02.

SB 377 (Monson/Askins): Clarifies that regulation of education, certification and licensure of licensed practical nurses and advanced unlicensed assistive persons is in the public interest and subject to regulation and control by the Oklahoma Board of Nursing.
Effective 11-1-01.

SB 449 (Snyder/Davis): Establishes legislative intent to ensure that monies paid for licenses and regulatory matters are not used to subsidize unrelated functions. Requires the State Department of Health to establish a clearing account for the payment of claims relating to general administrative costs of occupational licensing and regulation. Prohibits the payment of general administrative costs from revolving funds which receive revenue from occupational licensing and regulation. Requires the Department to levy an assessment not to exceed 15% upon each occupational revolving fund for deposit in the clearing account. Permits the percentage to be adjusted downward by rule.
Effective 6-5-01.

SB 764 (Leftwich/Benson): Creates name for existing law: the Oklahoma Allopathic Medical and Surgical Licensure and Supervision Act. Allows the State Board of Medical Licensure and Supervision to assess and collect an administrative fine not to exceed \$5000.00 in the revocation of a medical license. Fines assessed shall be in addition to current fines or imprisonment.
Effective 4-18-01.

SB 774 (Douglass/Phillips): Adds a lay member to the Professional Boxing Commission. Modifies the type of security that may be required by the Commission before a sanctioning permit is issued.
Effective 5-1-01.

HB 1134 (Phillips/Price): Decreases the length of time during which certain provisional real estate sales associates must complete post-licensing educational requirements and establishes the term of license as 12 months. Authorizes the Oklahoma Real Estate Commission to establish a Real Estate Contract Form Committee. Deletes statutory references to certain fees and mandates such fees are set by rule. Establishes new provisions relating to continuing education.
Effective 8-1-01 and 11-1-01.

HB 1154 (Jones/Littlefield): Modifies the Oklahoma Security Guard and Private Investigator Act by adding to the conditions which must be met for the issuance of a conditional license. An applicant must make a statement that the applicant is not currently undergoing treatment for a mental disorder. Requires the Council on Law Enforcement Education and Training to determine whether or not the applicant has ever been involuntarily committed to a state institution. Requires individuals licensed under this act to carry certain types of identification.

Adds current treatment for a mental disorder to the criteria which exclude an individual from eligibility for participation in certain basic police courses.
Effective 11-1-01.

HB 1258 (Sullivan/Stipe): Establishes a new class of real estate appraiser, identified as "trainee appraiser". Establishes a fee and requirements for certification, as well as continuing education requirements for a trainee appraiser. Modifies the certification requirements for the state licensed appraiser class of appraisers, excluding those licensed prior to July 1, 2001 from the new requirements.
Effective 7-1-01.

HB 1723 (Rice/Easley): Modifies provisions relating to reinstatement of license for architects and landscape architects. Prohibits certain state employees from performing soil tests for sewage disposal systems for compensation, outside of state employment. Establishes certification requirements for individuals who install individual sewage disposal systems. Authorizes the Department of Environmental Quality to certify individuals who install more than ten such systems annually. Provides the Department of Environmental Quality with authority to enact rules for certification.
Effective 11-1-01.

HB 1800 (Matlock/Morgan): Adds a new penalty for installing a mobile or manufactured home in violation of the law. Requires manufactured home installers to maintain general liability insurance of a minimum \$25,000.
Effective 7-1-01.

HB 1952 (Sweeden/Price): "Oklahoma Producer Licensing Act". Establishes legislative intent to simplify and organize the qualifications and procedures for licensing insurance producers. Modifies and enacts new definitions relating to insurance and insurance producers. Defines insurance producers as individuals licensed to sell, solicit or negotiate insurance. Amends references to "agents" to now say "producers". Prohibits unlicensed activity. Exempts certain parties and entities from producer licensure requirements. Provides for an examination to obtain an insurance producer license and criteria for applicants. Sets out those lines of insurance for which a producer license may be obtained. Provides for a nonresident producer license. Modifies those exempt from the examination requirement. Provides for the issuance of a temporary license. Sets out causes for which a license may be suspended or revoked. Requires licensure for the payment of commissions. Sets out procedures for the appointment of producers as agents and for the termination of that appointment. Deletes existing language relating to licensing of agents. Prohibits an insurance producer from receiving an ownership interest in any policy unless certain circumstances exist. Establishes a 24-

month licensure period and certain fee for the reinsurance intermediary license.
Effective 11-1-01.

HB 1964 (Lindley/Morgan): "Oklahoma Medical Micropigmentation Regulation Act" Provides intent for the regulation of medical micropigmentation and clarifies its statutory definition. Until May 1, 2002, limits the practice of medical micropigmentation to physicians, registered nurses under the supervision of a physician, or any individual working under the supervision of a physician. After May 1, 2002, practice is limited to physicians, registered nurses under the supervision of a physician, and individuals certified by the Department of Health under the act and working under the supervision of a physician. Prohibits practice outside the act. Authorizes the Department of Health to promulgate rules implementing the act. Also authorizes the boards regulating doctors, osteopaths and dentists to promulgate rules regulating practice by individuals under their authority. Sets out requirements for certification. Establishes the Medical Micropigmentation Advisory Committee to assist the Commissioner of Health in establishing criteria for certification and testing, promulgating rules of practice, and other duties. Sets licensing fees. Provides for revocation and/suspension of licenses. Excludes medical micropigmentation from the definition of tattooing.
Effective 6-4-01.

<p>PUBLIC EMPLOYEE RETIREMENT/INSURANCE/PAY/BENEFITS MEASURES</p>
--

SB 401 (Morgan/Stites): Amends statutes relating to the Oklahoma Public Employees Retirement System. Increases the limitation on amounts the System can pay to a beneficiary outside of probate. Removes the Deferred Compensation Plan benefits from the Qualified Domestic Relation Order definition. Allows the System to have in-house counsel rather than using the Office of the Attorney General.
Effective 7-1-01.

SB 406 (Monson/Askins): Amends statutes concerning the Oklahoma State Employees Benefits Council. Removes a restriction on the benefits price for the basic plan. Repeals a duplicate section.
Effective 7-1-01.

SB 408 (Monson/Nations): This bill allows for the University of Oklahoma and Oklahoma State University to elect to place their police force employees on the Oklahoma Law Enforcement Retirement System.
Effective 7-1-01.

SB 411 (Capps/Stites): This bill relates to the Oklahoma Police Pension and Retirement System. It provides that a person may become a member past age 45 if the municipality was not participating due to noncompliance with the retirement statutes.
Effective 7-1-01.

SB 416 (Maddox/McCarter): Allows the State and Education Employees Group Insurance Board (OSEEGIB) to negotiate with out-of-state providers in emergency situations for services not otherwise available in Oklahoma or when approved under exceptional circumstances. Changes the reference from out-of-state hospital to out-of-state provider.
Effective 7-1-01.

SB 422 (Milacek/McCarter): Allows certain district board of education members to continue health insurance upon termination.
Effective 7-1-01.

SB 423 (Maddox/Benson): The bill applies to health insurance of local governments. Requires employees who are members of the Oklahoma Public Employees Retirement System to be participating in the plans offered by the State and Education Employees Group Insurance Board prior to retirement in order to have such coverage after retirement. Requires a subsequent carrier to cover vested, retired and certain other members as well as actives. Provides an exception for employees who terminate prior to December 31, 2001.
Effective 1-1-02.

SB 502 (Rabon/Matlock): Allows the State and Education Employees Group Insurance Board to determine what insurance and benefit plans are appropriate. Deletes a provision that requires the high deductible health benefit plan to have the same coinsurance and benefit limits as the basic benefit plan and co-payments no greater than the basic benefit plan. Deletes a provision concerning certain deposits to a medical savings account.
Effective 7-1-01.

SB 571 (Helton/Nations): Extends state employee recognition programs to all state agencies. Provides annual leave accrual to be equivalent to the pre-July 1, 1996, levels. Provides that certain on-call employees shall receive a minimum of 2 hours of work if the employee reports to work while on-call. Recodifies Section 162.6 of Title 56 to be Section 4121 of Title 74.
Effective 11-1-01.

SB 626 (Price/Bonny): This legislation allows a municipality whose police officers are currently on the Oklahoma Public Employees Retirement System to elect to participate in the Oklahoma Police Pension and Retirement System.
Effective 5-2-01.

SB 633 (Robinson/McCarter): This bill relates to various sections of the statutes affecting the State and Education Employees Group Insurance Board. It allows the Board to determine appropriate insurance plans. Clarifies that state and education employees may change their primary care physician. Deletes an obsolete provision which prohibited initial entry into an HMO outside of an enrollment period. Changes the requirement that a person must submit an affidavit not to cover the person's spouse to a requirement for a statement only. Clarifies that persons who would otherwise be vested but who may not have elected a vested benefit are also eligible upon termination to continue their life insurance coverage. Provides an exception to allow a re-employed former employee who has been terminated for more than 24 months to be able to elect life insurance coverage in excess of what the person previously had in state employment. Changes a date for submission of annual rate and benefit changes. Deletes a provision added last session that prohibited preexisting condition limitations or waiting periods before an employee was eligible for the Disability Insurance Program. Deletes a provision relating to the half-year deductible for the short plan year.
Effective 5-7-01 and 1-1-02

SB 669 (Wilkerson/Plunk): This bill allows certain eligible employees of the Oklahoma State Bureau of Investigation and the Alcoholic Beverage Laws Enforcement Commission who would otherwise be members of the Oklahoma Law Enforcement Retirement System to elect to remain with that system or transfer to the Oklahoma Police Pension and Retirement System. This provision only applies to certain members of the Oklahoma Police Pension and Retirement System who were vested prior to becoming employed with the OSBI or ABLE Commission.
Effective 7-1-01.

HB 1047 (Turner/Shurden): Amends SB 423 (2001) by expanding participation in the insurance plans offered by the State and Education Employees Group Insurance Board to other entities. It also reorganizes the section of law.
Effective 7-1-01.

HB 1070 (Mitchell/Littlefield): This bill amends the State Travel Reimbursement Act to make meal and lodging expenses equivalent to the allowable limits provided by the Internal Revenue Code. Allows the Banking Department to reimburse for the actual and necessary travel and lodging expenses.
Effective 7-1-01.

HB 1116 (Winchester/Cain): Allows the Department of Human Services to reimburse the actual and necessary travel, lodging and subsistence expenses of its employees.
Effective 5-2-01.

HB 1189 (McCarter/Crutchfield): Clarifies that retired teachers who enter into post-retirement employment with a public school in Oklahoma are exempt from the minimum salary schedule set out in O.S. 70-118-4.7.
Effective 7-1-01.

HB 1234 (Askins/Monson): Amends the Oklahoma Firefighters Pension and Retirement System statutes. Adds infectious disease to the list of presumed on-the-job disabilities for purposes of determining disability retirement. Defines "infectious disease".
Effective 7-1-01.

HB 1248 (Stites/Morgan): This bill grants authority to allow a school district to pay any necessary retirement contributions and interest of an employee when an error in calculating the employee's regular annual compensation is made.
Effective 7-1-01.

HB 1251 (Stites/Morgan): This bill relates to the Oklahoma Firefighters Pension and Retirement System. It allows for pension benefits to be paid to a testamentary trust or inter vivo trust for the care and education of an unmarried member's children. It also makes provisions for disclaiming certain death benefits.
Effective 4-10-01.

HB 1450 (Miller/Nichols): Allows the Governor to allocate funds from the State Emergency Fund for funeral expenses up to \$7,000 for a state employee killed in the line of duty during an unforeseen, Governor-declared emergency, and payment for 6 months of premiums for the spouse and dependents.
Effective 6-1-01.

HB 1638 (Matlock/Crutchfield): Expresses legislative intent to conduct a study of the State and Education Employees Group Insurance Board regarding premiums, benefits, financial reserves and retained earnings.
Effective 5-31-01.

HB 1754 (Wells/Morgan): Allows educational support personnel who at some time ceased contributions to the Teachers' Retirement System of Oklahoma (OTRS) to elect to again join OTRS. This provision is conditioned upon IRS approval.
Effective 7-1-01.

PUBLIC EMPLOYEES FUNDING

SB 702 and HB 1546, a \$37.6 million pay and benefits package for state employees, was passed by the Legislature. SB 702 was signed into law May 15, 2001. (HB 1546)

The bills provide pay raises effective July 1, 2001, targeted for high turnover and/or low-paying jobs.

Below is a list of the employees receiving the pay raise and the annual amount they will receive:

\$4,000 Annual Increase

- Department of Corrections
 - Correctional Officers
 - Correctional Security Managers
 - Probation and Parole Officers
 - Correctional Counselors
 - Case Managers
 - Unit Managers
 - Food Service Specialists & Managers
 - Other Certified Staff
- Office of Juvenile Affairs
 - Police Officers
 - Juvenile Specialists
 - Institutional Program Coordinators

\$2,100 Annual Increase

- Department of Human Services
 - Registered Nurses
 - Licensed Practical Nurses
 - Nurse Managers (HB 1768)
- Department of Mental Health & Substance Abuse Services
 - Registered Nurses
 - Licensed Practical Nurses
 - Nurse Managers
- Office of Juvenile Affairs
 - Registered Nurses
 - Licensed Practical Nurses
 - Nurse Managers
- J.D. McCarty Center
 - Registered Nurses
 - Licensed Practical Nurses
 - Nurse Managers
- Department of Veterans Affairs
 - Registered Nurses
 - Licensed Practical Nurses
- Department of Health
 - Registered Nurses
 - Licensed Practical Nurses

\$2,000 Annual Increase

- Department of Corrections
 - All Other Classified Employees
- Pardon and Parole Board
 - Pardon & Parole Investigators

\$1,550 Annual Increase

- Department of Human Services
 - Direct Care Specialists
- Department of Mental Health & Substance Abuse Services
 - Patient Care Assistants
- J.D. McCarty Center
 - Patient Care Assistants
- Department of Veterans Affairs
 - Patient Care Assistants

- Department of Health
 - Patient Care Assistants
- Department of Rehabilitation Services
 - Direct Care Specialists

\$1,300 Annual Increase

- Department of Transportation
 - Transportation Equipment Operators
 - Transportation Technicians

SB 702 also provides state employees with an increased benefit designed to reduce the cost of health insurance. Under the bill, employer-paid dependent health insurance coverage is increased from 50% to 75% of the cost. Also, the monthly benefit allowance for employees is changed from a fixed amount to one based on a formula. The formula-based benefit allowance will protect employees from the cost of medical inflation that occurs from year to year.

Court reporters employed by District Courts, the Workers' Compensation Court and the Corporation Commission will receive pay increases of up to \$3,742 effective July 1, 2001, under bills passed by the Legislature. The raise was funded with an appropriation of \$177,125 to the District Courts and \$28,616 to the Workers' Compensation Court. (HB 1548, HB 1539 and HB 1544)

The Legislature approved appropriations of \$530,935 to provide pay increases to the 65 attorneys employed by the Oklahoma Indigent Defense System (OIDS), who were paid between 7-22% less than prosecutors. The appropriation completes a three-year project targeting pay parity among state-paid attorneys in the criminal justice system. OIDS attorneys received pay increases averaging 6% in FY'01 and 11% in FY'00. (HB 1570, HB 1545)

Pay limitations on Assistant District Attorneys were removed in HB 1548.

Law enforcement agents employed by the Alcoholic Beverage Laws Enforcement Commission will receive a pay increase of 5%. The agents were excluded from a FY'99 pay increase package for law enforcement personnel employed by other agencies.

PUBLIC FINANCE MEASURES

SB 123 (Herbert/Roach): Prohibits local governments from selling bonds for any sum less than 99% of the face value (currently such bonds must be sold at par) and allows payments to be within a range not to exceed the greater of 0.2% of the bond issue or twice the stated denomination of the bonds. Local governments must publish the methods by which bids may be submitted in notice of a bond issue and such methods may be by sealed

bid, facsimile bid, electronic mail bid or other bidding method. Local governing bodies are given the option of determining interest cost based on true interest cost. Bidders may submit an amount equal to 2% of the bond issue principal in cash, cashier's check, surety bond or similar security undertaking as required by the governing body.
Effective 7-1-01.

SB 159 (Stipe/Fields): This bill allows the Oklahoma Capitol Improvement Authority to construct a district probation and parole office on property of the Department of Corrections and hold title until bond obligations are retired. The total obligations shall not exceed \$330,000 with final maturity not later than 30 years.
Effective 4-17-01.

SB 372 (Taylor/Adair): Provides for staggered terms for members of the Board of Investors of the Tobacco Settlement Endowment Trust Fund and the Board of Directors of the Tobacco Settlement Endowment Trust Fund. The measure also requires the bond in any litigation involving a tobacco product manufacturer that is a party to the Master Settlement Agreements to be the lesser of up to 100% of the judgment or \$25 million and the court may make orders preventing dissipation or diversion of assets.
Effective 4-10-01.

SB 447 (Dickerson/Askins): Modifies certain criteria and procedures relating to sole source contracts. Removing a \$25,000 cap on the purchase price of certain sole source or sole brand acquisitions.
Effective 6-4-01.

SB 519 (Crutchfield/Erwin): Authorizes the governing board of an entity to modify the use of available funds for the economic development of areas within its jurisdiction to include provision of rural fire protection services.
Effective 7-1-01.

SB 544 (Hobson/Askins): Makes various changes related to operations of the Office of the State Treasurer, as follows:

- ◆ Provides that various fees and portions of fees related to motor vehicle offenses be deposited directly with the Department of Public Safety rather than going through the State Treasurer;
- ◆ Clarifies duties of the Oklahoma Tax Commission and the State Treasurer with respect to unclaimed interests of mineral owners;
- ◆ Modifies the Uniform Unclaimed Property Act to delete reporting requirements for property valued at less than \$50;

- ◆ Allows the State Treasurer to enter into contracts for specified services, including examination of persons under the Uniform Unclaimed Property Act, and allows the State Treasurer to keep confidential personal information submitted in connection with a property claim;
- ◆ Modifies value of property (from \$5,000 or less to \$10,000 or less) for which signed affidavit required with claim;
- ◆ Changes the membership of the Cash Management and Oversight Commission by eliminating the requirement for an ex officio nonvoting member appointed by the State Treasurer;
- ◆ Allows the investment officer to perform duties unrelated to the investment of state funds; and
- ◆ Repeals Section 659.1 of Title 60, which related to intangible property unclaimed for at least three years.

Effective 4-24-01.

HB 1003 (Askins/Taylor): Creates the Tobacco Settlement Endowment Trust Fund Act and includes the following provisions:

- ◆ Implements the constitutional amendment approved by the voters in 2000 to create a constitutional trust fund for tobacco settlement monies;
- ◆ Clarifies that appointments to fill vacancies on the Boards of Directors and Investors of the Tobacco Settlement Endowment Trust Fund are for unexpired terms;
- ◆ Provides for travel reimbursement, staffing and organization of Board members;
- ◆ Sets standards for performance of duties of Board of Investors and provides for investment managers and a custodial bank;
- ◆ Provides for determination of net appreciation of the trust fund each year;
- ◆ Requires Board of Directors to develop strategy and performance evaluations to maximize outcomes of grants awarded; and
- ◆ Provides for an operating budget for the Board of Directors (up to 15% of earnings annually, not to exceed \$500,000).

Effective 5-31-01.

HB 1014 (Erwin/Rabon): Relates to the investment of funds by cities and counties. Deletes the population restrictions of the governing body of a city or county that may adopt a written investment policy directing the investment of funds of the city or county and any of its public trusts or authorities. Effective 11-1-01.

HB 1467 (Ferguson/Coffee): Modifies the definition of personal property that can be rented by governing boards of any county, city, town or school district to include property that can be disassembled after installation and removed without permanent physical damage to existing property. Effective 7-1-01.

HB 1590 (Mass/Haney): Provides that members of the Boards of Directors of the Tobacco Settlement Endowment Trust Fund are paid travel reimbursement by their appointing authorities until the Board of Directors adopts its initial budget. Effective 6-4-01.

REVENUE AND TAXATION MEASURES

SB 4 (Taylor/Eddins): Exempts vehicles which are the subject of a lease or lease-purchase agreement with a fire protection district from motor vehicle excise taxes. Effective 5-23-01.

SB 9 (Monson/C. Pope): Modifies procedures relating to the requirement that persons holding a state license be in compliance with Oklahoma income tax laws. The new procedure will require licensing agencies to annually submit a list of licensees to the Tax Commission, along with identifying information. The Tax Commission will directly notify any licensee who is not in compliance, and will only notify the licensing agency if the licensee refuses to come into compliance or does not respond to the notice. Upon notification to the licensing agency, the agency will not renew the license. Legislative intent is stated to allow at least six months between notification and renewal. Special provisions are made for members of the Oklahoma Bar Association, under which the Bar Association will begin proceedings for suspension if a licensed attorney is out of compliance. Effective 5-31-01.

SB 24 (Herbert/Ervin): Provides that certain activities by persons contracting with commercial printers for services to be performed in Oklahoma will not require such persons to remit sales, use or income taxes to Oklahoma. These activities include ownership of property located at the premises of the printer, the periodic presence of employees of the person at the premises of the printer and printing performed in Oklahoma on behalf of the person. Effective 4-2-01.

SB 55 (Capps/Covey): Provides a tax credit for investors making eligible investments in qualified space transportation vehicle providers. The credit may be claimed against income taxes or insurance premium taxes and is transferable.

Investments must be made from January 1, 2001, through December 31, 2002, in a qualified space transportation vehicle provider that is headquartered in Oklahoma or controlled by an entity headquartered in Oklahoma. The company must qualify for payments under the Quality Jobs Program Act or the Former Military Facilities Development Act, have equity capitalization of at least \$10 million and have received a commitment from a local governmental entity to provide funds or property of at least \$15 million in the aggregate for use by space transportation vehicle providers. If an investment is refunded, the credit may be recaptured.

The maximum amount of all eligible investments which may be claimed is \$30 million. Investors will receive credits of in a percentage of the eligible investment, with 10.6% the first year, 11.236% the second year, 11.910% the third year, 12.624% the fourth year, and 13.381% the fifth year. A space transportation vehicle provider may not receive quality jobs or former military facility development act payments until the amount of the credit is repaid to the state. If the amount of quality jobs payments is insufficient, the difference will be withheld from fuel tax payments made to the Oklahoma Transportation Authority, which will then be repaid from subsequent payments.

Section 2 of SB 55 provides that other credits allowed in connection with commercial space industries not be allowed for activity for which a credit is claimed under Section 1. Sections 3 and 4 allow a member of the board of the Oklahoma Space Industry Development Authority to be named as chief executive officer of the Authority if the member resigns his board seat. Effective 5-24-01.

SB 101 (Mickle/Dunegan): Requires that facilities previously qualifying for a five-year ad valorem tax exemption be deemed to have met payroll requirements if at least \$10 million in capital improvements are made to the facility in any five-year period. Effective 4-23-01.

SB 119 (Crutchfield/Rice): Extends the structure of the gross production tax rate on oil production (7% if oil price greater than or equal to \$17 per barrel, 4% if price from \$14 to \$17 and 1% if price less than \$14) until June 30, 2004 (was July 1, 2001), and clarifies the definition of "workover" for purposes of the gross production tax exemption on production enhancement projects. The bill also increases from 1% to 2% the amount of oil which may be recovered

from water handled by salt water disposal facilities without imposition of the 12.5% tax, and provides that for tax years beginning on or after January 1, 2001, and ending on or before December 31, 2004, the depletion allowance for major oil companies is limited to 50% of the net income of the taxpayer (other taxpayers are not limited for those years).

The bill extends provisions related to the Corporation Commission Well Plugging Fund and the petroleum excise tax revenues deposited to the Fund until July 1, 2006 (was July 1, 2001). Limits provisions allowing local authorities to limit access on highways, detours and bridges to situations in which an immediate threat of serious harm or destruction can be prevented or minimized. Specifies that local authorities do not have the right to issue permits to regulate the use of overweight vehicles on their highways.
Effective 7-1-01.

SB 120 (Herbert/Nations): Directs \$850,000 collected each year from motor vehicle revenues to be deposited to the Oklahoma Tourism and Passenger Rail Revolving Fund rather than the Railroad Maintenance Revolving Fund, and provides that such monies may be used for a railroad passenger route beginning in Oklahoma County and extending to the Kansas state line in Kay County.
Effective 7-1-01.

SB 170 (Monson/Mitchell): Provides an income tax checkoff to benefit the Oklahoma School for the Blind and the Oklahoma School for the Deaf.
Effective 11-1-01.

SB 307 (Haney/Mass): Modifies limitation on amounts deposited to the Common Education Technology Fund, the Higher Education Capital Revolving Fund, the Oklahoma Tuition Scholarship Revolving Fund, the County Bridge and Road Improvement Fund and the REAP Water Projects Fund from gross production tax revenues on oil production from \$100 million to \$150 million in any fiscal year.
Effective 5-24-01.

SB 348 (Milacek/Roggow): Where revenues from a county sales tax will be used for fire protection services, requires listing of specific fire departments to which revenues will be allocated in the instrument calling for a county sales tax election and the ballot title.
Effective 4-3-01.

SB 501 (Morgan/Fields): Repeals the alcoholic beverage identification stamp tax, increases the rate of the mixed beverage gross receipts tax from 12% to 13.5% and increases fees for mixed beverage licenses by \$500. The measure also implements the recently-enacted state question allowing sales from wineries to restaurants and provides specific ranges of amounts of mixed beverage gross receipts tax

revenues which may be paid to the Tax Commission for an establishment to be deemed in compliance.
Effective 11-1-01.

SB 508 (Rabon/Erwin): Changes the Oklahoma Tourism Development Act originally enacted in 2000 to allow for incentives to be taken in the form of a sales tax credit (as well as an income tax credit). Various other clean-up changes are made, including clarification of duties of the Department of Tourism and Recreation.
Effective 7-1-01.

SB 533 (Fisher/Ervin): Modifies the Local Development Act to provide that the prohibition on granting ad valorem tax incentives is in effect only as long as property is subject to a five-year exemption.
Effective 4-23-01.

SB 535 (Hobson/Nations): Exempts from sales tax sales to or by a tax-exempt organization affiliated with a comprehensive state university which has been organized primarily to provide education and teacher training and conduct events related to robotics.
Effective 5-21-01.

SB 589 (Monson/C. Pope): Creates the Simplified Sales and Use Tax Administration Act. The state will enter into multi-state discussions to review or amend the Streamlined Sales and Use Tax Agreement and the Tax Commission is directed to enter into the Agreement at such time as the Legislature so directs the Tax Commission or amends the sales and use tax codes to conform with the Agreement. The Tax Commission may not enter into the Agreement unless it contains specified provisions relating to simplified rates, uniform standards, central registration, nexus attribution, local taxes, monetary allowances, state compliance, consumer privacy and advisory councils. Provisions are made for certified service providers to collect and remit sales and use taxes.
Effective 11-1-01.

SB 590 (Monson/C. Pope): Removes the \$40,000 cap on certain fees that may be retained by motor license agents.
Effective 7-1-01.

SB 674 (Leftwich/Winchester): Creates the Compete with Canada Film Act and the Oklahoma Film Enhancement Rebate Program. Subject to the availability of funds, a rebate of 15% of documented expenditures made in Oklahoma attributable to the production of a long-form narrative film or television production may be paid to the production company if the Oklahoma Film Office determines that the project has a reasonable chance of economic success. The amount of all rebates paid may not exceed \$2 million in any single year. The Act is terminated effective 7/1/11.
Effective 7-1-01.

HB 1097 (Maddux/Rabon): Allows counties with population less than 200,000 to levy a lodging tax of up to 5% upon voter approval.
Effective 11-1-01.

HB 1169 (Claunch/Dunlap): Creates the Task Force on Ad Valorem Assessment Practices, consisting of four legislators, two county assessors, three property owners, one member of the State Board of Education, and one certified public accountant, appointed by the President Pro Tempore of the Senate, Speaker of the House of Representatives and Governor. The Task Force will have the duties of studying and reviewing local assessment practices, reviewing laws governing assessment, comparing Oklahoma assessment practices with those of other states and determining law changes necessary to implement its recommendations. The Task Force must submit its findings or recommendations by 7/1/02 and is terminated as of that date.
Effective 6-1-01.

HB 1186 (Ingmire/Coffee): Allows net operating losses to be carried forward and back to other tax years as provided in Section 172 of the Internal Revenue Code.
Effective 6-1-01.

HB 1203 (C. Pope/Monson): Makes various changes relating to revenue and taxation, as follows:

- ◆ Provides for an administrative fee of \$500 to be added to the initial or renewal fees for a Mixed Beverage license or \$250 to be added to the fee for a Mixed Beverage/Caterer Combination license; adds language from Senate Bill 2 passed earlier this session specifying the renewal fee for an airline/railroad beverage license held by certain railroads; provides that the revenue generated by the mixed beverage gross receipts tax will be apportioned to the General Revenue Fund; and specifies the minimum bond for mixed beverage permit holders;
- ◆ Increases from 20 to 25 days the amount of time a secured party has to return the lien entry form and the lien filing fee;
- ◆ Deletes requirement that vehicles obtaining a rebuilt title must be inspected since the vehicle inspection requirements have been repealed in earlier legislation;
- ◆ Provides that in the case of proportional registration the Tax Commission shall require the applicant to utilize an estimated mileage chart provided by the Commission in the absence of a full statement of the proposed method of operation and allows the Tax Commission to enter into an agreement with any person for the distribution and issuance of temporary permits or authorizations for any vehicle which is currently proportionally registered;
- ◆ Authorizes the Tax Commission to issue "hunters permits" to certain proportionally registered vehicles;
- ◆ Clarifies procedures relating to the refiling of liens and warrants by the Tax Commission;
- ◆ Modifies and simplifies the decedent reporting procedures relating to bank deposits of deceased persons;
- ◆ Apportions gross production tax penalty monies to the General Revenue Fund;
- ◆ Exempts from sales tax sales to a 501(c)(3) organization in the course of conducting a national championship sports event if all or a portion of the payment in exchange would qualify as the receipt of a qualified sponsorship payment and sales of materials and supplies to the owner or operator of a ship, motor vessel or barge that is used in interstate or international commerce;
- ◆ Corrects oversight from last session and makes the income tax deduction for all qualified wages equal to the federal income tax credit for employment in Indian Territory applicable to corporate as well as individual taxpayers;
- ◆ Requires in the calculation of the use value of buffer strips that exclusive consideration be based on income production from such buffer strips;
- ◆ Requires county assessors to physically inspect personal property at least once each four years and requires the cost of physical inspections of personal property to be paid by ad valorem recipients;
- ◆ Moves the date public service valuations are to be certified from the third Monday of May to July 31 of each year and changes the time period a public service corporation may protest from thirty to twenty days;
- ◆ Specifies that for purposes of the five-year exemption that the amount of increased payroll shall include payroll for FTE's who are employed by an entity other than the facility which has previously or is currently qualified to receive an exemption;
- ◆ Requires the State Auditor and Inspector to prescribe form relating to joint school district millage certifications;

- ◆ Modifies the various income tax checkoff programs so the opportunity to donate will be mentioned on the form with the actual donation to occur on a separate form; and
- ◆ Repeals duplicate sections.

Effective 7-1-01 and 6-4-01.

HB 1219 (Case/Herbert): Exempts special fuel purchased by school districts and the Department of Transportation from special fuel taxes and extends the income tax credits for conversion of motor vehicles to alternative fuels until 2008.

Effective 11-1-01.

HB 1224 (Leist/Shurden): Requires county assessors to maintain and use school district boundary descriptions furnished by the State Department of Education.

Effective 11-1-01.

HB 1439 (Nations/Nichols): Modifies the selling price of aircraft (from \$5 million to \$2.5 million) to qualify for an aircraft excise tax credit for expenditures to benefit airports.

Effective 7-1-01.

HB 1702 (Lindley/Monson): Requires the Tax Commission to use the same determination made by the Internal Revenue Service in disputes involving joint returns, if the tax year and circumstances are the same. If no determination has been made by the IRS, the Tax Commission must apply the factors that would have been applied by the IRS.

Effective 5-23-01.

HB 1736 (Roach/Morgan): Includes as property of a charitable institution for property tax purposes, a continuum of care retirement community providing housing for the aged, which is owned by a federally tax-exempt nonprofit entity in a county with a population of more than 500,000.

Effective 11-1-01.

HJR 1001 (Claunch/Reynolds): Proposes a constitutional amendment to exempt from ad valorem taxes up to 100 square feet of a storm shelter installed or added to real property after 1/1/02. A subsequent transfer of the real property would result in the storm shelter being assessed for taxation based on its fair cash value.

HJR 1025 (Benson/Maddox): Proposes a constitutional amendment to allow county voters to vote to retain 25% of increased ad valorem taxes on property previously granted a five-year manufacturer's exemption to be used as an economic development incentive to attract additional investment which will result in additional employment in the county. Only tax revenue from the county ten-mill levy may be used in this manner.

TAX POLICIES FUNDING

HB 1933 provides a \$46 million annual income tax cut. Two main provisions: (HB 1933)

- ◆ An earned income tax credit (EITC) in the amount of 5% of the federal EITC, which increases with earnings and family size. The annual impact, beginning in FY'03, is expected to reduce taxes paid by \$22.5 million. Families with income less than \$32,000 and individuals with income less than \$10,000 are eligible. The tax credit is expected to benefit between 250,000 and 300,000 income tax payers. The average credits will be about \$80 annually.
- ◆ Lowers the maximum income tax rate under Method 1 from 6.75% to 6.65% effective January 1, 2002. The income tax rate reduction for FY'02 is estimated to be about \$9.67 million and \$23.8 million annually beginning in FY'03.

SB 8 exempts from sales taxes purchases by the Department of Veterans Affairs and its contractors. Beginning in FY'02, the estimated fiscal impact to the General Revenue Fund will be \$78,000.

Relating to electric deregulation, SB 440 provides an income tax credit for production of electricity from renewable sources. There is no fiscal impact for FY'02 or FY'03.

SB 495 makes several changes to tax laws:

- ◆ Exempts sales related to aircraft repairs modifications from sales tax if the aircraft weighs between 12,500 to 300,000 pounds and is repaired or modified at a new or expanded facility. The investment threshold for a new or expanded facility is lowered from \$4 million to \$3 million, and amounts expended for research and development may be included to reach the threshold. To qualify, construction for a new or expanded facility must begun by July 1, 1999. The Oklahoma Tax Commission anticipates an annual fiscal impact of \$23,000;
- ◆ Allows coal tax credits to be claimed against insurance premium taxes and enacts a new credit for coal producers of \$0.95 per ton, with an additional \$0.95 per ton for coal produced from thin seams. The new credits are transferable. These provisions cause a fiscal impact of about \$1.7 million per year; and
- ◆ Modifies the definition of "royalty interest owner" and allows credit of amounts withheld against the income taxes of the person to whom the royalty payment is ultimately distributed. These provisions cause a positive fiscal impact of \$1.8 million annually beginning in FY'02.

HB 1896 allows an income tax deduction for contributions to a college savings plan, limited to \$2,500 per tax year. This legislation will impact income tax revenues by \$690,000 beginning in FY03.

HB 1023 (Easley/Crutchfield): Recreates the Prison Industry Marketing Development Advisory Task Force until 2007.
Effective 8-23-01.

SUNSET MEASURES

TELECOMMUNICATIONS AND COMPUTER TECHNOLOGY MEASURES

HB 1015 (Easley/Crutchfield): Recreates the Public Employees Relations Board until 2007.
Effective 8-23-01.

SB 376 (Robinson/Ervin): Modifies the definition of "not-for-profit hospital" under the Oklahoma Telecommunications Act to include any hospital considered tax exempt by the IRS and any not-for-profit hospital owned by a municipality, county or the state.
Effective 4-16-01.

HB 1016 (Easley/Crutchfield): Recreates the State Accrediting Agency until 2007.
Effective 8-23-01.

HB 1017 (Easley/Crutchfield): Recreates the Archives and Records Commission until 2007.
Effective 8-23-01.

HB 1322 (Perry/Robinson): Requires registration with the Secretary of State as a registered certification authority to be authorized to issue certain certificates for digital signature. Creates the Task Force on Electronic Commerce to study the technology of and applications for electronic commerce and to prepare recommendations for the Legislature.
Effective 7-1-01.

HB 1018 (Easley/Crutchfield): Recreates the Ottawa Reclamation Authority until 2003.
Effective 8-23-01.

HB 1019 (Easley/Crutchfield): Updates the 2001 list of agencies due for Sunset Review by adding four agencies to the previous list. The following agencies will be due for Sunset Review in 2007:

- ◆ State Accrediting Agency;
- ◆ Public Employees Relations Board;
- ◆ Capitol-Medical Center Improvement and Zoning Commission;
- ◆ Archives and Records Commission;
- ◆ Oklahoma Prison Industry Marketing Development Advisory Task Force;
- ◆ Oklahoma Energy Resources Board;
- ◆ Advisory Committee on Pedorthics; and
- ◆ Advisory Committee on Orthotics and Prosthetics.

TOURISM MEASURES

Effective 8-23-01.

SB 205 (Haney/Mass): Increases the maximum salary of the Chief Administrative Officer of the J.M. Davis Memorial Commission from \$48,159.00 to \$72,000.00 per annum.
Effective 7-1-01.

HB 1020 (Easley/Crutchfield): Recreates the Capitol-Medical Center Improvement and Zoning Commission until 2007.
Effective 8-23-01.

SB 663 (Taylor/Jones): Dissolves the merger of Will Rogers Memorial Commission and the J.M. Davis Memorial Commission. Requires the Will Rogers Memorial Commission to maintain donation receptacles for the purpose of collecting voluntary donations to the Will Rogers Memorial Commission and to the Will Rogers Heritage, Inc. Requires the Funds to be deposited in the Will Rogers Memorial Commission Revolving Fund.
Effective 7-1-01.

HB 1021 (Easley/Crutchfield): Recreates the Oklahoma Energy Resources Board until 2007 and removes a restriction on the Board relating to the amount of their annual budget the Board is authorized to spend on advertising.
Effective 8-23-01.

SB 704 (Herbert/Corn): Renames Sallisaw State Park located in Sequoyah County, Oklahoma, as "Brushy Lake State Park", Beaver State Park located in Beaver County, Oklahoma, as "Beaver Dunes State Park", Heavener State Park located in Le Flore County, Oklahoma, as "Heavener-Runestone State Park", and Wister State Park located in Le Flore County, Oklahoma, as "Lake Wister State Park". The bill requires the Oklahoma Tourism and Recreation Department to provide for this name change in current and future signage and information materials.
Effective 4-18-01.

HB 1022 (Easley/Crutchfield): Repeals statutes relating to 17 now defunct state agencies, boards or commissions.
Effective 7-1-01.

SB 748 (Herbert/Corn): Provides needed flexibility and authority to the Oklahoma Tourism and Recreation Department in order to compete in the marketplace and keep up with the rapidly changing tourism and hospitality industry.

The bill:

- ◆ Provides that, in the future, all professional or managerial positions that become filled within the Travel and Tourism Division, except in the welcome centers, may be filled as unclassified employees;
- ◆ Exempts department furniture purchases for décor of its resorts, parks, golf and welcome center facilities from prison industries process;
- ◆ Authorizes the Tourism Commission to delegate signing authority to the Executive Director for certain documents. Requires the Executive Director to report to the Commission actions taken pursuant to the delegation;
- ◆ Updates OTRD audit statutes to utilize the more modern "risk basis" auditing approach, where audit resources are devoted to the areas of greatest risk, in the opinion of the State Auditor;
- ◆ Authorizes the Tourism Commission to contract to have a feasibility study conducted examining alternative management/operation approaches at Lake Murray Resort. Authorizes a negotiated contract solicitation process for obtaining the study; and
- ◆ Authorizes the operations of the Scenic Rivers Commission. Authorizes Scenic Rivers Commission to hire its own peace officers. Authorizes certain employees to retain status in the Oklahoma Law Enforcement Retirement System.

Effective 6-1-01.

HB 1041 (Erwin/Rabon): Authorizes the Oklahoma Tourism and Recreation Commission to lease, in the name of the State of Oklahoma, lands and areas located within the Lake Hugo area in Choctaw County, Oklahoma, which are under control and direction of the United States Army Corps of Engineers, for the purposes of locating and establishing an Oklahoma state park and park facilities. Specifies that if such lease is entered into, the park shall be known as the Hugo Lake State Park.

The bill also increases the funds available to the Oklahoma Tourism and Recreation from the Oklahoma Tourism and Recreation Revolving Fund. Effective 7-1-01.

HB 1603 (Peters/ Riley): Authorizes the Oklahoma Tourism and Recreation Commission to implement an incentive program to improve private concession maintenance within properties under the jurisdiction of the Commission. Requires the Commission to promulgate rules for the implementation of the program.

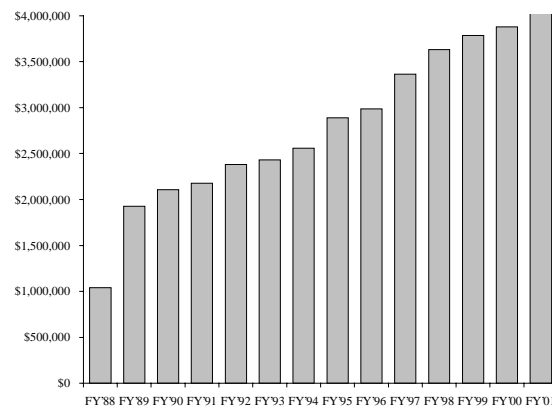
Effective 7-1-01.

TOURISM FUNDING

The Legislature made \$1 million available to the state's 51 State Parks to establish an equipment replacement program. (HB 1535)

The Legislature provided \$500,000 to match funds collected through the Tourism Tax assessed on tourism businesses. The funds will be used to supplement tourism advertising efforts in Oklahoma and surrounding states to boost visitation and tourism awareness. (HB 1535)

**Oklahoma Tourism Promotion Tax
Annual Deposits**



The Legislature increased funding for the Multi-county Organizations Matching Funds Program by \$250,000. The program will allow Oklahoma's 19 qualifying lake and country associations to expend additional resources for local promotion and advertising. (HB 1535)

Funds were provided to OTRD to make infrastructure improvements in Oklahoma's six resorts. The funds will update obsolete telephone systems and convert the locks at all resort and lodge guestrooms to electronic safety locks. (HB 1535)

The Legislature approved SB 567 to transfer the Quartz Mountain Arts & Conference Center, golf course and park to the Regents for Higher Education effective January 2002. The Regents intend to use the facility to develop hospitality management curricula and, in conjunction with the Oklahoma

Arts Institute, to establish fine arts programs. (SB 567)

To provide an incentive to attract film and video production companies to operate in Oklahoma, the Legislature funded the provisions of SB 674, the "Compete with Canada Film Act," with \$150,000. (HB 1535)

TRANSPORTATION MEASURES

SB 2 (Herbert/Nations): Establishes a \$100.00 renewal fee for an airline/railroad beverage license for certain railroad carriers. The renewal fee for carriers excluded from the act is \$905.00. Effective 4-1-01.

SB 40 (Capps and Covey): Changes the name of the Oklahoma Aeronautics and Space Commission to "Oklahoma Aeronautics Commission". Effective 5-14-01.

SB 248 (Kerr/ Mass): Authorizes and directs the Oklahoma Department of Transportation to transfer and convey certain property to the Native American Cultural and Educational Authority. Effective 5-14-01.

SB 446 (Rozell/Wilson): Imposes a \$2.00 per trip per raft user fee for commercially owned or operated flotation devices, and a \$1.00 per trip per raft user fee on privately owned flotation devices. Authorizes property owners adjacent to the rivers to operate one flotation device for their individual use without paying a user fee.

The bill authorizes the Scenic Rivers Commission to establish a fee for the use of camping sites and access areas controlled by the Commission not to exceed the rate charged by the Oklahoma Tourism and Recreation Department for camping sites.

The bill authorizes the administrator of the Scenic Rivers Commission to supervise park rangers "under contract with" rather than "employed by" the Commission. Effective 4-11-01.

SB 458 (Stipe/Tyler): Increases certain required distances between newly constructed billboards that come under the Highway Advertising Control Act of 1968. The purpose of this bill is to allow the industry to police itself, and avoid over-building of billboards.

Billboards constructed within the limits of an incorporated municipality would have to be at least 300 feet apart, when on the same side of the highway (current law is 100 feet). Signs on opposite sides of the highway would remain unchanged at 100 feet. Newly constructed signs outside of an

incorporated municipality would have to be at least 1000 feet apart (current law is 500 feet), irrespective of side of the highway. Effective 11-1-01.

SB 459 (Shurden/Littlefield): Designates State Highway 9, beginning at the intersection of State Highway 9 and U.S. Highway 69 in McIntosh County, extending west approximately two miles, as the "J.M. Bailey Highway". Designates the bridge that crosses over Grand Lake on U.S. Highway 59 in Delaware County as "Sailboat Bridge". Requires the Department of Transportation to cause suitable permanent markers to be placed. Effective 11-1-01.

SB 460 (Morgan/Matlock): Authorizes any person not required to be certified by the Department of Public Safety as an escort vehicle operator to tow a trailer when escorting a manufactured home. Prohibits the trailer from exceeding 8 1/2 feet in width and 20 feet in length with siding not to exceed 4 feet in height measured from the bed of the trailer. The trailer may only be used to transport supplies and equipment necessary to carry out the mission of escort vehicle operators. Effective 4-24-01.

SB 465 (Stipe/Tyler): Exempts the Department of Transportation and the Oklahoma Transportation Authority from using consultant and construction contract forms that are required by the Director of the Department of Central Services.

The bill modifies the definition of "project" by excluding transportation facilities under the jurisdiction of the Department of Transportation or the Oklahoma Transportation Authority and defines authority, construction manager, department, design consultant and public work improvement.

The bill further requires the Department of Transportation and the Transportation Authority to compile a consultant list of qualified construction managers and design consultants from which the Department shall choose. Effective 6-4-01.

SB 468 (Laughlin/Davis): Specifies that no truck or semi-trailer with an axle weight of 20,000 pounds or more which is used to haul manure and operated on the public roads or highways of this state shall be considered an implement of husbandry. Effective 4-18-01.

SB 476 (Stipe/Tyler): Clarifies the process of compensation as the exclusive remedy when a billboard is taken by a governmental entity. Effective 5-2-01.

HB 1377 (Plunk/Wilkerson): Authorizes a 5% weight variance on the gross weight of vehicles transporting oilfield equipment or equipment used in oil and gas well drilling or exploration. Effective 11-1-01.

HB 1415 (Corn/Stipe): Amends 1377. Prohibits public entities from paying for material where the transporting vehicle exceeds maximum gross weight limits. Adds exemption to total gross weight limits for vehicles that are transporting rock, sand, gravel, and coal. Effective 7-1-01.

HB 1454 (Plunk/Wilkerson): Increases the number of Assistant Director positions within the Department of Transportation. Adds the Department of Agriculture to agencies which may contract with state retirees. Effective 7-1-01.

HB 1536 (Mass/Haney): Changes the effective date of Section 1 of Enrolled House Bill No. 1274 (Scenic Rivers Act) from November 1, 2001 to July 1, 2001. It also repeals Section 2 of Enrolled House Bill No. 1274. Effective 7-1-01.

HB 1639 (Roggow/Crutchfield): Modifies conditions for special speed limits to add areas being maintained on turnpikes and highways. Adds emergency and wrecker vehicles to vehicles authorized to cross turnpike medians. Effective 11-1-01.

HB 1681 (Case/Herbert): Defines "low speed electrical vehicle" as a vehicle that is powered by an electric motor that draws current from rechargeable storage batteries or other sources of electrical current, with a top speed greater than 20 miles per hour but not greater than 25 miles per hour, and which is manufactured in compliance with the National Highway Traffic Safety Administration standards for low-speed vehicles in 49 C.F.R. 571.500.

The bill prohibits the vehicle from being operated on any street or highway with a posted speed limit greater than 35 miles per hour, but specifies that the vehicle may cross that street or highway.

The bill authorizes a city to adopt any ordinance that would further restrict low-speed electrical vehicles from operating on certain city-owned streets in order to ensure the public health and safety. Effective 11-1-01.

HB 1772 (Tyler/Stipe): Authorizes circuit engineering districts to participate in the County Road Machinery and Equipment Revolving Fund. Authorizes circuit engineering districts to organize a statewide board consisting of the chairpersons duly elected by each of their respective circuit engineering

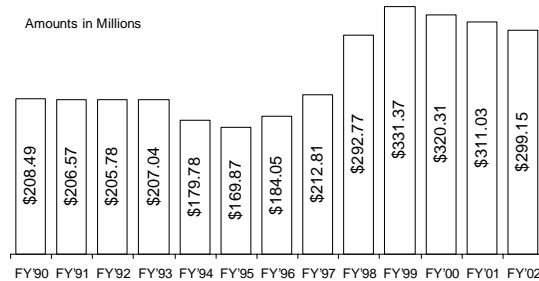
districts. Allows the statewide board to conduct business and coordinate activities as determined by the members of the circuit engineering districts. Effective 11-1-01.

HB 1781 (Tyler/Crutchfield): Provides that a resolution for reimbursement submitted by the board of county commissioners shall serve to satisfy the requirements for a county to receive reimbursement for all costs claimed relating to the construction of a force account bridge. The bill also provides that the force account bridge shall achieve a load rating of 20 tons or greater for a county to receive reimbursement. Effective 11-1-01.

TRANSPORTATION FUNDING

The Legislature appropriated \$299.2 million to the Department of Transportation for FY'02, a decrease in funding of 3.8% from FY '01. (HB 1564, HB 1570, SB 249, and SB 310)

**Department of Transportation
Funding History**



The Capitol Improvement Program (CIP), the \$1 billion initiative for highway and road construction initiated in 1997, was funded as follows:

- ◆ Phase I -- \$80.2 million for projects and debt service.
- ◆ Phase II -- \$19.9 million for debt service

The Legislature authorized \$2 million in continued support for public transportation, and appropriated \$2.6 million for ODOT employee pay raises and benefits costs.

**VETERANS AND MILITARY AFFAIRS
MEASURES**

SB 67 (Helton/Benson): Authorizes the Lawton/Ft. Sill Veterans Center to use the revolving fund and to create a petty cash fund. Effective 7-1-01.

HB 1289 (Wells/Crutchfield): Adds the Department of Veterans Affairs to the list of agencies authorized to purchase any passenger automobile or bus with public funds.
Effective 7-1-01.

VETERANS FUNDING

\$300,000 was provided to the Department of Veterans Affairs in HB 1518. This funding will be used to operate a new 52 bed Alzheimer's wing at the Claremore Veterans Center. The new wing is expected to open in November 2001.

The Department of Veterans Affairs received \$1. 4 million in HB 1518 for the allied health pay raise. The money will be used to increase the salaries of 471 Registered Nurses and Licensed Practical Nurses by \$2,100. The Department's 79 Patient Care Assistants will receive a \$1,550 raise as well.

SB 8 exempts the Department of Veterans Affairs and its contractors from sales taxes. The estimated fiscal impact to the General Revenue Fund will be \$78,000.

OKLAHOMA MILITARY DEPARTMENT FUNDING

\$3.8 million was appropriated to repair 82 National Guard Armory roofs, many of which had so deteriorated that any significant rainfall caused extensive damage to structures and interiors. These monies will be used to leverage as much \$19 million in federal matching funds targeted for the internal repair and refurbishment of the armories. (SB 213)

The Legislature also appropriated \$200,000 to meet the Master Cooperative Agreement between the National Guard Bureau and Oklahoma. The state share of that contract rose from 30% to 40% for FY'02. Without the additional funding, the Military Department faced a loss of \$1.7 million in federal funding for the Thunderbird Youth Academy, a nationally recognized institute where at-risk teenagers pursue their education within a disciplined (boot camp) atmosphere.

WILDLIFE

SB 477 (Shurden/D. Smith): Authorizes the Wildlife Conservation Commission to promulgate rules to sell hunting and fishing licenses via the Internet.
Effective 11-1-01.

SB 480 (Shurden/D. Smith): Authorizes the Department of Wildlife Conservation to impose a processing fee of not more than \$5.00, per calendar

year, per person, for controlled hunts applications in addition to any other fees authorized by law.
Effective 11-1-01.

SB 550 (Fisher/Tyler); Requires the Wildlife Conservation Commission to immediately develop rule-making proposals which are designed to increase an applicant's opportunity to be awarded a controlled hunt permit. Requires the Wildlife Department to hold five public hearings at five diverse locations as determined by the Commission. Requires the Department to notify the chairs of the Wildlife Committees of the Senate and House of Representatives at least 30 days prior to any public hearing relating to this measure.
Effective 11-1-01.

HB 1262 (D. Smith/Shurden): Adds the Director of Wildlife Conservation or a designee as a member of the State Geographic Information Systems Council.
Effective 4-9-01.

HB 1375 (Plunk/Shurden): State Question 698 would amend the Oklahoma Constitution by changing from 8% to 15% the number of legal voters needed to propose an amendment to certain laws of this state. It would only apply to certain types of laws. It would apply to laws that would do away with methods for hunting, fishing, or trapping; occupations dealing with animals; or sporting or entertainment events dealing with animals.

WORKERS' COMPENSATION

HB 1530 (Mass/Haney): Authorizes volunteer fire departments organized pursuant to state law to obtain workers' compensation insurance for volunteer firefighters through the Volunteer Firefighter Group Insurance Pool. The State Insurance Fund is charged with establishing requirements for the Pool, administering the Pool, and annual reporting duties. Requires the state to provide a portion of the premium not to exceed a certain dollar amount. Prohibits use of financial information relevant to the Pool when considering the financial aspects of any other policyholder of the State Insurance Fund. Limits the state payment rate for volunteer firefighters.
Effective 5-23-01.

HB 1718 (Askins/Henry): Changes the name of the State Insurance Fund to "CompSource Oklahoma" and clarifies references to the State Insurance Fund.
Effective 7-1-01.

VETOED BILLS

SB 352 (Shurden/Leist): Would have prohibited a candidate from producing, printing, publishing, broadcasting or otherwise disseminating inaccurate information about another candidate's voting record.

Vetoed 5-7-01: Veto message states that it would violate the First Amendment because it "can be construed as not allowing for fair comment on a voting record and would likely have the effect of chilling constitutionally protected speech."

SB 353 (Fisher/Tyler): Would have modified venue in trust actions to include a county in which a financial institution or trust company serving as a trustee has a trust office. If a trust does not have a financial institution or trust company serving as trustee, venue would have been proper in any county where any trustee, beneficiary or person affected by the administration of the trust resided.

Vetoed 6-8-01: Veto message states that the bill "unnecessarily expands venue in certain trust actions" and that "this expansion of venue could encourage forum shopping."

SB 415 (Morgan/Kirby): Would have modified the definition of "person" as it relates to Used Motor Vehicles and Parts to include a financial institution or party providing financing options. Would have provided a procedure for certifying the documented repair costs for a vehicle which has been issued a salvage title. Would have established a registration fee of \$15.00 for all mopeds.

Vetoed 6-5-01: Veto message states that the bill "would allow salvaged car titles to be replaced with clean titles upon certification by the entity repairing the vehicle that the costs of the repairs were not 60% of its value - the standard used to determine 'salvaged'."

SB 444 (Shurden/Leist): Would have provided that members of the Capitol Patrol Section of the Oklahoma Highway Patrol Division of the Department of Public Safety have the uniform and equipment of an officer of the Highway Patrol. Would have prohibited an officer from handcuffing or incarcerating a person solely for a child passenger restraint system or seatbelt violation, with some exceptions.

Vetoed: 6-5-01: Veto message states "this bill does not clearly indicate that all officers of the highway patrol are to complete the full Patrol Academy of the Department of Public Safety, a requirement that must exist in order to protect the safety of the public. The Legislature also failed to provide adequate funding for providing the same equipment and uniforms to all officers of the Oklahoma Highway Patrol Division."

SB 496 (Rabon/Roberts): Would have required the State Board of Education to restore state aid penalties assessed during the 2000-2001 school year for noncompliance with Oklahoma Cost Accounting System filing deadlines. Would have required school districts to amend district budgets if penalty imposed in future years.

Vetoed 6-5-01: Veto message states that "this bill waives penalties for school districts that violate the law requiring reports for financial transactions to be filed with the Board of Education. Schools currently have ample time to file these reports and receive notices prior to the imposition of penalties. Failure to enforce the penalties for not filing timely reports would create a disincentive to follow the law."

SB 534 (Fisher/Turner): Would have modified the income tax credit allowed for rehabilitation expenditures to allow it to be claimed against insurance premium taxes and to allow it for properties located in an incentive district (as well as an increment district). The measure also would have directed county assessors to consider the effect on market value of rent restrictions imposed on property when valuing rent-restricted properties, and expanded the purposes for which monies may be expended from the Housing Trust Fund to include a grant or loan program for developers building in-fill housing.

Vetoed 6-8-01. Veto message states that "this bill grants an additional subsidy to owners of low income housing through the reduction of ad valorem property taxes by valuing the property based solely on the amount of the rental payment made by the tenant and excluding the value of the rental payment made by a government housing program. This provision is too broadly written and would apply not only to affordable housing apartments built under programs designed to reduce any shortages which may exist, but could also apply to all low-income housing programs thereby giving an unfair property tax advantage to these property owners over their neighbors. Housing assistance programs are intended to subsidize rent payments for low income individuals, not the property owners."

SB 540 (Henry/Toure): Would have created a cause of action for anyone injured indirectly, as opposed to only directly, by a violation of antitrust laws. Would have required courts to take all necessary steps to avoid duplication of liability when claims are asserted against a party by both direct and indirect purchasers.

Vetoed 4-11-01: Veto message states that the bill "will increase the complexity of antitrust litigation as well as the likelihood of multiple liability for defendants. This bill unnecessarily expands liability which will thereby increase litigation."

SB 615 (Crutchfield/Roan): Would have deleted references to parking on state property and prohibited parking on all state properties within Oklahoma and Tulsa County. Modified fines for

certain parking violations, provided for hearing within a certain period of time, and authorized the use of a tire boot to immobilize vehicles. Provided for penalty for persons refusing to leave any part of a building owned or leased by the state.

Vetoed 4-10-01: Veto message states that “the language in Section 2 of the bill is overly broad in that it could operate to criminalize constitutionally protected activities including the right to assemble and the right to free speech. There is no requirement that a person refusing to leave a state building be causing a disturbance interfering with or disrupting state business in order to be guilty of a misdemeanor.”

SB 627 (Price/Leist): This bill would have created the Oklahoma Credible Data Act which relates to water quality monitoring data utilized by state agencies with environmental responsibilities. The bill defined credible data as “scientifically valid chemical, physical or biological monitoring data collected under a scientifically accepted sampling and analysis plan, including but not limited to quality control and assurance procedures” and required state environmental agencies to decide whether to use historical data or data which, if collected according to the provisions of SB 627, would be considered “credible” data.

Vetoed 6-8-01: Veto message states that “by allowing affected agencies to develop their own standards for implementing credible data, this bill creates the potential for conflicting regulations among the Department of Environmental Quality, the Water Board, the Department of Agriculture and the Department of Conservation on collection and use of data. Processes currently in place provide clear standards and adequate safeguards to ensure defensible data to list or de-list a body of water exits. The concerns to be addressed by the bill are already being addressed adequately through regulatory actions, which because of their greater flexibility, are a better way to handle complicated scientific issues.”

SB 680 (Leftwich/Askins): This legislation would have created the “State Employee Advocacy Rights Act”. It would have allowed employee organizations to hold meetings on state property and to communicate with state workers about the organizations.

Vetoed 5-24-01: Veto message states that “this bill violates Article V, Section 51 which prohibits the granting of exclusive rights or privileges to associations, corporations, or individuals. It also violates Article X, Sections 14 and 15, which prohibits the expenditure of public funds for nonpublic purposes.”

SB 681 (Leftwich/Erwin): This bill would have allowed retired teachers to elect to have membership dues in a retired teachers’ organization withheld from the retirement benefit. This bill also defined retired teachers’ organization for purposes of this legislation.

Vetoed 6-8-01: Veto message states that “this bill violates Article V, Section 51 which prohibits the granting of exclusive rights or privileges to associations, corporations, or individuals. It also violates Article X, Sections 14 and 15 which prohibits the expenditure of public funds for nonpublic purposes.”

SB 710 (Taylor/Rice) Would have created the position of Judicial Advisor for the Board of Juvenile Affairs. Would have provided for appointment, qualifications, travel expenses, duties and authority limits of Judicial Advisor. Provided for exemption from dual office holding restrictions for the Judicial Advisor and for members of the Board of Trustees of the Oklahoma School of Science and Mathematics.

Vetoed 5-7-01: Veto message states that the “bill places a member of the judicial branch on a board of an executive body charged, in part, with developing policy. It would be violative of the basic tenants [sic] of the separation of powers doctrine to allow a member of the judicial branch of government, whose charge it is to interpret the law, to participate in its development.”

SB 718 (Wilkerson/Askins): The bill would have modified the Oklahoma Drug Court Act. It would have prohibited blind pleas and suspended and split sentences, since the drug court is not a traditional prosecution option, but an alternative to a court ordered prison sentence. It prohibited misdemeanor offenses unless charged in conjunction with an eligible felony offense. Treatment was not to be delivered in a prison facility because traditional sentencing provides treatment in the prison setting. It authorized the Department of Mental Health and Substance Abuse Services to promulgate rules and forms, and to provide oversight, technical assistance, and administration to all drug court programs. Each district court was to create an operational manual. The Department of Mental Health and Substance Abuse Services was authorized to employ personnel to assist with local administration of drug court programs, subject to funds available. The Office of the State Auditor and Inspector was to audit collections from the Trafficking In Illegal Drugs Act assessment ordered by the district courts and used to financially support the Oklahoma Drug Court Act. The revolving fund was expanded to allow for payment of expenses for administration. It gave authority to employ personnel to administer specialty courts, including en-entry courts, mental health courts, domestic violence courts, and other treatment oriented courts.

Vetoed 6-8-01. Veto message states that “this bill appears to remove the flexibility a district attorney currently has to use the drug courts in the most effective manner possible. I am calling on the legislature to reexamine needed changes to this very important part of the system and to adopt changes that reflect a consensus among the parties charged with administering the program.”

SB 765 (Maddox and Plunk): Would have enacted the Oklahoma Small Business Regulatory Flexibility Act and created the Small Business Regulatory Review Committee to provide additional review and input regarding rules promulgated by state agencies that impact small businesses.

Vetoed 5-8-01: Veto message states that the bill “unnecessarily duplicates provisions already contained in the Oklahoma Administrative Procedures Act. The bill would not only complicate the rule-making process for agencies, it would also unduly burden the Department of Commerce, the agency charged with administering the provisions of this bill. Administrative rules undergo extensive review under the current system. Not only does my office thoroughly review these rules, but both the Senate and the House have rule review committees. Finally, this bill creates an entity in the executive department of government made up almost entirely of legislative appointments, the governor’s office appointing only two of the thirteen members.”

HB 1007 (Webb and Mickle): Would have created the Oklahoma Aeronautics Commission, which is a division of the Oklahoma Department of Transportation, as a separate state agency and transferred related personnel, property, and assets from ODOT to the new agency.

Vetoed 4-24-01: Veto messages states that “this Commission is currently a division of the Oklahoma Department of Transportation and should remain so absent a compelling reason to change, particularly in light of recent investigations into alleged irregularities in the operation of this Commission.”

HB 1034 (Taylor/Price): Would have authorized any county to adopt certain zoning provisions regardless of population requirements, and political subdivisions to obtain waste tire permits and receive compensation. Stated restrictions on the use of waste tires and requires the Board of Environmental Quality to promulgate rules to implement the use of the waste tires.

Vetoed 6-8-01: Veto message states that the bill “significantly expands the powers of County Commissioners to zone unincorporated areas. Such an expansion of power should be done only after meaningful consideration and input from all affected parties.”

HB 1050 (Fields/Snyder): Would have created an 11-member Construction Industries Commission, as a stand-alone agency, with regulatory and rulemaking authority over the plumbing, electrical and mechanical, fire sprinkler and building and construction inspector trades and the related acts. Powers, duties, responsibilities, equipment and staff would have been transferred from the Department of Health. Would have created a Fire Sprinkler Advisory Committee to assist in rulemaking for the fire sprinkler industry. Modified references to regulatory bodies in various acts.

Vetoed 4-30-01: Veto message states that the bill “creates a new state agency contrary to responsible principles of reducing the size and scope of government. Also notes that regulation of these trades is “handled by the Department of Health which can provide these services in a more cost effective manner.”

HB 1237 (Begley/Douglass): This bill was debated at length in the Senate and approved without the emergency clause. At issue is whether the Oklahoma Water Resources Board should issue a necessary water permit which would allow Seaboard Corporation, a swine feeding/processing operation, to complete the nearly-finished construction of a CAFO which is located less than 3 miles from the Bethel Church of God in far Western Oklahoma, which claims to be a recreational area. Last year a statute was enacted which prohibits the Oklahoma Water Resources Board from issuing water permits for any swine animal feeding operation located within 3 miles of any facility owned or operated as a camp or recreational site by a nonprofit organization. The Seaboard Corporation has filed a lawsuit over the issue and supported the passage of HB 1237 which, if enacted, would have allowed the Oklahoma Water Resources Board to consider various factors when determining whether a site shall be considered a camp or recreational area.

Vetoed 6-8-01: Veto message states that the bill “would have the effect of diminishing the quality of the water and air of Oklahoma. Requiring facilities to be predominately used for camping or recreational purposes in order to benefit from the three mile set back requirement is not in tune with affording Oklahomans an opportunity to enjoy our rich, valuable natural resources. In addition, the Oklahoma Water Board's current process of reviewing water permit applications adequately addresses the issues raised in this bill.”

HB 1265 (Smith/Shurden): Would have authorized the Wildlife Conservation Commission to establish a special use permit to be designated the “Blue River Conservation Passport”. The Passport would have been required for all persons not otherwise exempt who enter or use the Blue River Public Fishing and Hunting Area. It also would have authorized the Commission to establish and assess an annual fee of not more than \$1.00 above the cost of an annual resident fishing license for the Passport.

Vetoed 04-11-01: Veto message states that “because it has been and continues to be public policy of Oklahoma to allow free use of State owned public areas such as the Blue River Public Fishing and Hunting areas, assessing a user fee for that access violates the long-standing sound public policy.”

HB 1388 (Fields/Stipe): Would have enacted the Oklahoma Workforce Investment Act and created a state Workforce Investment Board. Would have designated \$704,000 in federal funds for use by the

Department of Career and Technology Education in administering a statewide offender employment training program. Would have re-appropriated \$5,665,410 to the Oklahoma Employment Security Commission to match the state's Welfare-to-Work block grant.

Vetoed 5-23-01: Veto message states that the bill "inappropriately limits the flexibility of the Workforce Investment Board and creates confusion in the Workforce Investment arena by duplicating, sometimes with conflicting provisions, much of the Act's implementation laws." It also includes a statement that the Governor "heartily supports" the provisions funding the statewide offender training program and providing an extension of the reduction in unemployment tax and will "call on the Legislature to readdress these issues as soon as possible."

HB 1405 (Wells/Easley): This measure would have created a Legislative Task Force on Storage Tank Regulation to study the petroleum storage tank programs and the Indemnity Fund governed by the Corporation Commission. The bill also would have provided an exemption from the provisions of the Oklahoma Storage Tank Regulation Act for storage tanks used by utility companies for the generation of electricity.

Vetoed 6-5-01. Veto message states that "this bill creates a task force on storage tank regulation. The Oklahoma Petroleum Storage Tank Program at the Corporation Commission is an effective, successful and, in fact, awards winning program. A task force to study tank regulation is an unnecessary and ill-advised use of state resources."

HB 1778 (Tyler/Leftwich): Would have authorized the Department of Transportation to establish a pre-audit and settlement system for claims and payments of state-funded contractor estimates and right-of-way payments. Provided, however, that nothing therein should modify or alter condemnation proceedings as provided by law.

Vetoed 5-23-01: Veto message states that the bill was vetoed "because Section 2 of this bill would remove the requirement that state agencies separately budget data processing expenditures. With the amount of state funding spent on technology ever increasing, it is not advisable to impede the Office of State Finance's ability to monitor and report on these expenditures."

HB 1914 (Miller (Ray)/Morgan): Would have created the Task Force on Career-Technology Professional Certification to study the procedures and standards for professional certification of career-technology educators and to prepare recommendations for legislative and other action needed.

Vetoed 4-9-01: Veto message states that the bill "lacks sufficient representation of the executive branch of government."

HB 1938 (Toure et al/Henry): Would have amended the Governmental Tort Claims Act to authorize claims against the state of up to \$200,000 for wrongful criminal felony convictions resulting in imprisonment.

Vetoed 5-24-01: Veto message states that this bill would create "taxpayer liability for 'wrongful criminal felony conviction' without defining that term. By doing so, this leaves open the possibility of the State being held liable where there has been no showing of State culpability."

SUMMARY OF APPROPRIATIONS

<u>Agency</u>	<u>FY'01 Appropriation</u>	<u>FY'02 Appropriation</u>	<u>\$ Change from FY'01</u>	<u>% Change from FY'01</u>
Subcommittee on Education				
Arts Council	\$4,255,497	\$4,545,772	\$290,275	6.8%
Career and Technology Education, Department of	\$128,739,078	\$131,846,398	\$3,107,320	2.4%
Education, State Department of	\$1,981,791,430	\$2,034,909,789	\$53,118,359	2.7%
Educational Television Authority	\$3,685,817	\$10,638,732	\$6,952,915	188.6%
Higher Education, Regents for	\$833,015,553	\$860,475,547	\$27,459,994	3.3%
Land Office, Commissioners of	\$4,233,763	\$4,310,632	\$76,869	1.8%
Libraries, Department of	\$6,960,586	\$7,254,115	\$293,529	4.2%
Physician Manpower Training Commission	\$5,449,660	\$5,901,708	\$452,048	8.3%
Private Vocational Schools, Board of	\$169,117	\$174,760	\$5,643	3.3%
Science & Technology, Center for	\$12,158,041	\$14,286,952	\$2,128,911	17.5%
Science & Math, School of	\$5,444,263	\$6,172,098	\$727,835	13.4%
Teacher Preparation, Commission on	\$2,330,425	\$2,336,374	\$5,949	0.3%
Subtotal	\$2,988,233,230	\$3,082,852,877	\$94,619,647	3.2%
Subcommittee on General Government and Transportation				
Auditor and Inspector	\$6,075,964	\$6,277,121	\$201,157	3.3%
Central Services, Department of	\$14,585,125	\$16,194,148	\$1,609,023	11.0%
Civil Emergency Management Administration	\$762,369	\$772,373	\$10,004	1.3%
Commerce, Department of	\$25,653,941	\$31,175,324	\$5,521,383	21.5%
Election Board	\$7,545,503	\$7,607,768	\$62,265	0.8%
Ethics Commission	\$508,730	\$467,321	(\$41,409)	-8.1%
Finance, Office of State	\$9,238,872	\$15,147,572	\$5,908,700	64.0%
Governor	\$2,772,408	\$3,059,715	\$287,307	10.4%
House of Representatives	\$18,556,604	\$21,534,490	\$2,977,886	16.0%
Legislative Service Bureau	\$2,261,478	\$2,545,135	\$283,657	12.5%
Lt. Governor	\$521,101	\$577,318	\$56,217	10.8%
Merit Protection Commission	\$595,046	\$604,407	\$9,361	1.6%
Military, Department of	\$7,666,836	\$11,700,375	\$4,033,539	52.6%
Personnel Management	\$5,617,759	\$5,689,734	\$71,975	1.3%
Secretary of State	\$514,267	\$545,124	\$30,857	6.0%
Senate	\$13,017,287	\$15,001,727	\$1,984,440	15.2%
Spaceport Authority	\$150,000	\$300,000	\$150,000	100.0%
Tax Commission	\$50,680,269	\$51,748,599	\$1,068,330	2.1%
Transportation, Department of	\$311,037,259	\$299,154,666	(\$11,882,593)	-3.8%
Treasurer	\$5,482,722	\$5,547,465	\$64,743	1.2%
Subtotal	\$483,243,540	\$495,650,382	\$12,406,842	2.6%
Subcommittee on Health and Social Services				
Health Care Authority	\$383,733,068	\$418,679,264	\$34,946,196	9.1%
Health, Department of	\$69,500,271	\$71,706,878	\$2,206,607	3.2%
J.D. McCarty Center	\$2,614,983	\$3,101,630	\$486,647	18.6%
Mental Health & Substance Abuse Services	\$138,182,733	\$148,835,211	\$10,652,478	7.7%
University Hospitals Authority	\$35,940,534	\$45,149,895	\$9,209,361	25.6%
Veterans Affairs, Department of	\$23,426,069	\$26,570,641	\$3,144,572	13.4%
Subtotal	\$653,397,658	\$714,043,519	\$60,645,861	9.3%
Subcommittee on Human Services				
Children and Youth, Commission on	\$1,940,308	\$2,209,406	\$269,098	13.9%
Handicapped Concerns, Office of	\$402,233	\$406,608	\$4,375	1.1%
Human Rights Commission	\$816,753	\$831,973	\$15,220	1.9%
Human Services, Department of	\$391,037,103	\$416,396,819	\$25,359,716	6.5%
Indian Affairs, Commission of	\$287,843	\$291,247	\$3,404	1.2%
Juvenile Affairs	\$100,442,925	\$107,466,872	\$7,023,947	7.0%
Rehabilitation Services, Department of	\$24,997,396	\$25,953,544	\$956,148	3.8%
Subtotal	\$519,924,561	\$553,556,469	\$33,631,908	6.5%

<u>Agency</u>	<u>FY'01 Appropriation</u>	<u>FY'02 Appropriation</u>	<u>\$ Change from FY'01</u>	<u>% Change from FY'01</u>
Subcommittee on Natural Resources and Regulatory Services				
Agriculture, Department of	\$29,929,503	\$29,021,961	(\$907,542)	-3.0%
Banking, Department of	\$3,118,816	\$3,171,246	\$52,430	1.7%
Centennial Commission	\$340,000	\$590,904	\$250,904	73.8%
Conservation Commission	\$7,680,104	\$7,764,094	\$83,990	1.1%
Consumer Credit, Department of	\$774,670	\$788,942	\$14,272	1.8%
Corporation Commission	\$9,773,537	\$10,502,244	\$728,707	7.5%
Environmental Quality, Department of	\$7,651,276	\$8,556,880	\$905,604	11.8%
Historical Society	\$11,589,925	\$10,847,233	(\$742,692)	-6.4%
Horse Racing Commission	\$2,258,390	\$2,290,006	\$31,616	1.4%
Insurance Commissioner	\$2,965,978	\$3,023,172	\$57,194	1.9%
J.M. Davis Memorial Commission	\$392,397	\$448,704	\$56,307	14.3%
Labor, Department of	\$3,882,940	\$3,912,772	\$29,832	0.8%
Liquefied Petroleum Gas Board	\$458,777	\$469,648	\$10,871	2.4%
Mines, Department of	\$942,282	\$999,823	\$57,541	6.1%
Native American Cultural Center	\$254,369	\$392,638	\$138,269	54.4%
Securities Commission	\$704,525	\$731,174	\$26,649	3.8%
Tourism and Recreation, Department of	\$31,827,145	\$33,350,273	\$1,523,128	4.8%
Water Resources Board	\$9,418,598	\$8,461,854	(\$956,744)	-10.2%
Will Rogers Memorial Commission	\$904,323	\$1,051,197	\$146,874	16.2%
Subtotal	\$124,867,555	\$126,374,765	\$1,507,210	1.2%
Subcommittee on Public Safety and Judiciary				
Alcoholic Beverage Laws Enforcement	\$4,084,576	\$4,221,892	\$137,316	3.4%
Attorney General	\$6,669,686	\$7,116,561	\$446,875	6.7%
Corrections, Department of	\$389,769,454	\$387,462,900	(\$2,306,554)	-0.6%
Court of Criminal Appeals	\$2,720,270	\$2,861,916	\$141,646	5.2%
District Attorneys and DAC	\$31,213,067	\$31,902,762	\$689,695	2.2%
District Courts	\$38,853,817	\$40,971,275	\$2,117,458	5.4%
Fire Marshal	\$1,815,364	\$1,973,743	\$158,379	8.7%
Indigent Defense System	\$14,648,539	\$16,042,393	\$1,393,854	9.5%
Investigation, State Bureau of	\$10,950,072	\$11,307,844	\$357,772	3.3%
Judicial Complaints, Council on	\$300,504	\$301,681	\$1,177	0.4%
Law Enforcement Education and Training	\$2,858,635	\$3,050,458	\$191,823	6.7%
Medicolegal Investigations, Board of	\$3,438,913	\$4,016,775	\$577,862	16.8%
Narcotics and Dangerous Drugs, Bureau of	\$5,665,596	\$6,237,218	\$571,622	10.1%
Pardon and Parole Board	\$2,052,545	\$2,377,711	\$325,166	15.8%
Public Safety, Department of	\$69,992,993	\$74,596,430	\$4,603,437	6.6%
Supreme Court	\$13,286,237	\$13,823,343	\$537,106	4.0%
Workers' Compensation Court	\$4,238,754	\$4,372,691	\$133,937	3.2%
Subtotal	\$602,559,022	\$612,637,593	\$10,078,571	1.7%
Rural Economic Action Plan	\$15,500,000	\$15,500,000	\$0	0.0%
Capital Improvement Fund	\$11,600,000	\$0	(\$11,600,000)	-100.0%
Governor's Emergency Fund	\$1,000,000	\$10,100,000	\$9,100,000	910.0%
Deferred Savings Plan (OPERS)	\$93,000	\$0	(\$93,000)	-100.0%
GRAND TOTAL	\$5,400,418,566	\$5,610,715,605	\$210,297,039	3.9%

Bill No.	Page
SB 2	55
SB 3	41
SB 4	49
SB 8	57
SB 9	49
SB 24	49
SB 31	26
SB 32	43
SB 39	28
SB 40	55
SB 45	6
SB 46	6
SB 47	25
SB 55	49
SB 57	20
SB 59	28
SB 67	56
SB 70	6
SB 77	26
SB 79	38
SB 80	16
SB 81	14
SB 83	41
SB 84	41
SB 89	22
SB 91	22
SB 101	49
SB 112	38
SB 114	25
SB 115	25
SB 118	5
SB 119	49
SB 120	50
SB 123	47
SB 124	41
SB 128	16
SB 129	16
SB 130	39
SB 132	38
SB 133	28
SB 134	28
SB 147	16
SB 149	20
SB 154	43
SB 157	6
SB 159	48
SB 161	14
SB 166	43
SB 168	16

SB 17050
 SB 17743
 SB 18126
 SB 18943
 SB 19238
 SB 19329
 SB 19622
 SB 19722
 SB 19843
 SB 19922
 SB 20553
 SB 2106
 SB 21314, 57
 SB 21728
 SB 22426
 SB 22524, 25
 SB 23035
 SB 23513, 35, 36, 37
 SB 23921
 SB 24020
 SB 24726
 SB 24855
 SB 24956
 SB 30750
 SB 3103, 56
 SB 31726
 SB 31826
 SB 32326
 SB 33622
 SB 33722
 SB 34026
 SB 34120
 SB 34529
 SB 34625
 SB 34850
 SB 35258
 SB 35358
 SB 35443
 SB 37248
 SB 37316
 SB 37653
 SB 37744
 SB 38239
 SB 3843
 SB 38529
 SB 38816
 SB 39439
 SB 3951, 39
 SB 3977, 12
 SB 40145
 SB 40645
 SB 40845

SB 41145
 SB 41556, 58
 SB 41645
 SB 42245
 SB 42345
 SB 4346
 SB 4397
 SB 4401, 23, 52
 SB 4411, 7
 SB 44458
 SB 44655
 SB 44748
 SB 44944
 SB 4517
 SB 4537
 SB 4547
 SB 45855
 SB 45955
 SB 46055
 SB 46555
 SB 4663
 SB 46855
 SB 46939
 SB 4723
 SB 47655
 SB 47757
 SB 48057
 SB 4947, 29
 SB 49552
 SB 49658
 SB 49726
 SB 49917
 SB 50150
 SB 50245
 SB 50850
 SB 51623
 SB 51948
 SB 5207
 SB 5223
 SB 52641
 SB 53223
 SB 53350
 SB 53458
 SB 53550
 SB 53941
 SB 54058
 SB 5417, 39
 SB 54448
 SB 54539
 SB 54639
 SB 54920
 SB 55057

SB 55325
 SB 5555
 SB 55729
 SB 55829
 SB 56754, 55
 SB 57145
 SB 58950
 SB 59050
 SB 59517
 SB 59621
 SB 61039
 SB 61127
 SB 61223
 SB 6147
 SB 61558
 SB 61723
 SB 6191, 27
 SB 62027
 SB 62141
 SB 62645
 SB 62759
 SB 62839
 SB 63239
 SB 63346
 SB 64814
 SB 65823
 SB 6604
 SB 66239
 SB 66353
 SB 66527
 SB 66946
 SB 67450, 55
 SB 67540
 SB 67638
 SB 67729
 SB 6787
 SB 68059
 SB 68159
 SB 68527
 SB 69240
 SB 69414
 SB 7021, 11, 13, 28, 36, 37, 46, 47
 SB 70453
 SB 70729
 SB 70829
 SB 71059
 SB 71138
 SB 7167
 SB 71859
 SB 7247
 SB 73338
 SB 73829

SB 74129
 SB 7437
 SB 74741
 SB 74854
 SB 7537, 13
 SB 7558
 SB 7568
 SB 76444
 SB 76560
 SB 77444
 SB 78220
 SB 78930
 SB 79017
 SB 7968
 SB 80330
 SB 81017, 20
 SB 81317

HB 100348
 HB 100760
 HB 100930
 HB 101449
 HB 101553
 HB 101653
 HB 101719, 53
 HB 101853
 HB 101953
 HB 102053
 HB 102153
 HB 102253
 HB 102353
 HB 103325
 HB 103460
 HB 103525
 HB 104154
 HB 104417
 HB 104746
 HB 105060
 HB 106240
 HB 106330
 HB 106430
 HB 107046
 HB 107220
 HB 107440
 HB 108110, 42
 HB 108340
 HB 10848
 HB 108642
 HB 109027
 HB 109217
 HB 109751
 HB 110330

HB 110630
HB 110731
HB 110931
HB 111531
HB 111646
HB 111927
HB 112231
HB 11248
HB 113142
HB 113444
HB 11388
HB 11428
HB 114331
HB 114817
HB 115223
HB 11548, 44
HB 11568
HB 115714
HB 11618
HB 11629
HB 116626
HB 116951
HB 117117
HB 11779
HB 11781, 27
HB 118331
HB 118651
HB 118946
HB 11904
HB 11914
HB 119223
HB 119432
HB 119814, 15
HB 119915
HB 120015
HB 12025
HB 120351
HB 121417
HB 121527
HB 121626
HB 12174, 23
HB 121952
HB 122126
HB 122452
HB 12319
HB 123446
HB 123760
HB 124132
HB 12465
HB 124846
HB 125146
HB 125317

HB 125427
 HB 125844
 HB 126257
 HB 126560
 HB 12669
 HB 127423, 56
 HB 127627
 HB 128957
 HB 129732
 HB 129832
 HB 129932
 HB 130842
 HB 132253
 HB 132627
 HB 13294, 26
 HB 13304
 HB 133227
 HB 134138
 HB 13519
 HB 135440
 HB 135918
 HB 136024
 HB 13619
 HB 13729
 HB 13739
 HB 13749
 HB 137557
 HB 137626
 HB 137756
 HB 13784
 HB 138440
 HB 138542
 HB 138860
 HB 13929
 HB 13939
 HB 13949
 HB 139824
 HB 140132
 HB 140561
 HB 141556
 HB 141732
 HB 142032
 HB 142238
 HB 142440
 HB 14269
 HB 142933
 HB 143318
 HB 143427
 HB 143615
 HB 143952
 HB 145046
 HB 145456

HB 146018
 HB 146749
 HB 14695
 HB 147018
 HB 148024
 HB 148433
 HB 148642
 HB 149918
 HB 150513, 19, 22, 36
 HB 15151, 27
 HB 151812, 34, 35, 36, 57
 HB 152333
 HB 152418
 HB 15285
 HB 15294
 HB 153057
 HB 153554,55
 HB 153656
 HB 153940, 41, 47
 HB 154140
 HB 154447
 HB 154512, 47
 HB 154613, 34, 46
 HB 154712
 HB 154810, 12, 47
 HB 154913, 14
 HB 155611,12
 HB 15572, 3, 11
 HB 15641, 2, 11, 19, 20, 22, 34, 37, 56
 HB 156524
 HB 15672, 11
 HB 1570 11, 13, 14, 28, 34, 36, 37, 40, 47, 56
 HB 159049
 HB 160118
 HB 160354
 HB 160810
 HB 160910
 HB 161510
 HB 162140
 HB 16334
 HB 163618
 HB 163846
 HB 163956
 HB 164040
 HB 166228
 HB 167033
 HB 168156
 HB 169010
 HB 169124
 HB 169210
 HB 170252
 HB 170618

HB 1718	.....	57
HB 1721	.....	43
HB 1723	.....	44
HB 1724	.....	40
HB 1727	.....	33
HB 1728	.....	10, 42
HB 1736	.....	52
HB 1740	.....	6
HB 1752	.....	40
HB 1754	.....	46
HB 1764	.....	5
HB 1765	.....	10
HB 1768	.....	28, 37, 47
HB 1772	.....	56
HB 1778	.....	61
HB 1781	.....	56
HB 1794	.....	10
HB 1800	.....	44
HB 1801	.....	38
HB 1804	.....	10
HB 1819	.....	40
HB 1824	.....	34
HB 1825	.....	34
HB 1831	.....	6
HB 1869	.....	28
HB 1885	.....	40
HB 1895	.....	15
HB 1896	.....	22
HB 1904	.....	15
HB 1907	.....	11
HB 1914	.....	61
HB 1933	.....	52
HB 1934	.....	11
HB 1938	.....	61
HB 1952	.....	44
HB 1964	.....	45
SJR 1	.....	1, 6
SJR 26	.....	20
HJR 1001	.....	52
HJR 1003	.....	28
HJR 1025	.....	52