

STATE OF OKLAHOMA

1st Session of the 46th Legislature (1997)

CONFERENCE COMMITTEE
SUBSTITUTE FOR ENGROSSED
SENATE BILL NO. 420

By: Williams of the Senate

and

Steidley, Bryant,
Ingmire, and O'Neal of
the House

CONFERENCE COMMITTEE SUBSTITUTE

An Act relating to schools; designating funds for Oklahoma Arts Academies; stating purpose of competitive grants; authorizing the State Board of Education to award certain competitive grants; specifying who can receive a competitive grant; specifying who may enter into a contract for the provision of certain services; requiring the State Board of Education to make certain preparations to implement certain program; requiring that application for competitive grants be made to the State Board of Education; providing certain collaborative agreements for certain applicants; providing for certain grant recipients to enter into certain contract; stating eligibility requirements for certain grant; requiring the State Board of Education to promulgate certain rules; providing grant recipients certain exception to certain statutes; amending Section 44, Chapter 247, O.S.L. 1996 (70 O.S. Supp. 1996, Section 1210.568), as amended by Section 1 of Enrolled House Bill No. 1458 of the 1st Session of the 46th Oklahoma Legislature, which relates to statewide alternative education programs; requiring the State Board of Education to identify school districts eligible for Statewide Alternative Education Program Grants; requiring districts to submit certain plan; requiring approval of plan by State Department of Education; providing for deferral of receipt of funds for certain schools; setting deadline for implementation of plan; setting penalty for noncompliance with certain provisions of act; providing for an appeal to the State Board of Education; providing for the creation of certain competitive demonstration grant opportunities; stating intent that competitive grant program be provided by the Oklahoma State Regents for Higher Education; listing responsibilities of grant recipients; stating authorization for grant recipient to contract; stating intent that certain grant program be a collaborative effort; amending 70 O.S. 1991, Section 3-116, as last amended by Section 1 of Enrolled Senate Bill No. 416 of the 1st Session of the 46th Oklahoma Legislature, which relates to the Education Oversight Board; providing for the establishment of the Oklahoma Advanced Placement Incentive Program; requiring the State Board of Education to promulgate rules; providing for administration;

stating purpose and components of program; giving definitions; providing for certain financial incentives contingent upon the provision of designated funds; authorizing the State Board of Education to make financial incentive awards; setting procedure; directing the State Board of Education to ensure state participation in the National Assessment of Educational Progress; requiring reporting of results; amending 61 O.S. 1991, Section 131, which relates to splitting of contracts; construing section of law; amending 70 O.S. 1991, Section 5-123, which relates to limitations on expenditures; setting out criteria for certain type of construction project; stating that school district is not limited in number of certain type of construction project; limiting certain expenditure by a school district; amending 51 O.S. 1991, Section 154, as amended by Section 1, Chapter 283, O.S.L. 1994 (51 O.S. Supp. 1996, Section 154), which relates to the Governmental Tort Claims Act; modifying name of the Oklahoma College of Osteopathic Medicine and Surgery; clarifying statutory reference; amending 70 O.S. 1991, Sections 697.3, 697.5, 697.7, 697.9, 697.11 and 3423, which relate to higher education; modifying name of the Oklahoma College of Osteopathic Medicine and Surgery; providing for codification; providing an effective date; and declaring an emergency.

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

SECTION 1. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 1210.586 of Title 70, unless there is created a duplication in numbering, reads as follows:

A. Contingent upon the provision of funds designated for Oklahoma Arts Academies, the State Board of Education is authorized to award one or more competitive grants to establish arts academies in Oklahoma public schools.

B. The grant awards shall be made to establish arts academies in schools to expose students to arts education and to enrich student learning and academic performance.

C. A competitive grant can be made to a public school, a district board of education, an accredited private or public higher education institution, a nonprofit organization, or an entity formed by an interlocal cooperative agreement as defined by Section 5-117b of Title 70 of the Oklahoma Statutes.

D. A public school, a district board of education, or an entity formed by an interlocal cooperative agreement may enter

into a contract for the provision of arts education pursuant to this act with an accredited public or private higher education institution or a nonprofit organization.

E. The State Board of Education shall design the application form and promulgate rules, regarding eligibility criteria, in addition to those specified in subsection H of this section, application procedures, selection process, appeals process, dissemination of funds, and accountability.

F. Entities eligible for participation in Oklahoma Arts Academies, as identified in subsection C of this section, shall apply to the State Board of Education pursuant to State Board of Education procedures. Applications submitted by a nonprofit organization or a higher education institution must be made in collaboration with a public school, a district board of education, or an interlocal cooperative agreement and indicate as such in the application.

G. If the grant award is to a nonprofit organization or a higher education institution, that entity must enter into a written agreement with a public school, a district board of education, or an interlocal cooperative agreement for the provision of arts education services pursuant to this section. The written contract must be approved by the State Board of Education prior to the receipt of an arts academy grant.

H. In order to be eligible for an Oklahoma Arts Academy Grant, a program shall:

1. Provide courses that meet the curricular standards adopted by the State Board of Education;
2. Provide arts education enrichment, including Artists in Residence programs coordinated with the Oklahoma Arts Council;
3. State clear and measurable program goals and objectives;
4. Include an evaluation component including an annual written self-evaluation; and
5. Provide a proposed annual budget.

I. The State Board of Education shall promulgate rules as necessary to administer the Oklahoma Arts Academy Grants and the process by which the grant funding shall be allocated.

J. All recipients of Oklahoma Arts Academy Grants shall be subject to statutes and rules related to kindergarten through high school education, except where those statutes and rules are in direct conflict with the provisions of this act.

SECTION 2. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 1210.557 of Title 70, unless there is created a duplication in numbering, reads as follows:

A. Subject to the availability of funds, there are hereby created competitive demonstration grant opportunities to be provided through the Oklahoma State Regents for Higher Education in collaboration with the Oklahoma Commission for Teacher Preparation to create model middle school programs. Grant awards may include the following:

1. At least one award to a district with an average daily membership greater than thirty thousand (30,000) students; and

2. At least one award to a district with an average daily membership of less than thirty thousand (30,000) students or a combination of one or more districts with a combined average daily membership of less than thirty thousand (30,000) students.

B. It is the intent of the Legislature that the Oklahoma State Regents for Higher Education award the competitive grants to only those higher education institutions that have entered into a written collaborative agreement with an Oklahoma public school district.

C. Grants recipients shall:

1. Encourage the use of different and innovative teaching methods;

2. Provide additional academic choices for students and parents;

3. Encourage the use of innovative staffing patterns;

4. Encourage extended-day and year-round scheduling to meet the needs of working families and to re-engage families in compatible school partnerships;

5. Establish a professional development model for observation and application of effective middle school practices; and

6. Participate in testing as required by the Oklahoma School Testing Program Act and the reporting of test results as required of a school district.

D. The grant recipient is hereby authorized to contract for the monitoring and evaluation of the model middle school program.

E. It is the intent of the Legislature that each model middle school program be a collaborative effort between higher education and common education.

SECTION 3. AMENDATORY Section 44, Chapter 247, O.S.L. 1996 (70 O.S. Supp. 1996, Section 1210.568), as amended by Section 1 of Enrolled House Bill No. 1458 of the 1st Session of the 46th Oklahoma Legislature, is amended to read as follows:

Section 1210.568 A. Beginning with the first semester of the 1996-1997 school year, the State Board of Education shall implement a statewide system of alternative education programs which shall be phased-in within five (5) years. The statewide system shall include but not be limited to Alternative Approaches grant programs, funded pursuant to Section 1210.561 of this title, Alternative Education Academies pilot programs, funded pursuant to Section 1210.563 of this title and alternative academies or alternative programs implemented pursuant to this section. The funding for Alternative Education Academies pilot programs, after the third year of funding provided pursuant to Section 1210.563 of this title, shall be provided from funds appropriated for the statewide system.

B. Not later than July 1 of each school year, the State Department of Education shall identify school districts eligible to receive Statewide Alternative Education Program grants. The Department shall notify the identified districts of their eligibility and require the districts to submit plans for Statewide Alternative Education Program grants no later than September 15 of their initial year of funding. All plans must be approved by the Department. The plans shall include a budget demonstrating substantial local financial commitment to the program. School districts eligible to receive amounts less than

Ten Thousand Dollars (\$10,000.00) may elect to defer the receipt of funds until the 2000-2001 school year.

C. Programs shall be implemented no later than November 1 of the first school year for which the district receives grant funds. Identified districts that do not submit plans for or implement effective programs, as determined by the technical assistance provider, shall be penalized in an amount equal to the amount of their award and shall not be eligible for an award in the following year. The penalty shall be enforced by reducing State Aid to the district during the following school year. The State Board of Education shall promulgate rules establishing a process of appeal to the Board for districts which have been assessed a penalty.

D. Beginning with the first semester of the 2000-2001 school year, all school districts of this state shall provide alternative education programs that conform to the requirements of statutes and rules applicable to alternative education. A program shall:

1. Allow class sizes and student\teacher ratios which are conducive to effective learning for at-risk students;

2. Incorporate appropriate structure, curriculum, and interaction and reinforcement strategies designed to provide effective instruction;

3. Include an intake and screening process to determine eligibility of students;

4. Demonstrate that teaching faculty are appropriately certified teachers;

5. Demonstrate that teaching faculty have been selected on the basis of a record of successful work with at-risk students or personal and educational factors that qualify them for work with at-risk students;

6. Reflect appropriate collaborative efforts with state agencies and local agencies serving youth;

7. Provide courses that meet the curricula standards adopted by the State Board of Education and remedial courses;

8. Offer individualized instruction;

9. State clear and measurable program goals and objectives;

10. Include counseling and social services components with the provision that providers of services are not required to be certified as school counselors;

11. Require a plan leading to graduation be developed for each child in the program;

12. Offer life skills instruction;

13. Provide opportunities for arts education to students, including Artists in Residence programs coordinated with the Oklahoma Arts Council;

14. Provide a proposed annual budget;

15. Include an evaluation component including an annual written self-evaluation; and

16. Be appropriately designed to serve middle school, junior high school and secondary school students in grades six through twelve who are most at risk of not completing a high school education for a reason other than that identified in Section 13-101 of this title.

~~C.~~ E. By September 15 of each school year, all revenue received and expended for students participating in an alternative education program shall be reported to the State Department of Education by major object codes and by program classifications pursuant to the Oklahoma Cost Accounting System as adopted by the State Board of Education pursuant to Section 5-135 of this title.

~~D.~~ F. 1. The State Board of Education shall contract for technical assistance for operation of an Alternative Education Technical Assistance Center. The technical assistance provider shall be an entity located in Oklahoma that has been officially recognized by the United States Department of Education to assess and facilitate dissemination of validated educational programs in Oklahoma. The technical assistance provider shall have priority, if its operations are deemed satisfactory by the State Board of Education and if funds are available, for annual renewal of the contract.

2. The duties of the technical assistance provider shall include, but shall not be limited to:

- a. providing initial and ongoing training of personnel who will educate at-risk populations through alternative education programs,
- b. providing technical assistance to school districts to enhance the probability of success of their alternative education programs,
- c. evaluating state-funded alternative education programs,
- d. reporting to the State Board of Education the evaluation results of state-funded alternative education programs, and
- e. providing in-depth program analysis and evaluation of state-funded alternative education programs.

~~F.~~ G. All alternative education programs shall be subject to statutes and rules applicable to alternative education, including any exemptions from statutory or regulatory requirements authorized by statutes or rule.

~~F.~~ H. An alternative education program may be offered by an individual school district or may be offered jointly by school districts that have formed interlocal cooperative agreements pursuant to Section 5-117b of ~~Title 70 of the Oklahoma Statutes~~ this title.

SECTION 4. AMENDATORY 70 O.S. 1991, Section 3-116, as last amended by Section 1 of Enrolled Senate Bill No. 416 of the 1st Session of the 46th Oklahoma Legislature, is amended to read as follows:

Section 3-116. A. There is hereby created the Education Oversight Board. The membership of the Education Oversight Board shall consist of:

1. The Chairperson of the Education Committee of the Oklahoma House of Representatives;
2. The Chairperson of the Education Committee of the Senate;
3. Two members, who are not legislators, appointed by the Governor;
4. Two members, who are not legislators, appointed by the Speaker of the House of Representatives;

5. Two members, who are not legislators, appointed by the President Pro Tempore of the Senate; and

6. One member, who is not a legislator, appointed jointly by the President Pro Tempore of the Senate and the Speaker of the House of Representatives.

The two Education Committee Chairpersons shall serve as nonvoting members of the Board as long as each holds that position in such chairperson's respective house. The terms of the appointed members shall be staggered. The initial term of the first member appointed by the Governor shall expire on June 30, 1996. The initial term of the first member appointed by the President Pro Tempore of the Senate shall expire on June 30, 1995. The initial term of the first member appointed by the Speaker of the House of Representatives shall expire on June 30, 1994. The initial term of the second member appointed by the Governor shall expire on June 30, 2002. The initial term of the second member appointed by the President Pro Tempore of the Senate shall expire on June 30, 2001. The initial term of the second member appointed by the Speaker of the House of Representatives shall expire on June 30, 2000. The initial term of the member appointed jointly by the President Pro Tempore of the Senate and the Speaker of the House of Representatives shall expire on June 30, 1999. The terms of the seven appointed members shall begin on July 1 of the year the preceding term expires. All terms scheduled to begin on or before June 30, 1997, shall be for three (3) years. Except for the initial terms of the second members appointed by the Governor, Speaker of the House of Representatives, and the President Pro Tempore of the Senate and the member appointed jointly, all terms scheduled to begin on or after July 1, 1997, shall be for five (5) years. ~~No more than~~ At least one appointed member ~~may~~ must reside in ~~any one~~ each Congressional District, ~~county, city or town~~. No more than one appointed member may reside in any county, city or town. If a vacancy occurs, the vacancy shall be filled for the unexpired term in the same manner as the office was previously filled.

B. A chairperson and vice-chairperson shall be elected annually from the membership of the Board. A quorum, which shall consist of four voting members, must be present for the transaction of any business. Members shall be reimbursed for travel in the performance of their official duties in accordance with the State Travel Reimbursement Act.

C. The Education Oversight Board shall have oversight over implementation of:

1. The provisions of Enrolled House Bill No. 1017 of the 1st Extraordinary Session of the 42nd Oklahoma Legislature; and
2. The provisions of the Oklahoma Teacher Preparation Act.

D. The Education Oversight Board shall govern the operation of the Office of Accountability created in Section 3-117 of this title. The Secretary of Education shall be the chief executive officer of the Office of Accountability.

E. Legislators who serve on the Education Oversight Board shall be exempt from the dual office holding prohibitions of Section 6 of Title 51 of the Oklahoma Statutes.

SECTION 5. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 1210.701 of Title 70, unless there is created a duplication in numbering, reads as follows:

The State Board of Education shall promulgate rules to establish the Oklahoma Advanced Placement Incentive Program, to be administered by the State Department of Education as provided in this act. The purpose of the program is to establish, organize, and administer a program designed to improve the course offerings available to high school students throughout the state and to prepare students for admission to and success in a postsecondary educational environment. The Oklahoma Advanced Placement Incentive Program shall consist of the following components:

1. Financial assistance to public school teachers and schools to build and maintain successful Advanced Placement Programs; and
2. Test fee assistance to public school students in financial need.

SECTION 6. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 1210.702 of Title 70, unless there is created a duplication in numbering, reads as follows:

For purposes of the Oklahoma Advanced Placement Incentive Program:

1. "Advanced placement course" means a high school level preparatory course for a college advanced placement test that incorporates all topics specified by the College Board and the Educational Testing Service on its standard syllabus for a given subject area and is approved by the College Board;

2. "Advanced placement test" means the advanced placement test administered by the College Board and Educational Testing Service;

3. "College Board" means the College Board and Educational Testing Service;

4. "Department" means the State Department of Education; and

5. "Program" means the Oklahoma Advanced Placement Incentive Program.

SECTION 7. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 1210.703 of Title 70, unless there is created a duplication in numbering, reads as follows:

A. Contingent upon the provision of appropriated funds designated for the Oklahoma Advanced Placement Incentive Program, the State Board of Education is hereby authorized to award schools:

1. A one-time equipment and/or instructional materials grant for the purpose of providing an advanced placement course, based on criteria established by the Department;

2. Subsidized training for advanced placement courses in a form, manner and time prescribed by the Department;

3. One Hundred Dollars (\$100.00) for each score of three or better on an advanced placement test; provided, these funds shall be used for the purpose of Advanced Placement Program development; and

4. For those students who demonstrate financial need as defined by the College Board, a share of the advanced placement test fee.

B. Upon completion of the test, the State Department of Education shall obtain from the College Board a list of students in Oklahoma who scored a three or higher on the test. Financial incentives for schools provided in this section shall be awarded at the beginning of the school year following the school year in which the test was taken.

SECTION 8. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 1210.513 of Title 70, unless there is created a duplication in numbering, reads as follows:

In order to assist in the nation's evaluation of the condition and progress of education, and in order to provide comparative interstate information on student performance, beginning July 1, 1997, the State Board of Education shall ensure the participation of the Oklahoma public school system in the National Assessment of Educational Progress. The results of this assessment shall be included as a separate result in annual reports on the Oklahoma State Testing Program.

SECTION 9. AMENDATORY 61 O.S. 1991, Section 131, is amended to read as follows:

Section 131. No contract involving sums in excess of Seven Thousand Five Hundred Dollars (\$7,500.00) shall be split into partial contracts involving sums of below Seven Thousand Five Hundred Dollars (\$7,500.00) for the purpose of avoiding the requirements of ~~this act~~ the Public Competitive Bidding Act of 1974, Section 101 et seq. of this title. All such partial contracts involving less than Seven Thousand Five Hundred Dollars (\$7,500.00) shall be void. Contracts entered into by a public school district for the purpose of construction work on the district's facilities on a force account basis in accordance with the provisions of Section 5-123 of Title 70 of the Oklahoma Statutes shall not be construed to be in violation of the provisions of this section.

SECTION 10. AMENDATORY 70 O.S. 1991, Section 5-123, is amended to read as follows:

Section 5-123. A. No expenditure involving an amount greater than Five Hundred Dollars (\$500.00) shall be made by a board of education except in accordance with the provisions of a written contract or purchase order, and no contract involving an expenditure of more than Seven Thousand Five Hundred Dollars (\$7,500.00) for the purpose of erecting any public building or making any improvements shall be made except upon sealed proposals and to the lowest responsible bidder. Provided, this section shall not be construed to prohibit a school district from erecting a building or making improvements on a force account basis. Contracts with any state agency for the purpose of emergency asbestos abatement shall be exempt from the provisions of this section.

B. 1. For purposes of this section, a construction project done on a "force account basis" or a "force account project" is a project that:

- a. is undertaken by a school district for making improvements to, constructing, or making repairs to a building or facility owned by the district,
- b. is supervised by the district in the capacity of prime contractor, and
- c. will be completed through the use of one or more district employees or through a combination of the use of one or more district employees and one or more contracts between the school district and entities providing labor or materials as subcontractors.

2. A school district shall not be limited in the number of contracts that it may execute, suppliers or laborers it may use, or employees it may hire for purposes of completing a force account project; provided, except for employees of the school district or laborers paid directly by the district, a school district shall not expend more than Seven Thousand Five Hundred Dollars (\$7,500.00) in total with one entity in a direct

contractual relationship for materials or labor on a single force account project except pursuant to one or more contracts competitively bid pursuant to the Public Competitive Bidding Act of 1974, Section 101 et seq. of Title 61 of the Oklahoma Statutes.

SECTION 11. AMENDATORY 70 O.S. 1991, Section 3423, is amended to read as follows:

Section 3423. The institution located in Tulsa County and known as the Oklahoma College of Osteopathic Medicine and Surgery is hereby merged with and made an agency and an integral part of Oklahoma State University. The location of the college shall remain in Tulsa County and its official name shall be the Oklahoma State University College of Osteopathic Medicine. The Board of Regents for the Oklahoma Agricultural and Mechanical Colleges shall have the supervision, management, and governmental control of the college, which shall be administered by Oklahoma State University. At least one of the two highest-ranking administrative officers of the college shall be a doctor of osteopathic medicine.

SECTION 12. AMENDATORY 51 O.S. 1991, Section 154, as amended by Section 1, Chapter 283, O.S.L. 1994 (51 O.S. Supp. 1996, Section 154), is amended to read as follows:

Section 154. A. The total liability of the state and its political subdivisions on claims within the scope of this act, Section 151 et seq. of this title, arising out of an accident or occurrence happening after the effective date of this act, Section 151 et seq. of this title, shall not exceed:

1. Twenty-five Thousand Dollars (\$25,000.00) for any claim or to any claimant who has more than one claim for loss of property arising out of a single act, accident, or occurrence;

2. One Hundred Thousand Dollars (\$100,000.00) to any claimant for his claim for any other loss arising out of a single act, accident, or occurrence. Except however, the limits of said liability for the University Hospitals and State Mental Health Hospitals operated by the Department of Mental Health and Substance Abuse Services for claims arising from medical negligence shall be Two Hundred Thousand Dollars (\$200,000.00).

For claims arising from medical negligence by any licensed physician, osteopathic physician or certified nurse-midwife rendering prenatal, delivery or infant care services from September 1, 1991, through June 30, 1996, pursuant to a contract authorized by subsection (b) of Section 1-106 of Title 63 of the Oklahoma Statutes and in conformity with the requirements of Section ~~3~~ 1-233 of ~~this act~~ Title 63 of the Oklahoma Statutes, the limits of said liability shall be Two Hundred Thousand Dollars (\$200,000.00); or

3. One Million Dollars (\$1,000,000.00) for any number of claims arising out of a single occurrence or accident.

B. No award for damages in an action or any claim against the state or a political subdivision shall include punitive or exemplary damages.

C. When the amount awarded to or settled upon multiple claimants exceeds the limitations of this section, any party may apply to the district court which has jurisdiction of the cause to apportion to each claimant his proper share of the total amount as limited herein. The share apportioned to each claimant shall be in the proportion that the ratio of the award or settlement made to him bears to the aggregate awards and settlements for all claims against the state or its political subdivisions arising out of the occurrence. When the amount of the aggregate losses presented by a single claimant exceeds the limits of paragraphs 1 or 2 of subsection A of this section, each person suffering a loss shall be entitled to his proportionate share.

D. The total liability of resident physicians and interns while participating in a graduate medical education program of the University of Oklahoma College of Medicine, its affiliated institutions and the ~~Oklahoma College of Osteopathic Medicine and Surgery~~ Oklahoma State University College of Osteopathic Medicine shall not exceed One Hundred Thousand Dollars (\$100,000.00).

E. The state or a political subdivision may petition the court that all parties and actions arising out of a single accident or occurrence shall be joined as provided by law, and upon order of the court the proceedings upon good cause shown

shall be continued for a reasonable time or until such joinder has been completed. The state or political subdivision shall be allowed to interplead in any action which may impose on it any duty or liability pursuant to this act.

F. The liability of the state or political subdivision under this act shall be several from that of any other person or entity, and the state or political subdivision shall only be liable for that percentage of total damages that corresponds to its percentage of total negligence. Nothing in this section shall be construed as increasing the liability limits imposed on the state or political subdivision under this act.

SECTION 13. AMENDATORY 70 O.S. 1991, Section 697.3 is amended to read as follows:

Section 697.3 The Physician Manpower Training Commission shall be composed of seven (7) members appointed by the Governor with the advice and consent of the Senate, three of whom shall be practicing allopathic physicians and two of whom shall be osteopathic physicians, and said physician members shall be from throughout the state. Three members of the Commission shall be appointed for one-year terms, two members shall be appointed for three-year terms and two members shall be appointed for five-year terms, and at the expiration of the initial terms, succeeding terms of office shall be five (5) years in duration. There shall be also fourteen (14) additional nonvoting ex officio members of the Commission who shall serve in an advisory capacity only and include the Dean of the University of Oklahoma College of Medicine, or his designee; the Dean of the University of Oklahoma College of Medicine - Tulsa, or his designee; the Chairman of the Department of Family Medicine of the University of Oklahoma Health Sciences Center, or his designee; the Chairman of the Department of Family Practice of the University of Oklahoma College of Medicine - Tulsa, or his designee; the Chairman of the Department of General Practice of the ~~Oklahoma College of Osteopathic Medicine and Surgery~~ Oklahoma State University College of Osteopathic Medicine, or his designee; the President of the Oklahoma Academy of Family Physicians, or his designee; the

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President of the ~~Oklahoma College of Osteopathic Medicine and Surgery~~ Oklahoma State University College of Osteopathic Medicine, or his designee; the President of the Oklahoma State Medical Association, or his designee; the President of the Oklahoma State Osteopathic Association, or his designee; the President of the Oklahoma Hospital Association, or his designee; the Chairman of the State Board of Health, or his designee; the Provost of the University of Oklahoma Health Sciences Center, or his designee; the Dean of the ~~Oklahoma College of Osteopathic Medicine and Surgery~~ Oklahoma State University College of Osteopathic Medicine, or his designee; and the Executive Chief of Staff, State of Oklahoma Medical Center, or his designee. Members of the Commission shall serve without salary, but may be reimbursed for travel expenses in attending meetings and performing their duties pursuant to the State Travel Reimbursement Act, Section 500.1 et seq. of Title 74 of the Oklahoma Statutes.

SECTION 14. AMENDATORY 70 O.S. 1991, Section 697.5, is amended to read as follows:

Section 697.5 The Physician Manpower Training Commission, in order to perform its official function in establishing and administering physician training programs, shall have the following specific powers, duties and responsibilities:

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

2. To review data and information on accredited physician internship and residency programs currently operated by Oklahoma hospitals and other approved clinical situations, in order to ascertain the number and distribution by physician specialty training and by geographic location of available internship and residency positions and to evaluate the impact of internship and residency placement on the establishment of practices by

physicians in that geographic area or similar areas within the state where their services are urgently needed;

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

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

5. To develop the criteria for determining the physician training cost component or associated clinical and hospital training costs which are or may be nonreimbursable by third party payers in programs proposed by accredited hospitals, clinical situations, or hospital and clinical programs affiliated with and administered by the College of Medicine, College of Medicine - Tulsa or ~~Oklahoma College of Osteopathic Medicine and Surgery~~ Oklahoma State University College of Osteopathic Medicine in order to determine the share for the state in supporting the salary, benefits, training and program administration costs incurred by hospitals in supporting of the interns and residents;

6. To develop the criteria and procedure by which state matching funds will be awarded to hospitals, accredited clinical situations, in cooperation with the University of Oklahoma College of Medicine, University of Oklahoma College of Medicine - Tulsa, and the ~~Oklahoma College of Osteopathic Medicine and Surgery~~ Oklahoma State University College of Osteopathic Medicine which

shall administer programs in hospital and clinical situations in the state to be used to underwrite the salaries, benefits and associated training and administration costs provided for the physician interns and residents during their period of training in such a way as to create an incentive for the development and establishment of residency and internship positions by hospitals, clinical establishments or by affiliation agreement with the University of Oklahoma College of Medicine, University of Oklahoma College of Medicine - Tulsa and the ~~Oklahoma College of Osteopathic Medicine and Surgery~~ Oklahoma State University College of Osteopathic Medicine by providing funds to cover and to supplement the nonreimbursable or additional costs incurred in hospitals for training activities or for delivery of service in outreach and ambulatory clinical situations which are outside but associated with the hospitals and clinical establishments participating in the program;

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

8. To determine the specific level of funding and the priorities used for granting state support to approved hospitals and clinical situations, in cooperation with the University of

Oklahoma College of Medicine, University of Oklahoma College of Medicine - Tulsa and the ~~Oklahoma College of Osteopathic Medicine and Surgery~~ Oklahoma State University College of Osteopathic Medicine for approved hospital physician training programs for interns and residents and to recommend to the Governor and the Oklahoma Legislature the total funds needed to carry out the purpose of this program;

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

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

11. To ensure that in programs administered and operated by the University of Oklahoma College of Medicine, University of Oklahoma College of Medicine - Tulsa and the ~~Oklahoma College of Osteopathic Medicine and Surgery~~ Oklahoma State University College of Osteopathic Medicine in hospitals and clinical situations throughout the state that funds allocated to the colleges are paid by the hospitals and clinical situations in which the patient care services are rendered, the funds are expended for such purposes in funding residents and interns in the physician training programs that the colleges have established with the approved hospitals and clinical situations which programs are designed to provide primary health care services to the rural and medically underserved parts of the state;

12. To conduct and to administer a program of physician and health manpower placement services throughout the State of

Oklahoma. Placement services shall be made available to communities, hospitals, health care facilities, physician and health professional training institutions, health professional associations and organizations, individual physicians, health professionals, students in physician and health professional training institutions and schools, and other interested parties in such a way so as to further the purposes of improving the distribution of physicians and health professionals practicing or available for practice in the state and improving in the availability of health care services to the people of the state. Said placement service shall include but not be limited to assisting communities in matching with, contacting and recruiting physicians and health professionals to practice in communities in the state. The Commission shall develop criteria and procedures for the conduct and performance of placement services and employ any staff, contract for services with any private agency, nonprofit corporation or institution to facilitate the performance of placement services.

SECTION 15. AMENDATORY 70 O.S. 1991, Section 697.7, is amended to read as follows:

Section 697.7 The Physician Manpower Training Commission is hereby authorized to enter into contractual arrangements with any qualified hospital in any city or town in Oklahoma whereby the hospital would accommodate a resident physician to practice in the hospital during a six-month elective phase of the residency training program which is conducted in an accredited free-standing-teaching hospital in cooperation with the University of Oklahoma College of Medicine, University of Oklahoma-Tulsa Medical College, and the ~~Oklahoma College of Osteopathic Medicine and Surgery~~ Oklahoma State University College of Osteopathic Medicine. The hospital accommodating said resident physician shall pay to the Commission such monies as may be required to cover the agreed amount to pay the cost of the salary stipend and expenses of the resident physician for the period of time spent in practice at said hospital. Monies received by the Commission from the participating hospital under the provisions of this section shall

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be deposited to, and disbursed from, the "Hospital Residency Revolving Fund" hereby created in the State Treasury. The fund shall be a continuing fund not subject to legislative appropriation or fiscal year limitations. Expenditures from said fund shall be made on warrants issued by the State Treasurer against claims filed by the Commission with the Director of State Finance for approval and payment.

SECTION 16. AMENDATORY 70 O.S. 1991, Section 697.9, is amended to read as follows:

Section 697.9 There is hereby created and established the Community Preceptor Physician Training and Work Experience Scholarship Fund which fund shall be administered by the Physician Manpower Training Commission for the purpose of providing state matching funds assistance and encouraging the development of a program whereby the state in conjunction with given communities, hospitals or clinical training situations funds the stipends and living expenses for medical students who agree to work in these given communities during the vacation times during the course of their education in the University of Oklahoma College of Medicine or the ~~Oklahoma College of Osteopathic Medicine and Surgery~~ Oklahoma State University College of Osteopathic Medicine. The Commission shall develop procedures for determining the matching funds participation of communities and of the state for a given student and coordinate with the physician training institutions in the state for the selection of students to participate in the program and the selection of physicians who will supervise students and hospitals and clinical situations in which the training and experience occurs in the delivery of primary health care to rural and medically underserved areas with the purpose of providing medical and osteopathic students an opportunity to develop relationships with communities and encourage them to locate their practices in areas of medical need.

SECTION 17. AMENDATORY 70 O.S. 1991, Section 697.11, is amended to read as follows:

Section 697.11 In addition to internship and residency programs previously established and funded, it is the intent of

the Legislature that the Commission, through cooperation with the University of Oklahoma College of Medicine, University of Oklahoma-Tulsa Medical College and the ~~Oklahoma College of Osteopathic Medicine and Surgery~~ Oklahoma State University College of Osteopathic Medicine, establish and fund additional residency and internship positions as follows: fiscal year 1981, 56 positions; fiscal year 1982, a maximum of 60 positions; fiscal year 1983, a maximum of 30 positions; fiscal year 1984, a maximum of 10 positions.

SECTION 18. This act shall become effective July 1, 1997.

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

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