

STATE OF OKLAHOMA

1st Session of the 59th Legislature (2023)

HOUSE BILL 1050

By: Randleman

AS INTRODUCED

An Act relating to human trafficking and child exploitation; creating the Human Trafficking and Child Exploitation Prevention Act; defining terms; directing retailers of Internet-enabled devices to equip products with certain filters; requiring retailers of Internet-enabled devices to ensure functionality of filters; establishing reporting requirements; directing retailers to submit reports of child pornography to certain tipline; prohibiting retailers from blocking access to certain websites; prohibiting retailers from sharing filter deactivation information with consumers; requiring retailers to deactivate filters under certain circumstances; providing for a one-time filter deactivation fee; providing for remittance of fee; directing the Oklahoma Tax Commission to deposit fee into certain revolving fund; providing purpose of fee; providing construing provision; directing the Attorney General to prepare and make available certain form; requiring retailers to use due care to protect privacy rights of adult consumers; prohibiting disclosure of personal identification information; providing for the unblocking of websites under certain circumstances; authorizing consumers to seek certain judicial relief; providing for attorney fees and costs; providing for the filing of civil actions when filters are breached; providing for attorney fees and costs; making retailers subject to penalties for deceptive trade practices; providing an affirmative defense; making certain acts unlawful; providing penalties; providing exemptions to provision of the act; establishing the Oklahoma Human Trafficking and Child Exploitation Prevention Grant Fund; stating purpose of the fund; directing the Attorney General to utilize funds for specific needs

1 and services; providing for the use of accrued  
2 interest amounts and remaining balances in the  
3 revolving fund; directing the Attorney General to  
4 evaluate activities of grant recipients and submit  
5 annual report to certain state officials; specifying  
6 contents of annual report; authorizing the Attorney  
7 General to establish eligibility requirements for  
8 grant recipients; providing expenditure limitations  
9 on grant funds; imposing fee for customers entering  
10 live adult entertainment establishments; directing  
11 remittance of said fee on a quarterly basis to the  
12 Tax Commission; directing deposit of fee into certain  
13 revolving fund; directing the Tax Commission to  
14 prescribe method of administration, payment,  
15 collection and enforcement of fees; stating purpose  
16 of admission fee; directing live adult entertainment  
17 establishments to record daily number of customers;  
18 requiring the maintenance of certain records;  
19 providing for the inspection and auditing of records  
20 by the Tax Commission; providing discretion on  
21 collecting and remitting admission fee; providing for  
22 codification; and providing an effective date.

23  
24  
25  
26  
27  
28  
29  
30  
31  
32  
33  
34  
35  
36  
37  
38  
39  
40  
41  
42  
43  
44  
45  
46  
47  
48  
49  
50  
51  
52  
53  
54  
55  
56  
57  
58  
59  
60  
61  
62  
63  
64  
65  
66  
67  
68  
69  
70  
71  
72  
73  
74  
75  
76  
77  
78  
79  
80  
81  
82  
83  
84  
85  
86  
87  
88  
89  
90  
91  
92  
93  
94  
95  
96  
97  
98  
99  
100  
101  
102  
103  
104  
105  
106  
107  
108  
109  
110  
111  
112  
113  
114  
115  
116  
117  
118  
119  
120  
121  
122  
123  
124  
125  
126  
127  
128  
129  
130  
131  
132  
133  
134  
135  
136  
137  
138  
139  
140  
141  
142  
143  
144  
145  
146  
147  
148  
149  
150  
151  
152  
153  
154  
155  
156  
157  
158  
159  
160  
161  
162  
163  
164  
165  
166  
167  
168  
169  
170  
171  
172  
173  
174  
175  
176  
177  
178  
179  
180  
181  
182  
183  
184  
185  
186  
187  
188  
189  
190  
191  
192  
193  
194  
195  
196  
197  
198  
199  
200  
201  
202  
203  
204  
205  
206  
207  
208  
209  
210  
211  
212  
213  
214  
215  
216  
217  
218  
219  
220  
221  
222  
223  
224  
225  
226  
227  
228  
229  
230  
231  
232  
233  
234  
235  
236  
237  
238  
239  
240  
241  
242  
243  
244  
245  
246  
247  
248  
249  
250  
251  
252  
253  
254  
255  
256  
257  
258  
259  
260  
261  
262  
263  
264  
265  
266  
267  
268  
269  
270  
271  
272  
273  
274  
275  
276  
277  
278  
279  
280  
281  
282  
283  
284  
285  
286  
287  
288  
289  
290  
291  
292  
293  
294  
295  
296  
297  
298  
299  
300  
301  
302  
303  
304  
305  
306  
307  
308  
309  
310  
311  
312  
313  
314  
315  
316  
317  
318  
319  
320  
321  
322  
323  
324  
325  
326  
327  
328  
329  
330  
331  
332  
333  
334  
335  
336  
337  
338  
339  
340  
341  
342  
343  
344  
345  
346  
347  
348  
349  
350  
351  
352  
353  
354  
355  
356  
357  
358  
359  
360  
361  
362  
363  
364  
365  
366  
367  
368  
369  
370  
371  
372  
373  
374  
375  
376  
377  
378  
379  
380  
381  
382  
383  
384  
385  
386  
387  
388  
389  
390  
391  
392  
393  
394  
395  
396  
397  
398  
399  
400  
401  
402  
403  
404  
405  
406  
407  
408  
409  
410  
411  
412  
413  
414  
415  
416  
417  
418  
419  
420  
421  
422  
423  
424  
425  
426  
427  
428  
429  
430  
431  
432  
433  
434  
435  
436  
437  
438  
439  
440  
441  
442  
443  
444  
445  
446  
447  
448  
449  
450  
451  
452  
453  
454  
455  
456  
457  
458  
459  
460  
461  
462  
463  
464  
465  
466  
467  
468  
469  
470  
471  
472  
473  
474  
475  
476  
477  
478  
479  
480  
481  
482  
483  
484  
485  
486  
487  
488  
489  
490  
491  
492  
493  
494  
495  
496  
497  
498  
499  
500  
501  
502  
503  
504  
505  
506  
507  
508  
509  
510  
511  
512  
513  
514  
515  
516  
517  
518  
519  
520  
521  
522  
523  
524  
525  
526  
527  
528  
529  
530  
531  
532  
533  
534  
535  
536  
537  
538  
539  
540  
541  
542  
543  
544  
545  
546  
547  
548  
549  
550  
551  
552  
553  
554  
555  
556  
557  
558  
559  
560  
561  
562  
563  
564  
565  
566  
567  
568  
569  
570  
571  
572  
573  
574  
575  
576  
577  
578  
579  
580  
581  
582  
583  
584  
585  
586  
587  
588  
589  
590  
591  
592  
593  
594  
595  
596  
597  
598  
599  
600  
601  
602  
603  
604  
605  
606  
607  
608  
609  
610  
611  
612  
613  
614  
615  
616  
617  
618  
619  
620  
621  
622  
623  
624  
625  
626  
627  
628  
629  
630  
631  
632  
633  
634  
635  
636  
637  
638  
639  
640  
641  
642  
643  
644  
645  
646  
647  
648  
649  
650  
651  
652  
653  
654  
655  
656  
657  
658  
659  
660  
661  
662  
663  
664  
665  
666  
667  
668  
669  
670  
671  
672  
673  
674  
675  
676  
677  
678  
679  
680  
681  
682  
683  
684  
685  
686  
687  
688  
689  
690  
691  
692  
693  
694  
695  
696  
697  
698  
699  
700  
701  
702  
703  
704  
705  
706  
707  
708  
709  
710  
711  
712  
713  
714  
715  
716  
717  
718  
719  
720  
721  
722  
723  
724  
725  
726  
727  
728  
729  
730  
731  
732  
733  
734  
735  
736  
737  
738  
739  
740  
741  
742  
743  
744  
745  
746  
747  
748  
749  
750  
751  
752  
753  
754  
755  
756  
757  
758  
759  
760  
761  
762  
763  
764  
765  
766  
767  
768  
769  
770  
771  
772  
773  
774  
775  
776  
777  
778  
779  
780  
781  
782  
783  
784  
785  
786  
787  
788  
789  
790  
791  
792  
793  
794  
795  
796  
797  
798  
799  
800  
801  
802  
803  
804  
805  
806  
807  
808  
809  
810  
811  
812  
813  
814  
815  
816  
817  
818  
819  
820  
821  
822  
823  
824  
825  
826  
827  
828  
829  
830  
831  
832  
833  
834  
835  
836  
837  
838  
839  
840  
841  
842  
843  
844  
845  
846  
847  
848  
849  
850  
851  
852  
853  
854  
855  
856  
857  
858  
859  
860  
861  
862  
863  
864  
865  
866  
867  
868  
869  
870  
871  
872  
873  
874  
875  
876  
877  
878  
879  
880  
881  
882  
883  
884  
885  
886  
887  
888  
889  
890  
891  
892  
893  
894  
895  
896  
897  
898  
899  
900  
901  
902  
903  
904  
905  
906  
907  
908  
909  
910  
911  
912  
913  
914  
915  
916  
917  
918  
919  
920  
921  
922  
923  
924  
925  
926  
927  
928  
929  
930  
931  
932  
933  
934  
935  
936  
937  
938  
939  
940  
941  
942  
943  
944  
945  
946  
947  
948  
949  
950  
951  
952  
953  
954  
955  
956  
957  
958  
959  
960  
961  
962  
963  
964  
965  
966  
967  
968  
969  
970  
971  
972  
973  
974  
975  
976  
977  
978  
979  
980  
981  
982  
983  
984  
985  
986  
987  
988  
989  
990  
991  
992  
993  
994  
995  
996  
997  
998  
999  
1000

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 1031 of Title 15, unless there  
is created a duplication in numbering, reads as follows:

Sections 1 through 8 of this act shall be known and may be cited  
as the "Human Trafficking and Child Exploitation Prevention Act".

SECTION 2. NEW LAW A new section of law to be codified  
in the Oklahoma Statutes as Section 1032 of Title 15, unless there  
is created a duplication in numbering, reads as follows:

1 As used in the Human Trafficking and Child Exploitation  
2 Prevention Act:

3 1. "Cellular telephone" means a communication device containing  
4 a unique electronic serial number that is programmed into its  
5 computer chip by its manufacturer and whose operation is dependent  
6 on the transmission of that electronic serial number along with a  
7 mobile identification number, which is assigned by the cellular  
8 telephone carrier, in the form of radio signals through cell sites  
9 and mobile switching stations;

10 2. "Child pornography" has the same meaning as defined in  
11 Section 2256 of Title 18 of the United States Code and Section  
12 1024.1 of Title 21 of the Oklahoma Statutes and describes an offense  
13 provided for in Section 1021.2 of Title 21 of the Oklahoma Statutes;

14 3. "Computer" has the same meaning as defined in Section 1030  
15 of Title 18 of the United States Code;

16 4. "Consumer" means an individual, business, or entity that  
17 purchases or leases for personal, family, or household purposes or  
18 any other reason an Internet-enabled device;

19 5. "Data communications device" means an electronic device that  
20 receives electronic information from one source and transmits or  
21 routes it to another including, but not limited to, any such bridge,  
22 router, switch, or gateway;

23 6. "Filter" means digital blocking capability, hardware, or  
24 software that restricts or blocks Internet access to websites,

1 electronic mail, chat, or other Internet-based communications based  
2 on category, site, or content and also means a digital blinder rack  
3 that can be deactivated by a retailer upon the satisfaction of  
4 certain nominal conditions;

5 7. "Harmful to minors" has the same meaning as defined in  
6 Section 1040.75 of Title 21 of the Oklahoma Statutes;

7 8. "Human trafficking" has the same meaning as defined in  
8 Section 748 of Title 21 of the Oklahoma Statutes;

9 9. "Internet" has the same meaning as defined in Section 5362  
10 of Title 31 of the United States Code;

11 10. "Internet-enabled device" means a cellular telephone,  
12 computer, data communications device, or other product manufactured,  
13 distributed, or sold in this state that provides Internet access or  
14 plays a material role in distributing content on the Internet;

15 11. "Internet service provider" means a person engaged in the  
16 business of providing a computer and communications facility through  
17 which a consumer may obtain access to the Internet. The term does  
18 not include a common carrier if it provides only telecommunication  
19 service;

20 12. "Live adult entertainment establishment" means a business  
21 in which, as the major activity, customers congregate primarily for  
22 the purpose of viewing or associating with employees who display  
23 anatomical areas designed to provide sexual stimulation or sexual  
24 gratification including, but not limited to, human genitals, the

1 immediate pubic region or pubic hair, buttocks to the extent of  
2 exposing the immediate anal area, female breasts to points below the  
3 nipples, male genitals in a state of erection even if covered with  
4 opaque clothing, and all of the aforementioned anatomical areas when  
5 covered only by transparent or diaphanous clothing;

6 13. "Minor" has the same meaning as defined in Section 1040.75  
7 of Title 21 of the Oklahoma Statutes;

8 14. "Nongovernment group" means a nonprofit organization exempt  
9 from federal income taxation pursuant to the provisions of Section  
10 501(c)(3) of Title 26 of the Internal Revenue Code of 1986, whose  
11 primary purpose is ending sexual violence in this state through  
12 programs dedicated to preventing sexual violence, and outreach  
13 programs and technical assistance to and support of youth and rape  
14 crisis centers working to prevent sexual violence. The term also  
15 includes individuals or groups that are doing anything to uphold  
16 community standards of decency;

17 15. "Obscene" has the same meaning as defined in Section 1024.1  
18 of Title 21 of the Oklahoma Statutes and includes Internet websites  
19 that:

- 20 a. are known to facilitate human trafficking or
- 21 prostitution, and
- 22 b. display or depict images that are harmful to minors or
- 23 that constitute sadomasochistic abuse, sexual
- 24 excitement, sexual conduct, or revenge pornography;

1 16. "Personal identification information" means any information  
2 that identifies a person including a photograph, Social Security  
3 number, driver license number, name, email address, home address, or  
4 telephone number;

5 17. "Prostitution" has the same meaning as defined in Section  
6 1030 of Title 21 of the Oklahoma Statutes;

7 18. "Retailer" means any person who regularly engages in the  
8 manufacturing, sale, offer for sale, or lease of Internet-enabled  
9 devices or services in this state that makes content accessible on  
10 the Internet. The term includes Internet service providers;

11 19. "Revenge pornography" means images promoting the exposure  
12 of a person which is a criminal offense under the provisions of  
13 Section 1040.13b of Title 21 of the Oklahoma Statutes;

14 20. "Sadomasochistic abuse" has the same meaning as defined in  
15 Section 1040.75 of Title 21 of the Oklahoma Statutes;

16 21. "Sexual conduct" has the same meaning as defined in Section  
17 1024.1 of Title 21 of the Oklahoma Statutes;

18 22. "Sexual excitement" has the same meaning as defined in  
19 Section 1040.75 of Title 21 of the Oklahoma Statutes; and

20 23. "Social media website" means an Internet website or  
21 application that enables users to communicate with each other by  
22 posting information, comments, messages, or images and that meets  
23 all of the following requirements:

24 a. is open to the public,

- 1           b.    has more than seventy-five million (75,000,000)  
2                subscribers,  
3           c.    from its inception, has not been specifically  
4                affiliated with any one religion or political party,  
5                and  
6           d.    provides a means for the users of its website to  
7                report obscene materials and has in place procedures  
8                for evaluating those reports and thereafter removing  
9                said obscene material.

10       SECTION 3.       NEW LAW       A new section of law to be codified  
11 in the Oklahoma Statutes as Section 1033 of Title 15, unless there  
12 is created a duplication in numbering, reads as follows:

13       A.    A retailer that manufactures, sells, offers for sale,  
14 leases, or distributes an Internet-enabled device shall ensure that  
15 the product is equipped with an active and operating filter prior to  
16 sale that blocks by default websites that:

- 17       1.    Are known to facilitate human trafficking or prostitution;  
18 and  
19       2.    Display child pornography, revenge pornography, or obscene  
20 material harmful to minors.

21       B.    A retailer that manufactures, sells, offers for sale,  
22 leases, or distributes an Internet-enabled device shall:

- 23       1.    Make reasonable and ongoing efforts to ensure that a  
24 product's filter functions properly;

1       2. Establish a reporting mechanism, such as a website or call  
2 center, to allow a consumer to report unblocked websites displaying  
3 content described in subsection A of this section or to report  
4 blocked websites that are not displaying content described in  
5 subsection A of this section;

6       3. Report child pornography received through the reporting  
7 mechanism to the CyberTipline of the National Center for Missing and  
8 Exploited Children in accordance with the provisions of Section  
9 2258A of Title 18 of the United States Code; and

10       4. Not block access to websites that:

- 11           a. are social media websites that provide a means for  
12           users of the website to report obscene materials and  
13           have in place procedures for evaluating those reports  
14           and removing the obscene material,
- 15           b. serve primarily as a search engine, or
- 16           c. display complete movies that meet the qualifications  
17           for a "G", "PG", "PG-13", or "R" rating by the  
18           Classification and Rating Administration, as those  
19           qualifications existed on September 1, 2021.

20       C. Except as provided by subsection D of this section, a  
21 retailer of an Internet-enabled device may not provide to a consumer  
22 methods, source code, or other operating instructions for  
23 deactivating a product's filter.

1 D. A retailer of an Internet-enabled device shall deactivate  
2 the filter after a consumer:

- 3 1. Requests that the capability be disabled;
- 4 2. Presents personal identification information to verify that  
5 the consumer is eighteen (18) years of age or older;
- 6 3. Acknowledges receiving a warning regarding the potential  
7 danger of deactivating the filter; and
- 8 4. Pays a one-time filter deactivation fee of Twenty Dollars  
9 (\$20.00) to the retailer who shall then be required to remit the  
10 filter deactivation fee on a quarterly basis to the Oklahoma Tax  
11 Commission to be deposited into the Oklahoma Human Trafficking and  
12 Child Exploitation Prevention Grant Fund established under the  
13 provisions of Section 7 of this act.

14 E. The filter deactivation fee provided for in paragraph 4 of  
15 subsection D of this section is not content-based but shall be  
16 collected and remitted to the Oklahoma Tax Commission to help the  
17 state bear the costs of upholding community standards of decency and  
18 combating sex-related offenses and shall be used as set forth in  
19 subsection B of Section 7 of this act. The Tax Commission shall  
20 prescribe the administration, payment, collection, and enforcement  
21 of the fee imposed by the provisions of paragraph 4 of subsection D  
22 of this section. The Tax Commission may annually adjust the one-  
23 time fee to account for inflation.

24

1 F. Nothing in this act shall be construed to prevent a retailer  
2 of an Internet-enabled device from charging a reasonable, separate  
3 fee to deactivate the filter, which it may retain for profit.

4 G. The Attorney General shall prepare and make available to  
5 retailers a form that includes all content that must be in the  
6 warning described in paragraph 3 of subsection D of this section.

7 H. Nothing in this act shall be construed to require a retailer  
8 of an Internet-enabled device to create a database or registry that  
9 contains the names or personal identification information of adults  
10 who knowingly chose to deactivate a product's filter. A retailer of  
11 an Internet-enabled device shall take due care to protect the  
12 privacy rights of adult consumers under this section and shall not  
13 disclose the names or personal identification information of an  
14 adult consumer who decided to deactivate a product's filter.

15 SECTION 4. NEW LAW A new section of law to be codified  
16 in the Oklahoma Statutes as Section 1034 of Title 15, unless there  
17 is created a duplication in numbering, reads as follows:

18 A. Pursuant to paragraph 2 of subsection B of Section 3 of this  
19 act, if a filter blocks a website that is not displaying content  
20 described in subsection A of Section 3 of this act and the block is  
21 reported to a call center or other reporting mechanism, the website  
22 shall be unblocked within a reasonable time but in no event later  
23 than five (5) business days after the block is first reported. A  
24 consumer may seek judicial relief to unblock a website that was

1 wrongfully blocked by the filter. The prevailing party in a civil  
2 litigation may seek attorney fees, costs, and other forms of relief.

3 B. Pursuant to paragraph 2 of subsection B of Section 3 of this  
4 act, if a retailer of an Internet-enabled device is unresponsive to  
5 a report of a website displaying content described in subsection A  
6 of Section 3 of this act that has breached the filter, the Attorney  
7 General or a consumer may file a civil action. The Attorney General  
8 or a consumer may seek monetary damages of up to Five Hundred  
9 Dollars (\$500.00) for each website that was reported but not  
10 subsequently blocked. The prevailing party in the civil action may  
11 seek attorney fees, costs, and other forms of relief.

12 C. A retailer of an Internet-enabled device that fails to  
13 comply with a duty described in subsections A and B of this section  
14 has engaged in an abusive, unfair, and deceptive trade practice in  
15 violation of Section 753 of Title 15 of the Oklahoma Statutes and  
16 shall be subject to the penalties provided for therein.

17 D. It shall be an affirmative defense in a civil action to a  
18 charge of violating this section that the dissemination of the  
19 content described in subsection A of Section 3 of this act was  
20 limited to institutions or organizations having scientific,  
21 educational, or other similar justifications for displaying the  
22 material.

23

24

1 SECTION 5. NEW LAW A new section of law to be codified  
2 in the Oklahoma Statutes as Section 1035 of Title 15, unless there  
3 is created a duplication in numbering, reads as follows:

4 A. It shall be unlawful for a retailer of an Internet-enabled  
5 device to knowingly:

6 1. Sell an Internet-enabled device without an activated filter  
7 that at least makes an attempt to block by default websites that  
8 display content described in subsection A of Section 3 of this act;

9 2. Violate the provisions of subsection C of Section 3 of this  
10 act;

11 3. Fail to comply with the requirements of subsection D of  
12 Section 3 of this act before deactivating a product's filter; or

13 4. Disclose to a third party the name or the personal  
14 identification information of adult consumers who have elected to  
15 deactivate a product's filter in violation of subsection H of  
16 Section 3 of this act without a court order directing otherwise.

17 B. A retailer of an Internet-enabled device that commits an  
18 offense under the provisions of subsection A of this section shall,  
19 upon conviction, be guilty of a misdemeanor subject to a fine not  
20 exceeding One Thousand Dollars (\$1,000.00), or by imprisonment in a  
21 county jail for a term not exceeding two (2) days. A retailer  
22 convicted of a second violation within one (1) year of a first  
23 conviction shall be subject to a fine not exceeding Two Thousand  
24 Five Hundred Dollars (\$2,500.00), or by imprisonment in a county

1 jail for a term not exceeding ten (10) days. A retailer convicted  
2 of a third or subsequent violation within one (1) year of a first  
3 conviction shall be subject to a fine not exceeding Two Thousand  
4 Five Hundred Dollars (\$2,500.00), or by imprisonment in a county  
5 jail for a term not exceeding sixty (60) days.

6 C. A retailer of an Internet-enabled device that commits an  
7 offense under the provisions of subsection A of this section has  
8 engaged in an abusive, unfair, and deceptive trade practice in  
9 violation of Section 753 of Title 15 of the Oklahoma Statutes and is  
10 subject to the penalties provided for therein.

11 D. Only the Attorney General or a district attorney can enforce  
12 the provisions of this section.

13 SECTION 6. NEW LAW A new section of law to be codified  
14 in the Oklahoma Statutes as Section 1036 of Title 15, unless there  
15 is created a duplication in numbering, reads as follows:

16 A. The provisions of the Human Trafficking and Child  
17 Exploitation Prevention Act shall not apply to:

18 1. An occasional sale of an Internet-enabled device by a person  
19 who is not regularly engaged in the trade business of selling  
20 Internet-enabled devices;

21 2. Products produced or sold before the effective date of this  
22 act; and

23 3. Independent third-party routers that are not affiliated with  
24 an Internet service provider.

1 B. The provisions of this act do not apply to a retailer of an  
2 Internet-enabled device that is not subject to the jurisdiction of  
3 this state.

4 SECTION 7. NEW LAW A new section of law to be codified  
5 in the Oklahoma Statutes as Section 1037 of Title 15, unless there  
6 is created a duplication in numbering, reads as follows:

7 A. There is hereby created in the State Treasury a revolving  
8 fund to be designated as the "Oklahoma Human Trafficking and Child  
9 Exploitation Prevention Grant Fund" to be administered by the Office  
10 of the Attorney General or designee. The fund shall be a continuing  
11 fund, not subject to fiscal year limitations, and shall consist of  
12 filter deactivation fees collected by the Oklahoma Tax Commission  
13 from retailers of Internet-enabled devices pursuant to the  
14 provisions of paragraph 4 of subsection D of Section 3 of this act,  
15 live adult entertainment admission fees collected by the Tax  
16 Commission from live adult entertainment establishments pursuant to  
17 the provisions of subsection A of Section 8 of this act, and any  
18 other appropriations, gifts, grants, donations, bequests, or monies  
19 designated to the fund by law. All monies accruing to the credit of  
20 said fund are hereby appropriated and may be budgeted and expended  
21 by the Attorney General for the following purposes:

22 1. Promote throughout the state the development of locally  
23 based and supported nonprofit programs for the survivors of sexual-  
24 related offenses and support for quality services to said survivors;

1           2. Empower government and nongovernment entities working to  
2 uphold community standards of decency to protect children and  
3 strengthen families;

4           3. Develop, expand, or prevent or offset the costs of sex-  
5 related offenses; and

6           4. Not promote a culture of perpetual victimhood but maximize  
7 human flourishing and protect the safety, health, and welfare of the  
8 public.

9           The purposes can be interpreted broadly to meet the evolving  
10 needs of the state. Expenditures from said fund shall be made upon  
11 warrants issued by the State Treasurer against claims filed as  
12 prescribed by law with the Director of the Office of Management and  
13 Enterprise Services for approval and payment.

14           B. Money deposited into the revolving fund may be used only by  
15 the Office of the Attorney General or designee for grants to  
16 government and nongovernment entities and individuals that are  
17 working to uphold community standards of decency to protect children  
18 and strengthen families and that are developing, expanding, or  
19 strengthening programs for victims of human trafficking or child  
20 exploitation and specifically include the following:

21           1. The needs of any human trafficking task force or anti-human-  
22 trafficking coalition based in Oklahoma;

23  
24

- 1        2. The needs of the Department of Mental Health and Substance  
2 Abuse Services, District Attorneys Council and the State Department  
3 of Health;
- 4        3. The needs of victims compensation programs;
- 5        4. Substance abuse services to persons with substance abuse  
6 problems;
- 7        5. Counselors and victim advocates who are trained to assist  
8 victims of domestic violence and sexual abuse;
- 9        6. Shelters for persons who have been exposed to prostitution  
10 or sex trafficking;
- 11       7. Research-based organizations;
- 12       8. Faith-based organizations working to uphold community  
13 standards of decency and assisting victims of human trafficking or  
14 other sex offenses;
- 15       9. Child advocacy centers;
- 16       10. Organizations that provide legal advocacy to abused,  
17 neglected, and at-risk children;
- 18       11. Physical and mental health services;
- 19       12. Temporary and permanent housing placement;
- 20       13. Employment, placement, education, and training;
- 21       14. Independent school districts;
- 22       15. Family counseling and therapy;
- 23       16. Law enforcement;

24

1 17. Musical, writing, design, cinematic, or pictorial creative  
2 art projects that promote decency;

3 18. Regional nonprofit providers of civil legal services to  
4 provide legal assistance for sexual assault victims;

5 19. Grants to support technology in rape crisis centers;

6 20. Sexual violence awareness and prevention campaigns;

7 21. Scholarships for students demonstrating outstanding  
8 character or leadership skills; and

9 22. Any other state agency or organization for the purpose of  
10 conducting human trafficking enforcement programs or upholding  
11 community standards of decency.

12 C. Interest accruing on investments and deposits of the fund  
13 shall be credited to the fund, shall not revert to the General Fund  
14 and shall be carried forward into the subsequent fiscal year.

15 D. Any balance in the fund remaining at the end of a fiscal  
16 year shall not revert to the General Fund but shall be carried  
17 forward into the subsequent fiscal year.

18 E. The Attorney General or designee shall annually evaluate  
19 activities conducted under this section and shall, on or before the  
20 fifteenth of February of each year, submit an annual report  
21 containing the result of the evaluation to the Secretary of the  
22 Oklahoma State Senate and the Chief Clerk of the Oklahoma House of  
23 Representatives and notify the Legislature that the report is  
24 available. The report shall include:

1        1. The amount of filter deactivation fees received under  
2 paragraph 4 of subsection D of Section 3 of this act;

3        2. The amount of live adult entertainment admission fees  
4 received under subsection A of Section 8 of this act;

5        3. The manner in which the monies deposited in the grant fund  
6 are distributed; and

7        4. The manner in which the entities that received funds  
8 pursuant to subsection B of this section utilized said funds.

9        F. The Attorney General or designee shall be authorized to:

10       1. Determine eligibility requirements for any grant awarded  
11 under the provisions of this section;

12       2. Require grant recipients to offer minimum services for a  
13 period of time before receiving said grant and continue to offer  
14 minimum services during the grant period; and

15       3. Require a grant recipient to submit financial and  
16 programmatic reports.

17       G. The Attorney General shall be prohibited from expending more  
18 than ten percent (10%) of the available funds on the administration  
19 of the fund.

20       SECTION 8.        NEW LAW        A new section of law to be codified  
21 in the Oklahoma Statutes as Section 1038 of Title 15, unless there  
22 is created a duplication in numbering, reads as follows:

23  
24

1 A. Upon the effective date of this act, an admission fee of  
2 Five Dollars (\$5.00) shall be imposed for each entry by each  
3 customer admitted to a live adult entertainment establishment.

4 B. The fee prescribed by subsection A of this section shall be  
5 remitted quarterly to the Oklahoma Tax Commission on such forms as  
6 the Commission may prescribe for such purpose. All required forms  
7 and remittances shall be filed with the Tax Commission no later than  
8 the fifteenth day of the month following the close of each calendar  
9 quarter.

10 C. The Tax Commission shall apportion all revenues derived from  
11 the fee to the Oklahoma Human Trafficking and Child Exploitation  
12 Prevention Grant Fund established in Section 7 of this act.

13 The Tax Commission shall prescribe the method of administration,  
14 payment, collection, and enforcement of the fee imposed by this  
15 section.

16 D. The admission fee is not content-based but shall be imposed  
17 and remitted to the state to offset secondary harmful effects, to  
18 help the state uphold community standards of decency, to combat sex-  
19 related crimes, and to be used as described in subsection B of  
20 Section 7 of this act.

21 E. The admission fee shall be in addition to all other taxes  
22 imposed on the business that offers live adult entertainment.

23 F. Each live adult entertainment establishment shall record  
24 daily in the manner required by the Tax Commission the number of

1 customers admitted to the business. The business shall maintain the  
2 records for the period required by the Tax Commission and make the  
3 records available only for inspection and audit on request by the  
4 Tax Commission. The records shall not contain the names or personal  
5 information of any of the customers of the live adult entertainment  
6 establishment.

7 G. This section shall not require a live adult entertainment  
8 establishment to impose a tax on customers of the establishment.  
9 The live adult entertainment establishment shall have the discretion  
10 to determine the manner by which the establishment derives the funds  
11 required to pay the fee imposed under the provisions of this  
12 section.

13 SECTION 9. This act shall become effective November 1, 2023.

14

15 59-1-5732 GRS 12/15/22

16

17

18

19

20

21

22

23

24