| 1  | STATE OF OKLAHOMA  |  |
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| 2  | 1st Session of the 59th Legislature (2023)   |  |
| 3  | COMMITTEE SUBSTITUTE   |  |
| 4  | FOR SENATE BILL 214 By: Bergstrom  |  |
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| 7  | COMMITTEE SUBSTITUTE   |  |
| 8  | An Act relating to funds for health research projects; amending 74 O.S. 2021, Sections 5060.16 and   |  |
| 9  | 5060.17, which relate to duties of the Oklahoma Center for the Advancement of Science and Technology   |  |
| 10 | and the award of professional service contract; requiring the Center to maintain and report certain  |  |
| 11 | information; requiring certain binding commitment before awarding certain professional service contract; providing for exception; and providing an effective date. |  |
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| 15 | BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:  |  |
| 16 | SECTION 1. AMENDATORY 74 O.S. 2021, Section 5060.16, is  |  |
| 17 | amended to read as follows:  |  |
| 18 | Section 5060.16. The Oklahoma Center for the Advancement of  |  |
| 19 | Science and Technology, with the advice and consent of the   |  |
| 20 | Committee, shall:  |  |
| 21 | 1. Establish and operate a state program designed to secure and  |  |
| 22 | impartially distribute funds credited to the Research Support  |  |
| 23 | Revolving Fund to support professional service contracts for health  |  |
| 24 | research projects;   |  |

- 2. Ensure that funding to support health research projects is awarded only on the basis of scientific merit;
- 3. Design the health research program to ensure the optimum performance of the investigator and the maximum efficiency of the project;
- 4. Evaluate and approve health research projects to be funded from the Research Support Revolving Fund;
- 5. Establish a procedure for the referral of proposed health research projects to the Committee for review;
- 6. Establish procedures for review of proposed health research projects by qualified individuals residing outside this state;
- 7. Suspend or terminate any professional service contract supporting health research projects for failure by an investigator, institution of higher learning, or nonprofit research institution to comply with the procedures, requirements, or bylaws of the Center; and
- 8. Enter into contracts to ensure the optimum performance of health research investigators and to ensure the maximum efficiency of proposed health research projects;
- 9. Provide a report to the Committee detailing any potential commercial opportunities, if any, for projects receiving funds each fiscal year; and

10. For each fiscal year, maintain records and provide a report to the Committee containing the number of years that each project has been receiving funds.

SECTION 2. AMENDATORY 74 O.S. 2021, Section 5060.17, is amended to read as follows:

Section 5060.17. No professional service contract shall be awarded by the Oklahoma Center for the Advancement of Science and Technology to support a health research project unless:

- 1. The investigators are residents of this state or become residents of this state before the ninetieth day after a professional service contract, pursuant to which they will be functioning as an investigator, has been funded by the Center;
- 2. The institutions that administer the professional service contracts are primarily located in this state and are able to assume financial responsibility for professional service contracts;
- 3. The professional service contract will not be transferred to any other institutions within the state without the approval of the Center and will not be transferred to an institution outside this state at any time; and
- 4. The funds will not be expended for patient care except if patient care is an intrinsic part of a funded professional service contract; and
- 5. A binding commitment is obtained from any institution of higher education, nonprofit research foundation, or private

| 1  | enterprise that would receive funds pursuant to an award providing   |  |  |
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| 2  | information on an annual basis for the duration of funding and the   |  |  |
| 3  | five (5) subsequent years, which shall include but not be limited to |  |  |
| 4  | the following:   |  |  |
| 5  | <u>a.</u>  | employment levels for the year preceding the award and |  |
| 6  |  | each subsequent year,                                  |  |
| 7  | <u>b.</u>  | any additional funds raised as a direct result of the  |  |
| 8  |  | award,   |  |
| 9  | <u>C.</u>  | payroll data resulting from the research,              |  |
| 10 | <u>d.</u>  | gross sales or revenue as a direct result of the       |  |
| 11 |  | research, and  |  |
| 12 | <u>e.</u>  | relevant industry sector information, as determined by |  |
| 13 |  | the Center.  |  |
| 14 | The Oklahoma Tax Commission shall collaborate with the Center        |  |  |
| 15 | for the reporting of financial data. The Center may provide an       |  |  |
| 16 | exception to the commitment required pursuant to this subsection for |  |  |
| 17 | certain circumstances that make the providing of data unfeasible,    |  |  |
| 18 | including but not limited to the death of owners or management,      |  |  |
| 19 | dissolution of the enterprise, or abandonment of projects.           |  |  |
| 20 | SECTION 3.   | This act shall become effective November 1, 2023.      |  |
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| 22 | 59-1-1745  | QD 2/13/2023 4:17:33 PM                                |  |
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