

ENROLLED SENATE
BILL NO. 134

BY: TAYLOR and HANEY of the
SENATE

and

HAMILTON (James) and
STEIDLEY of the HOUSE

AN ACT RELATING TO THE OKLAHOMA DEPARTMENT OF
COMMERCE; AMENDING SECTION 18 OF ENROLLED SENATE
BILL NO. 414 OF THE 1ST SESSION OF THE 43RD
OKLAHOMA LEGISLATURE; STATING PURPOSES; SPECIFYING
CERTAIN CATEGORIES AND AMOUNTS; REQUIRING CERTAIN
EXPENDITURES TO ACCOMPLISH CERTAIN CONTRACTUAL
RESPONSIBILITIES; REQUIRING CERTAIN REPORTS;
PROVIDING FOR CONTENTS; REQUIRING COOPERATION BY
CERTAIN AGENCIES; REQUIRING AUDITS; EXEMPTING
CERTAIN CONTRACTS FROM THE CENTRAL PURCHASING ACT;
REQUIRING CERTAIN FUNDS TO BE AVAILABLE TO CERTAIN
COMMUNITY ACTION AGENCIES; REQUIRING GUIDELINES FOR
THE ALLOCATION OF CERTAIN FUNDS; AUTHORIZING
MATCHING SHARE; REQUIRING CERTAIN DISTRIBUTIONS TO
HEADSTART PROGRAMS; PROVIDING METHOD OF
DISTRIBUTION; EXPRESSING LEGISLATIVE INTENT THAT
THIS BE THE FINAL YEAR FOR CERTAIN APPROPRIATIONS;
PROVIDING FOR EXPENDITURES TO PERFORM MULTI-COUNTY
REGIONAL PLANNING FUNCTIONS AND RESPONSIBILITIES;
SPECIFYING CERTAIN ALLOCATIONS; PROVIDING FOR
ELIGIBILITY REQUIREMENTS; PROVIDING FOR COMPOSITION
OF VOTING MEMBERSHIP OF CERTAIN BOARDS; PROHIBITING
CERTAIN ACTIONS; PROVIDING FOR DUTIES AND
COMPENSATION OF EMPLOYEES; LIMITING COMPENSATION OF
THE EXECUTIVE DIRECTOR; SPECIFYING CERTAIN
BUDGETARY LIMITATIONS; REQUIRING CERTAIN FINANCIAL

REPORTS; AUTHORIZING USE AND EXPENDITURE OF CERTAIN FUNDS; SPECIFYING PURPOSE; PROVIDING FOR RECEIPT OF GRANTS OR REIMBURSEMENTS; PROVIDING FOR DEPOSITS AND EXPENDITURES; PROVIDING PURPOSES; REQUIRING CERTAIN REPORTS; PROVIDING FOR DISALLOWANCE OF CERTAIN EXPENDITURES; REQUIRING ANNUAL AUDITS; AUTHORIZING EXPENDITURES TO ACCOMPLISH CERTAIN CONTRACTUAL RESPONSIBILITIES; PROVIDING CERTAIN CONDITIONS; PROVIDING FOR FORMS AND REPORTS; PROVIDING FOR AUDITS; ALLOWING FOR DISALLOWANCE OF EXPENDITURES UNDER CERTAIN CONDITIONS; EXEMPTING CERTAIN CONTRACTS FROM THE CENTRAL PURCHASING ACT; PROVIDING FOR EXPENDITURES TO ACCOMPLISH CERTAIN CONTRACTUAL RESPONSIBILITIES IN RELATION TO MINORITY-OWNED BUSINESS; SPECIFYING CERTAIN REQUIREMENTS AND CONDITIONS; PROVIDING FOR DEVELOPMENT OF CERTAIN CRITERIA; REQUIRING REPORTS, REVIEW AND AUDITS; AUTHORIZING DISALLOWANCE OF CERTAIN EXPENDITURES; PROVIDING FOR RULES; EXEMPTING CERTAIN CONTRACTS FROM CENTRAL PURCHASING ACT; PROVIDING FOR UTILIZATION OF CERTAIN FUNDS; PROVIDING FOR THE TRANSFER OF CERTAIN MONIES; DIRECTING A STUDY AND AUDIT OF CERTAIN AUTHORITIES; DIRECTING THE DEPARTMENT TO CONTRACT WITH CERTAIN CONSULTANTS; AUTHORIZING ACCESS TO CERTAIN FILES; PROVIDING FOR CONFIDENTIALITY AND AVAILABILITY OF REPORT; PROVIDING A LAPSE DATE; PROVIDING AN OPERATIVE DATE; AND DECLARING AN EMERGENCY.

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

SECTION 1. AMENDATORY Section 18 of Enrolled Senate Bill No. 414 of the 1st session of the 43rd Oklahoma Legislature, is amended to read as follows:

Section 18. There is hereby appropriated to the Department of Commerce from any monies not otherwise appropriated from the General Revenue Fund of the State Treasury for the fiscal year ending June 30, 1992, the sum of Thirteen Million Nine Hundred Seventy-two Thousand Nine Hundred Sixty-three Dollars (\$13,972,963.00) or so much thereof as may be required to perform the duties imposed upon the Department of Commerce by law.

SECTION 2. The funds appropriated by Section 1 of this act shall be expended in the following categories and amounts:

General Operations	\$10,552,123.00
ORIGINS	250,000.00
Community Action Agencies:	1,200,855.00

Action, Inc.

Big Five Community Services, Inc.

Community Action Agency of Oklahoma
City and Oklahoma/Canadian
Counties, Inc.

Community Development Support
Association

Cookson Hills Community Action
Foundation

Deep Fork Community Action
Foundation

Delta Community Action Foundation

Great Plains Improvement Foundation

INCA Community Services, Inc.

KiBois Community Action Foundation

Little Dixie Community Action
Agency

Muskogee County Community Services
Program

Northeast Oklahoma Community Action
Agency

Opportunities, Inc.

Rural Enterprises Community Action
Program

Southwest Oklahoma Community Action
Group

Tulsa Community Action Agency

United Community Action Program

Wa-Ro-Ma Tri-County Community Action Foundation, Inc.	
Washington/Nowata Counties Community Action Foundation, Inc.	
Washita Valley Community Action Council	
Inventors Assistance Program Revolving Fund	235,950.00
Minority Business Development Program Revolving Fund	250,000.00
Oklahoma Capital Investment Board (OCIB) Revolving Fund	100,000.00
Export Finance Program Revolving Fund	160,000.00
Oklahoma State University for the Statewide Intensive Financial Management Assistance Program	125,000.00
Central Industrial Application Center	30,000.00
Substate Planning Districts:	474,004.00
Association of Central Oklahoma Governments	
Association of South Central Oklahoma Governments	
Central Oklahoma Economic Development District	
Eastern Oklahoma Economic Development District	
Grand Gateway Economic Development Association	
Indian Nation Council of Governments	
Kiamichi Economic Development District of Oklahoma	
Northern Oklahoma Development Association	
Oklahoma Economic Development Association	
Southern Oklahoma Development Association	
Southwestern Oklahoma Development Authority	

Little Dixie Community Action Agency for the Statewide Youth Restitution Program	35,000.00
Southeastern Oklahoma State University for the Statewide Small Business Development Centers Program	<u>560,031.00</u>
TOTAL	\$13,972,963.00

SECTION 3. The funds designated in Section 2 of this act for General Operations shall be expended in the following categories and amounts:

Personal Services	\$6,533,418.00
Other Operating Expenses	<u>4,018,705.00</u>
TOTAL	\$10,552,123.00

SECTION 4. The Oklahoma Department of Commerce shall expend so much thereof as herein appropriated as may be necessary to accomplish contractual responsibilities with Rural Enterprises, Inc. for the Central Industrial Applications Center (CIAC), thus enabling CIAC to be a National Aeronautics and Space Administration (NASA) designated regional industrial applications center. Contractor shall make quarterly financial reports to the Oklahoma Department of Commerce indicating the purposes for which these funds have been spent. Contractor shall cooperate with the Oklahoma Department of Commerce to improve industrial technology, foster expansion of existing industry, assist in attracting highly technical industries to the state and disseminate all NASA information to industry. Contractor shall submit an annual audit as required by the Oklahoma Department of Commerce. Any contracts authorized under this appropriation shall be exempt from the Central Purchasing Act.

SECTION 5. The Oklahoma Department of Commerce shall make funds available to all qualifying Community Action Agencies as determined by the Department to support the development of local communities. The Department shall set accounting and procedural guidelines for allocating said funds. The Department may require the agencies which receive said funds to provide a thirty percent (30%) matching share in cash or in an in-kind contribution, or both such cash and in-kind contribution. The allocation memorialized by contract shall be exempt from the Central Purchasing Act.

SECTION 6. Of the One Million Two Hundred Thousand Eight Hundred Fifty-five Dollars (\$1,200,855.00) appropriated to the Community Action Agencies in Section 1 of this act, Four Hundred Twenty-three Thousand Dollars (\$423,000.00) shall be distributed by formula to the Headstart Programs operated by Community Action Agencies less an amount to those Community Action Agencies who do not administer the Headstart Program. This amount shall be based on the regular formula. The distribution of the remaining Seven Hundred Seventy-seven Thousand Eight Hundred Fifty-five Dollars (\$777,855.00) shall be based on the regular formula. The Oklahoma Department of Commerce shall determine the Headstart Program and the regular formulas by referencing historical data such as poverty population, elderly poor, geographic service area and criteria used by the U.S. Department of Health and Human Services in the distribution of federal funds appropriated for the Headstart Program.

SECTION 7. It is the intent of the Legislature that the appropriations made in Section 1 of this act to the Oklahoma Capital

Investment Board Revolving Fund and the Export Finance Program Revolving Fund be the final state appropriations to these programs.

SECTION 8. The Oklahoma Department of Commerce shall expend so much thereof as may be necessary to perform the substate multicounty regional planning functions and responsibilities imposed upon the Department by law. The Department may require the agencies to which the Department grants said appropriated funds to provide a thirty percent (30%) matching share in cash or in an in-kind contribution, or both such cash and in-kind contribution.

Existing substate planning districts presently meeting requirements of the Oklahoma Department of Commerce pursuant to the provisions of this section shall be allocated the following amounts:

DISTRICT NUMBERS	AMOUNT
1 - GGEDA	\$ 42,234.00
2 - EODD	42,565.00
3 - KEDDO	41,949.00
4 - SODA	42,234.00
5 - COEDD	42,329.00
6 - INCOG	46,168.00
7 - NODA	42,329.00
8 - ACOG	48,538.00
9 - ASCOG	43,229.00
10 - SWODA	41,570.00
11 - OEDA	<u>40,859.00</u>
TOTAL	\$474,004.00

The Oklahoma Department of Commerce shall establish eligibility requirements that substate multicounty planning districts must meet in order to receive grants from appropriations to the Oklahoma Department of Commerce.

At least two-thirds (2/3) of the voting membership of the board of each substate planning district shall be composed of the elected officials of conservation districts, incorporated towns, cities, or counties within the planning jurisdiction, or the designees of said officials.

No substate planning district receiving these funds shall solicit contracts to provide technical and professional services for a fee when these services are provided through private professional consulting firms and are available within the substate planning districts.

SECTION 9. The duties and compensation of employees, not otherwise prescribed by law, necessary to perform the duties imposed upon the Oklahoma Department of Commerce by law shall be set by the Executive Director. The salary of the Executive Director shall not exceed Eighty-nine Thousand Five Hundred Dollars (\$89,500.00) per annum, payable monthly for the fiscal year ending June 30, 1992. The Oklahoma Department of Commerce for the fiscal year ending June 30, 1992, shall be subject to the following budgetary limitations on full-time-equivalent employees and expenditures excluding expenditures for capital and special projects, except as may be

authorized pursuant to the provisions of Section 3603 of Title 74 of the Oklahoma Statutes:

<u>Budgetary Limitation</u>	<u>Amount</u>
Full-time-equivalent Employees	205.0
Payroll, Salaries or Wages, Including Tax-sheltered Deferment Contracts and Longevity Payments Authorized by State Statutes	\$6,924,181.00
Professional and Personal Services Contracts	\$1,562,700.00
Lease-Purchase Agreements	\$0.00
Purchase of Equipment	\$497,496.00
Expenditure of Federal Funds	\$42,920,200.00
Total Expenditures for Operations	\$56,893,163.00

SECTION 10. The Oklahoma Department of Commerce shall submit quarterly reports to the Director of State Finance and the Legislative Service Bureau describing the activities and expenditures of the Oklahoma Department of Commerce during the preceding three-month period. The quarterly reports shall be submitted by the fifteenth of the month following the end of the fiscal year quarter. Said reports shall include the following budget entities and activities:

- Administration
- Media/Marketing and Advertising
- Information and Research
- Capital Resources
- Community Affairs and Development
- Business Development
- International Trade

SECTION 11. All funds appropriated by this act may be used and expended in conjunction or cooperation with any federal agency or instrumentality pursuant to such terms and conditions as may be necessary to obtain grants or federal aid assistance in accordance with state law. The Oklahoma Department of Commerce is hereby authorized to collect, receive, and use any and all grants or reimbursements made available to it through any agency or instrumentality of the federal government. Such funds shall be deposited in the State Treasury and disbursed in accordance with the agreements between the Oklahoma Department of Commerce and applicable federal agencies or instrumentalities.

SECTION 12. The Oklahoma Department of Commerce shall expend so much as herein appropriated as may be necessary to accomplish contractual responsibilities for statewide dissemination of intensive financial management technical assistance by Oklahoma State University's extension service thus enabling businessmen and students of business to benefit from direct professional assistance provided by professors, associates and staff of the University and to improve and complement technical assistance provided by the Department. Contractor shall submit quarterly reports of activities and expenditures to the Oklahoma Department of Commerce. The

Department may disallow any expenditures for activities not within the scope of contractual responsibilities pursuant to an approved work plan. Contractor shall submit an annual audit as required by the Department of Commerce which may be paid from allocated, appropriated funds.

SECTION 13. The Oklahoma Department of Commerce may expend so much as herein appropriated as may be necessary to accomplish contractual responsibilities with Southeastern Oklahoma State University for its statewide Small Business Development Centers Network, to be used in conjunction with receipted federal funds for the network. The network shall serve as a resource and advisor to the Department in its efforts to provide business counseling, more fully developed managerial skills, technology transfer, business-related educational materials and related services. The contractor shall submit an annual work budget program and quarterly expenditure reports. The contractor shall submit an annual audit as required by the Department of Commerce which may be paid from allocated, appropriated funds.

SECTION 14. The Oklahoma Department of Commerce may expend so much as herein appropriated as may be necessary to accomplish contractual responsibilities with Little Dixie Community Action Agency, Contractor, for the purpose of coordinating and operating a statewide juvenile restitution program and in order to provide state supplement to federal funds received to operate the program. The contractor shall submit an annual budget work program which must receive prior approval of the Department. The contractor shall submit monthly expenditures reports. The Department may disallow expenditures and withhold funds accordingly, if expenditure reports reflect noncompliance with the approved work budget program. The Contractor must provide an annual audit, as directed by Commerce, which may be paid from allocated, appropriated funds. Any contracts authorized under this appropriation shall be exempt from the Central Purchasing Act.

SECTION 15. The Oklahoma Department of Commerce shall expend so much as herein appropriated as may be necessary to accomplish contractual responsibilities for job creation and enhancement and business creation and expansion of Oklahoma minority owned businesses. The Department may contract with organizations which support minority businesses for these purposes only after:

1. An applicant organization has submitted an approved business plan;
2. An applicant organization has demonstrated through education and experience capabilities of offering management tools and technical assistance to minority owned businesses;
3. An applicant organization has demonstrated that it can provide financial capacity and responsibility to manage a program to aid minority-owned businesses in the manner set out herein;
4. A panel of peer reviewers have received applications and recommended such applications for contracting;
5. The Department has developed, adopted and published additional criteria, upon receipt of advice and comment from qualified peer reviewers.

Any contract entered into pursuant to this section shall require quarterly reports of activities and expenditures upon forms prescribed by the Department. Said quarterly reports shall be reviewed by Oklahoma Futures. The Department or Oklahoma Futures may disallow expenditures and withhold funds accordingly, if reports reflect failure to comply with approved applications. All contractors shall submit annual audits as required by the Department of Commerce which may be paid from allocated, appropriated funds. The Department may utilize an amount not to exceed fifteen percent (15%) of appropriated funds for administration and initial design of this minority owned business program.

The Department shall promulgate rules setting out educational, experiential and other qualifications for peer reviewers.

Any contracts authorized for the Minority Business Development program shall be exempt from the requirements of the Central Purchasing Act.

SECTION 16. The Oklahoma Employment Security Commission shall transfer One Hundred Twenty-five Thousand Dollars (\$125,000.00) from the Oklahoma Employment Security Commission Revolving Fund to the Oklahoma Department of Commerce Revolving Fund created in Section 5012 of Title 74 of the Oklahoma Statutes for the purposes set forth therein.

SECTION 17. The Oklahoma Department of Commerce is authorized and directed to provide for a study, financial evaluation and performance audit of the portfolios and all loan files, lending procedures and management practices of the Oklahoma Development Finance Authority and the Oklahoma Industrial Finance Authority. The Department shall contract with consultants who possess the expertise and experience necessary to develop the report.

The Department or its consultants shall have access to all loan files of the Oklahoma Development Finance Authority and the Oklahoma Industrial Finance Authority regardless of confidentiality of the files for purposes of developing the report. Provided, the Department or its consultants shall maintain the confidentiality and integrity of all files pursuant to the standards of the authorities. Provided further, the report shall be made available to members of Oklahoma Futures and to members of the Oklahoma Legislature.

SECTION 18. The appropriation made by this act shall be subject to fiscal year limitations and may be encumbered through June 30, 1992. Any unexpended funds remaining after November 15, 1992, shall lapse and be transferred to the credit of the proper fund for the then current fiscal year.

SECTION 19. This act shall become operative July 1, 1991.

SECTION 20. 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.