

ENGROSSED SENATE  
BILL NO. 144

By: Brown of the Senate  
and  
Bastin of the House

An Act relating to state government; amending 74 O.S. 1991, Sections 7001, 7002, 7003, 7004, 7005, 7007, 7008, 7009, and 7010, which relate to the Oklahoma State Employee Charitable Contribution Act; clarifying statutory reference; clarifying language; modifying definitions; deleting definitions; establishing a local advisory review committee; eliminating certain deadlines; authorizing certain councils and task forces for certain purposes; providing for the state principal combined fund raising organization; eliminating the local state agency review committee and the local principal combined fund raising organization; modifying geographic area; modifying distribution of designated dollars; providing for certain administrative costs; requiring submissions of certain budget; modifying requirement for certain audits; modifying residency requirement for certain board members; repealing 74 O.S. 1991, Sections 7006 and 7011, which relate to local state agency review committees and an advisory committee; providing for codification; providing an effective date; and declaring an emergency.

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

SECTION 1. AMENDATORY 74 O.S. 1991, Section 7001, is amended to read as follows:

Section 7001. This act, Section 7001 et seq. of this title, shall be known and may be cited as the "Oklahoma State Employee Charitable Contribution Act".

SECTION 2. AMENDATORY 74 O.S. 1991, Section 7002, is amended to read as follows:

Section 7002. In an effort to provide the employees of the State of Oklahoma with a convenient and responsible system which will allow them to contribute through payroll deduction to several fully accountable private nonprofit social, health and welfare organizations on a voluntary basis, there is hereby created a ~~single~~ combined charitable solicitation to be called the "Oklahoma State Employee Charitable Contribution Campaign" ~~that allows state employees the opportunity to make a charitable contribution through payroll deduction.~~

SECTION 3. AMENDATORY 74 O.S. 1991, Section 7003, is amended to read as follows:

Section 7003. As used in the Oklahoma State Employee Charitable Contribution Act, Section 7001 et seq. of this title:

1. "Federation" means a legally constituted grouping of at least five health and social service agencies that are bound together to raise and distribute charitable contributions;

2. ~~"Geographic area" means a county or the area encompassed by counties or portions of counties which have combined for the purpose of conducting a local Oklahoma State Employee Charitable Contribution Campaign;~~

3. ~~"Local federation" means a federation that provides direct service in a specific geographic area in this state;~~

4. ~~"Local State presence"~~ means a test to determine whether the agency actually provides service to people in the ~~geographic area~~ and whether said ~~geographic area has any input into the service provision process~~ State of Oklahoma;

5. ~~3.~~ "Local ~~state agency~~ advisory review committee" means a group of state employees in a ~~geographic area who are responsible for overseeing the actual solicitation of state employees in their geographic area~~ facility or agency assisting in the local involvement of state employees in the campaign;

6. ~~"Loaned executive"~~ means ~~an employee paid by a local company, organization or agency who is released by his or her employer to assist in running a local charitable contribution campaign~~;

7. ~~4.~~ "Principal combined fund raising organization" means the organization in ~~each of the geographic areas~~ the State of Oklahoma responsible for the charitable contribution campaign; and

8. ~~5.~~ "State Agency Review Committee" means a group of state employees responsible for overseeing at the state level the conducting of the Oklahoma State Employees Charitable Contribution Campaign.

SECTION 4. AMENDATORY 74 O.S. 1991, Section 7004, is amended to read as follows:

Section 7004. The Oklahoma State Employee Charitable Contribution Campaign shall be administered in accordance with the provisions of the Oklahoma State Employee Charitable Contribution Act, Section 7001 et seq. of this title, and shall comply with all applicable federal, state and local statutes and ordinances.

SECTION 5. AMENDATORY 74 O.S. 1991, Section 7005, is amended to read as follows:

Section 7005. A. The State Agency Review Committee shall be composed of the Administrator of the Office of Personnel Management and six (6) state employees, of which two shall be appointed by the

Governor, two shall be appointed by the President Pro Tempore of the Senate and two shall be appointed by the Speaker of the House of Representatives. Members shall serve at the pleasure of their appointing authorities. The provisions of Section 6 of Title 51 of the Oklahoma Statutes shall not apply to appointments to the Committee. The Committee is created to continue until January 1, 1994, in accordance with the provisions of the Oklahoma Sunset Law, Section 3901 et seq. of this title.

B. The Committee annually shall elect a chairman from its membership. The Administrator of the Office of Personnel Management shall serve as chairman until the first such election.

C. The State Agency Review Committee shall have the following duties and responsibilities:

1. Arrange for publication of information about the application process;

2. Review applications of federations electing to participate in the Oklahoma State Employee Charitable Contribution Campaign and certify that a federation and each of its member agencies meet the eligibility criteria set forth in ~~Section 9~~ Sections 7009 and 7010 of this ~~act~~ title;

3. Notify in writing ~~by May 15~~ each of the applying federations of its acceptance or rejection. Provided, if a federation is rejected, the Committee shall provide the reason for rejection of each of the member agencies of the federation;

~~4. Notify in writing by May 15 each local state agency review committee of the federations approved for its area;~~

~~5.~~ Hear appeals of rejected agencies;

~~6.~~ 5. Delegate to the principal combined fund raising organization the primary responsibility for the staffing of and the financial obligations necessary to comply with the provisions of this subsection;

~~7.~~ 6. Develop a pledge card to be used throughout the Oklahoma State Employee Charitable Contribution Campaign; and

~~8.~~ 7. Select a principal combined fund raising organization to assist the Committee in gathering and accumulating the applications.

D. The Office of Personnel Management shall provide such staff support as is required by the Committee.

E. The State Agency Review Committee is authorized to appoint such advisory councils and task forces as it deems necessary for counsel, advice and review concerning the formulation and administration of the rules, application review process and the implementation of this act, Section 7001 et seq. of this title.

SECTION 6. AMENDATORY 74 O.S. 1991, Section 7007, is amended to read as follows:

Section 7007. A. The state principal combined fund raising organization shall be ~~the~~ a local federation in the ~~local state agency review committee's geographic area~~ State of Oklahoma that provides, through one specific annual public solicitation for funds, ~~the greatest financial support for charitable agencies~~ substantial voluntary financial support for charitable agencies that depend on public subscription for support in ~~that geographic area~~ the state and that has the necessary staff and volunteer support to administer the charitable contribution campaign.

B. ~~Each~~ The state principal combined fund raising organization shall have the following duties and responsibilities:

1. Work with ~~its local state agency review committee~~ the State Agency Review Committee to develop the charitable contribution campaign plan for the ~~local~~ Oklahoma State Employee Charitable Contribution Campaign;

2. Develop the charitable contribution campaign materials and publicity for the ~~local~~ Oklahoma State Employee Charitable Contribution Campaign; ~~provided, the pledge card shall be provided by the State Agency Review Committee;~~

3. Recruit and train the volunteers, departmental coordinators and solicitors in a bipartisan manner; develop and keep records on all the accounts to be solicited; and cultivate the accounts to encourage participation in the charitable contribution campaign;

4. Keep all fiscal and financial records of the activities and submit to ~~its local state agency review committee~~ the State Agency Review Committee a separate accounting of all proceeds of the ~~local~~ Oklahoma State Employee Charitable Contribution Campaign;

5. Submit to the participating federations a detailed accounting of the amount of money designated to the federation and to each of its member agencies; and

6. ~~Upon approval of its local state agency review committee,~~ Disperse the allocation checks to the participating agencies.

C. Each state employee shall receive from the state principal combined fund raising organization general information material with each federation listed and each of its member agencies listed under the federation. Each agency and federation shall be identified by a code number. If descriptions of each agency are used in the general information material, they shall be provided to the ~~local state agency review committee by the State Agency Review Committee~~ state principal combined fund raising organization by the federations.

D. Each state employee shall be given the option to designate his or her gifts. Undesignated gifts shall be allocated pursuant to the provisions of subsection E of this section.

E. ~~All participating agencies shall be eligible to submit to the local state agency review committee the total dollars spent on programs and services. Each agency shall submit documentation to the committee in the form of an audit identifying expenditures of the dollars. The total dollars spent on such programs and services by agencies of a federation shall be added together for each federation to form a dollar base. The undesignated dollars from the~~

~~local Oklahoma State Employee Charitable Contribution Campaign shall be distributed proportionally from this base of program service dollars by the principal combined fund raising organization.~~  
Undesignated money shall be distributed in the same proportion as designated dollars within the State of Oklahoma.

F. Allocations shall be distributed quarterly; provided, for campaigns of One Hundred Thousand Dollars (\$100,000.00) or less, allocations shall be distributed semiannually. Any interest earned from funds held prior to distribution will be distributed proportionally to the distribution of undesignated funds.

SECTION 7. AMENDATORY 74 O.S. 1991, Section 7008, is amended to read as follows:

Section 7008. The reimbursement cost for developing the charitable contribution campaign materials, training the solicitors and the overall administration of the campaign by the state principal combined fund organization shall be no greater than ten percent (10%) of the charitable contribution campaign proceeds or actual cost, whichever is less. The cost shall be borne by each of the federations or organizations proportionally. A charitable campaign budget shall be presented to the State Agency Review Committee by the state principal combined fund raising organization.

SECTION 8. AMENDATORY 74 O.S. 1991, Section 7009, is amended to read as follows:

Section 7009. A. Participation in the Oklahoma State Employee Charitable Contribution Campaign shall be limited to voluntary, charitable, health and welfare agencies that provide or support direct health and welfare services to individuals or their families and meet the criteria set out in this section. Such health and welfare services must be available to state employees, unless they are rendered to needy persons overseas. Such services must directly benefit human beings, whether children, youth, adults, the aged, the ill and infirm, or the mentally or physically handicapped. Such

services must consist of care, research or education in the fields of human health or social adjustment and rehabilitation; relief for victims of natural disasters and other emergencies; or assistance to those who are impoverished and, therefore, in need of food, shelter, clothing and basic human welfare services.

B. For the purposes of the Oklahoma State Employee Charitable Contribution Campaign, basic human welfare service shall not include:

1. Organizations whose primary purpose is the direct or indirect support of institutions of higher education;
2. Lobbying; and
3. Religious activities.

C. To be included in the Oklahoma State Employee Charitable Contribution Campaign, a voluntary charitable agency, in addition to meeting the other requirements set forth in this section, shall:

1. Be a nonprofit, tax exempt charitable organization and submit to the participating federation a 501(c)(3) exemption from the Internal Revenue Service;
2. Be incorporated or authorized to do business in this state as a private, nonprofit organization;
3. Secure, annually, a license from the Oklahoma Tax Commission to raise funds in this state;
4. Submit to the participating federation an audit of the agency, conducted by an accounting firm or individual holding a permit to practice public accounting in this state according to the generally accepted standards of accounting for nonprofit organizations; and
5. Submit to the participating federation a copy of the annual form 990.

D. Applications to the Oklahoma State Employee Charitable Contribution Campaign shall be submitted to the State Agency Review Committee from local federations which shall include United Ways,

United Funds, Combined Health Appeals, International Social Service Agencies and any other local federation consisting of at least five local agencies which meet the requirements of this section. Each federation shall certify the application for its member agencies and shall give state charitable agencies precedence over national agencies if both qualify for the charitable contribution campaign. Applications from individual agencies shall not be accepted. ~~Applications shall be postmarked on or before May 1 to be considered for eligibility in the current year's charitable contribution campaign.~~

SECTION 9. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 7009.1 of Title 74, unless there is created a duplication in numbering, reads as follows:

Notwithstanding the provisions of Section 7009 of Title 74 of the Oklahoma Statutes, if the annual budget of a voluntary charitable agency is less than Fifty Thousand Dollars (\$50,000.00), no annual audit shall be required.

SECTION 10. AMENDATORY 74 O.S. 1991, Section 7010, is amended to read as follows:

Section 7010. A. A charitable agency wishing to be admitted to ~~a local~~ the Oklahoma State Employee Charitable Contribution Campaign shall be required to demonstrate ~~local~~ state presence. The agency must comply with all of the following criteria in order to meet the ~~local~~ state presence test:

1. The agency must provide or procure direct human care services for persons residing in the ~~geographic area~~ state in which the ~~local~~ charitable contribution campaign will be conducted;

2. The agency shall have a board of directors that serves without compensation;

3. ~~Members~~ A majority of the members of the board of directors shall be residents of the ~~geographic area~~ state;

4. Consumers of service from the ~~geographic area~~ state shall be represented within the membership of the board of directors; and

5. A substantial portion of the agency's annual budget shall be derived from public solicitations in the ~~geographic area~~ State of Oklahoma.

B. Agencies whose primary focus is the providing of services to the needy overseas and Combined Health Agencies operating in this state shall be exempt from complying with the criteria set out in subsection A of this section and need not demonstrate ~~local~~ state presence.

SECTION 11. REPEALER 74 O.S. 1991, Sections 7006 and 7011, are hereby repealed.

SECTION 12. Sections 1, 2, 3, 4, 5, 6, 7, 8 and 10 of this act shall become effective January 1, 1995.

SECTION 13. 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.

Passed the Senate the 4th day of March, 1993.

President of the Senate

Passed the House of Representatives the \_\_\_\_ day of \_\_\_\_\_, 1993.

Speaker of the House of Representatives