

STATE OF OKLAHOMA

1st Session of the 45th Legislature (1995)

COMMITTEE SUBSTITUTE
FOR ENGROSSED
HOUSE BILL NO. 1465

By: Mass and Widener of the
House

and

Dickerson of the Senate

COMMITTEE SUBSTITUTE

(economic development - Small Town Economic Development
Act of 1995 -

repealer)

SECTION 1. NEW LAW A new section of law to be codified
in the Oklahoma Statutes as Section 915.1 of Title 62, unless there
is created a duplication in numbering, reads as follows:

This act shall be known and may be cited as the "Small Town
Oklahoma Economic Development Act of 1995".

SECTION 2. NEW LAW A new section of law to be codified
in the Oklahoma Statutes as Section 915.2 of Title 62, unless there
is created a duplication in numbering, reads as follows:

A. Oklahoma needs to develop a comprehensive plan to target all
state economic development programs presently available or to be
developed for the benefit of small towns in Oklahoma to revitalize
and restore strategic economic objectives:

1. To expand existing small town firms which capitalize on
Oklahoma's comparative economic advantages by producing harvested

natural resources and by producing value-added, export-oriented goods, processes and services;

2. To encourage the establishment and growth of new firms in small town Oklahoma which create new value-added products, processes and services and which can benefit from Oklahoma's comparative economic advantages in small town Oklahoma;

3. To focus efforts established to aid Oklahoma enterprises so that programs have components with targeted emphasis on needs of small towns in Oklahoma;

4. To aid Oklahoma enterprises in restructuring in such a way that their competitive position is enhanced by utilizing resources available in small town Oklahoma;

5. To aid small towns in Oklahoma by increasing marketing efforts to inform the public of advantages of specific communities in terms of labor market, excess capacity in infrastructure, industrial sites and other such incentives;

6. To develop a comprehensive listing of community and neighborhood leadership training and technical programs offered in the state and assist small town Oklahoma in using these programs to meet local needs;

7. To aid in the process of local infrastructure inventory and capacity development, and to further the development by aiding with local strategic planning, goal-setting, and community involvement and consensus;

8. To create a step-by-step tier model for small towns to follow to enhance local capacity for community development and growth of businesses; and

9. To make recommendations consistent with the purposes of this act, when the opportunity arises, to federal programs' managers and funding sources.

B. "Small town", for purposes of this act, means communities having a population of eight thousand (8,000) or less.

C. Oklahoma needs a partnership of state agencies to refocus and coordinate programs to target developmental efforts to revitalize rural Oklahoma in accordance with the objectives set out in this act.

D. There is hereby created the Small Town Oklahoma Task Force.

SECTION 3. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 915.3 of Title 62, unless there is created a duplication in numbering, reads as follows:

The mission of the Small Town Oklahoma Task Force shall be to improve targeting and delivery of government and educational services and programmatic technical assistance to small towns in Oklahoma; to aid removal of barriers where possible to efficient coordination and implementation of delivery of benefits; to recommend legislative change where needed to remove such barriers; and to encourage and support the growth and development of small towns in Oklahoma in order to make them better places to live, work and enjoy life.

SECTION 4. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 915.4 of Title 62, unless there is created a duplication in numbering, reads as follows:

A. The Small Town Oklahoma Task Force shall be a board consisting of executive directors or agency designees; provided, designees must be familiar with the programs set out herein and must have authority to modify programs within the boundaries of the law to accomplish the objectives set out in this act. The following state agencies or educational institutions shall participate:

1. State Department of Agriculture;
2. Oklahoma Department of Commerce;
3. Oklahoma State Bond Advisor;
4. Oklahoma Conservation Commission;
5. State Department of Health;
6. Oklahoma Historical Society;

7. Oklahoma Finance Authorities - Oklahoma Industrial Finance Authority and Oklahoma Development Finance Authority;

8. Small Business Development Centers' Network at Southeastern Oklahoma State University;

9. State Department of Vocational and Technical Training;

10. Oklahoma Cooperative Extension Service at Oklahoma State University;

11. Department of Transportation;

12. Oklahoma Tourism and Recreation Department;

13. Oklahoma Water Resources Board;

14. Department of Environmental Quality; and

15. Oklahoma Housing Finance Agency.

B. The Oklahoma Department of Commerce shall provide administrative staff and other assistance to the Small Town Oklahoma Task Force. Other agencies shall provide administrative assistance as necessary to accomplish initiatives.

C. The Task Force shall utilize the expertise of other rural and community development organizations to aid in its targeting efforts. In particular, the Task Force shall integrate the work of the Oklahoma Rural Development Council, created as a result of a memorandum of understanding between the United States and Oklahoma state governments on or about March 25, 1992.

D. The Task Force shall meet at least quarterly. It shall select a chair and a vice chair to serve on an annual basis from among its membership.

E. The Task Force shall issue a report of its accomplishments and recommendations on or before September 1, 1997, and shall thereafter disband as a formal body. Five copies of the report shall be delivered to the Governor; five copies shall be delivered to the President Pro Tempore of the Senate; and five copies shall be delivered to the Speaker of the House of Representatives.

SECTION 5. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 915.5 of Title 62, unless there is created a duplication in numbering, reads as follows:

A. In order to achieve the objectives of this act, the Task Force shall study the following programs and their delivery methods to small towns in Oklahoma:

1. Community Planning, Management and Technical Assistance Programs:

- a. Oklahoma Community Institute,
- b. Capital Improvement Planning Process,
- c. Oklahoma Main Street Program,
- d. Rural Community Fire Protection Program,
- e. Certified Cities Program,
- f. Community Development Block Grant Programs,
- g. Community Services Block Grant Programs,
- h. Home Investment Partnerships Program,
- i. Institutional Conservation Program,
- j. Water/Wastewater Improvements Loan Program,
- k. Statewide Rural Energy and Water Conservation Program,
- l. Land and Water Conservation Fund Program,
- m. Airport Improvement Program,
- n. Historical Preservation Fund Survey and Planning Program,
- o. Local Government Transportation Program,
- p. Rural Public Transportation (Title 18) Program, and
- q. Municipal Bond Advice and Assistance Program;

2. Information Services:

- a. Federal Assistance Programs Retrieval System,
- b. ORIGINS: Oklahoma Resources Integrated General Information Network System,
- c. Environmental Permitting Assistance Programs,
- d. Enterprise Zone Program, and

e. Industrial Park Certification Program;

3. Business Growth:

a. Export Services and Training Programs,

b. Inventors Assistance Program,

c. Entrepreneurship Program,

d. Minority Business Development Program,

e. Bid Assistance Network,

f. Women-owned Business Enterprises Certification Program,

g. Oklahoma Alliance for Manufacturing Excellence, Inc.,

h. Small Business Development Centers,

i. Business Recruitment Program (includes tax incentives), and

j. Tribal Government Assistance Program; and

4. Creating Business Capital:

a. Business Capital Consulting Program,

b. Export Insurance Program,

c. Conduit Financing Programs (ODFA),

d. Secured Industrial Loans (OIFA),

e. Small Business Linked Deposit Program,

f. Small Business Incubator Incentives Program,

g. Oklahoma Capital Access Program,

h. Local Community Capital Program, and

i. Self Employment Entrepreneurial Development Program.

Any other programs offered by or through the state agencies on the Task Force should also be considered in the course of targeting and coordinating state efforts to achieve the objectives of this act.

Particularly the Task Force shall study and coordinate services in the following areas: public facilities programs; economic and social trends analysis; small business assistance; business retention; housing stock assistance; and financing. The Task Force shall make recommendations regarding the creation of new programs to

fulfill these needs; and the modifications of such program presently existing; and the delivery of such assistance to enhance funding to small towns.

B. All members of the Task Force shall make efforts, as appropriate, to develop strategies for targeting funds to small towns in Oklahoma. The Task Force shall make recommendations for the methods and distribution of funding with emphasis on enhancing local autonomy.

SECTION 6. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 916.1 of Title 62, unless there is created a duplication in numbering, reads as follows:

A. A private, not-for-profit corporation may be organized pursuant to the provisions of Title 18 of the Oklahoma Statutes and the provisions of this act to develop communities in Oklahoma, with a special emphasis on small towns with a population of less than eight thousand (8,000). Such corporation, upon review by the Small Town Oklahoma Task Force and certification by Oklahoma Futures, shall be known as and may exercise all the powers of the Oklahoma Community Institute, Inc.

B. In addition to the provisions and requirements of Title 18 of the Oklahoma Statutes, the certificate of incorporation and the bylaws of the Oklahoma Community Institute, Inc., must be certified by Oklahoma Futures and the certificate of incorporation shall:

1. Designate the name of the corporation as the Oklahoma Community Institute, Inc.;

2. Provide that the exclusive purposes of the Community Institute are public purposes to assist towns in Oklahoma to gain the ability, through education and training; public policy development; technical assistance to communities; and advocacy to assist leaders in Oklahoma communities to improve the viability of small towns in Oklahoma;

3. Have the authority to set membership dues in an amount to be determined by the Board of Directors; and

4. Provide for all powers necessary or appropriate to carry out and effectuate the corporate purposes, including, but not limited to, the following:

- a. to maintain an office at such place or places as it may designate,
- b. to make and execute contracts with any individual, corporation, association, or any other entity and all other instruments necessary or convenient for the performance of its duties and the exercise of its powers and functions under this act,
- c. to receive funds from any source to carry out the purposes of this act, including, but not limited to, gifts or grants from any department, agency or instrumentality of the United States or of the state for any purpose consistent with the provisions of this act,
- d. to develop plans and policies to assist small towns in Oklahoma,
- e. to enter into contracts to provide assistance to small towns, including the following categories:
 - (1) training,
 - (2) leadership development,
 - (3) finance, and
 - (4) collaboration with others for necessary services,
- f. to assist other organizations providing general assistance to small towns,
- g. to establish quality and standards certification programs, setting minimum standards, and issuing certification to leadership within small towns meeting such standards,

- h. to develop and distribute information about modernization and assistance that is available to support efforts to improve the abilities of small towns to attract and retain and grow quality industries and businesses,
- i. to establish a system to evaluate the effectiveness and efficiency of services provided to small towns,
- j. to establish and operate, directly or under contract, an information system designed to access resources that will assist small towns to become more viable,
- k. to establish a training program for individuals working on behalf of small towns, and
- l. to establish special educational and informational programs for its members.

SECTION 7. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 916.2 of Title 62, unless there is created a duplication in numbering, reads as follows:

The Community Institute shall prepare an annual business plan. The Oklahoma Community Institute shall also prepare an annual report for submission to the Small Town Oklahoma Task Force and Oklahoma Futures which shall include:

- 1. A synopsis of the activities of the Community Institute during the previous year; and
- 2. An examination of quantifiable measures of the results of actions and plans of the Community Institute.

SECTION 8. AMENDATORY 74 O.S. 1991, Section 5003.5, is amended to read as follows:

Section 5003.5 A. In order to fulfill its mission to support firms, farms and local communities which create new and better jobs for Oklahomans, the Oklahoma Department of Commerce shall be the administrative agency to its policy development board, Oklahoma Futures. Oklahoma Futures shall in no way interfere with the

day-to-day management of the Department of Commerce but, shall provide long-term, annual oversight to ensure the Department fulfills the legislative purpose for which it is created.

B. The Director of the Department of Commerce shall hold office at the pleasure of the Governor and shall continue to serve until a successor is duly appointed and qualified. The salary of the Director shall be set by law.

C. The Director shall be qualified for such position by character, personality, ability, education, training and successful administrative experience in the public or private sector. When it becomes necessary for Oklahoma Futures to submit a list of nominees to the Governor for the Governor's consideration to fill the position of Director of the Department of Commerce, Oklahoma Futures shall establish criteria for selecting the nominees taking into consideration national standards of excellence for similar positions. The national search for nominees by Oklahoma Futures shall be conducted pursuant to the criteria so established.

D. The Director shall employ such persons as are necessary to implement the powers and duties of the Department. Because many of the powers and duties of the Department involve working closely with the private sector, certain employee positions of the Department must be governed, classified and compensated in a manner that compares equally to similar positions in the private sector. Therefore, in the annual business plan, the Director shall list, describe and justify all such positions and their compensation and shall designate and place them in unclassified status, exempt from the provisions of the Oklahoma Personnel Act. All other employees and positions shall be classified and subject to the provisions of the Merit System of Personnel Administration as provided in the Oklahoma Personnel Act. Provided, nothing in this section shall be construed to limit the authority of the Legislature to specify the status of positions otherwise by law. Neither shall the Director

have the authority to circumvent, disregard or otherwise disobey specific provisions of law regarding positions in the Department of Commerce.

E. The Director shall serve on the board of:

1. The Oklahoma Industrial Finance Authority;

2. The Oklahoma Center for the Advancement of Science and Technology;

3. The Oklahoma Development Finance Authority; and

4. The Executive Bond Oversight Commission.

F. The Director, or a designee appointed by the Director, shall serve on the board of the Oklahoma Ordnance Works Authority.

G. The Director may serve as administrator of any interlocal agreement or compact or nonprofit corporation to pursue economic development and to assign any employees of the Department or employee personnel to carry out duties or obligations pursuant to any interlocal agreement or compact or nonprofit corporation for economic development.

H. The Director, at his discretion, may approve payment for affiliations or memberships of the Department or, if necessary, associate memberships for individual employees in international, national, or state economic development councils, professional organizations, or governmental associations.

SECTION 9. REPEALER 63 O.S. 1991, Sections 2901, 2902, 2903 and 2904, are hereby repealed.

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