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ENROLLED SENATE
BILL NO. 193

By: Haney and Hobson of the
Senate

and

Hamilton and Steidley of
the House

An Act relating to Economic Development Services; making appropriations to the Oklahoma Department of Commerce; specifying purpose; requiring certain expenditures and amounts; providing for expenditure for certain contract and responsibilities; specifying purposes; requiring certain reports and audits; requiring certain cooperation by contractor; exempting certain contracts from Central Purchasing Act; providing for availability of certain funds to certain agencies; stating purpose; providing guidelines; authorizing matching contributions; exempting certain contracts from Oklahoma Central Purchasing Act; requiring certain expenditure for Head Start programs; stating purposes; providing for contracts with Community Action Agencies; providing for terms of contracts; requiring determination of formulas based on certain information; requiring expenditure for administration of contracts; defining duties; requiring contract with certain entity; defining purpose; exempting certain contracts from Central Purchasing Act; restricting execution of contracts; requiring audits; requiring expenditures for substate multicounty regional planning functions; requiring certain allocations; authorizing matching requirements; requiring establishment of eligibility criteria; defining purposes; providing for voting membership of certain boards; providing for expenditures for certain contractual responsibilities; specifying purposes; requiring reports, filings and audits; exempting certain contracts from Oklahoma Central Purchasing Act; designating the Oklahoma Department of Commerce as lead state agency for certain purposes; authorizing the establishment and administration of certain programs; providing for certain powers and duties related to such programs; requiring budgets, work plans and audits; providing for expenditures for contracts related to the aging and elderly; setting certain conditions; exempting certain expenditures from the Central Purchasing Act; authorizing solicitation for donations and matching funds; providing for expenditures for

certain purposes; requiring development of performance standards; requiring transfer of certain funds; providing for duties and compensation of employees of Oklahoma Department of Commerce; limiting salary of the Executive Director; providing budgetary limits; authorizing receipt and disbursement of certain grants and reimbursements; authorizing certain budgeting of appropriations; making appropriations to the Oklahoma Center for the Advancement of Science and Technology; specifying purposes; requiring certain transfers; specifying purposes; providing for duties and compensation of employees; limiting salary of President; providing budgetary limitations; authorizing budgeting of certain appropriations; providing for lapse of funds; and providing an effective date.

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

OKLAHOMA DEPARTMENT OF COMMERCE

SECTION 1. There is hereby appropriated to the Oklahoma 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, 1996, the sum of Four Million One Hundred Forty-seven Thousand One Hundred Seventy-five Dollars (\$4,147,175.00) or so much thereof as may be necessary to perform the duties imposed upon the Oklahoma Department of Commerce by law.

SECTION 2. There is hereby appropriated to the Oklahoma Department of Commerce from any monies not otherwise appropriated from the Special Cash Fund of the State Treasury the sum of Eight Hundred Twenty Thousand Dollars (\$820,000.00) or so much thereof as may be necessary to perform the duties imposed upon the Oklahoma Department of Commerce by law.

SECTION 3. From all appropriations to the Department of Commerce for the fiscal year ending June 30, 1996, the following amounts shall be expended in the following categories:

ORIGINS

\$219,010.00

Community Action Agencies:

\$5,587,769.00

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 and Entrepreneurs
Assistance Program
\$162,335.00

Minority Business Development
Program Revolving Fund
\$225,000.00

Rural Enterprise Inc. \$52,000.00

Substate Planning Districts:
\$536,604.00

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	\$31,500.00
Community Development Centers Program \$135,000.00	
Southeastern Oklahoma State University for the Statewide Small Business Development Centers Program \$639,028.00	
Rural Regional Incubator Program- Kiamichi Economic Development District of Oklahoma \$100,000.00	
Oklahoma Community Institute	\$75,000.00
Delta Community Action Agency for community development and housing programs	\$50,000.00

SECTION 4. The Oklahoma Department of Commerce shall expend the amount allocated in Section 3 of this act, or so much as may be necessary, to accomplish contractual responsibilities with Rural Enterprises, Inc. for the purpose of providing financial and technical assistance for economic development to area businesses. Contractor shall make quarterly financial and performance reports to the Oklahoma Department of Commerce as required by contract. Contractor shall cooperate with the Oklahoma Department of Commerce to improve industrial technology transfer, assist expansion of existing industry and home-based businesses. Contractor shall

submit an annual audit as required by the Oklahoma Department of Commerce. For the fiscal year ending June 30, 1996, any contracts authorized under this appropriation shall be exempt from the Central Purchasing Act.

SECTION 5. The Oklahoma Department of Commerce shall enter into contracts to distribute Seven Hundred Seventy-seven Thousand Eight Hundred Fifty-five Dollars (\$777,855.00) of the amount appropriated to all Community Action Agencies listed in Section 3 of this act for the purpose of general missions of the agencies. Such distribution shall be based on a formula developed from historical data such as poverty population, number of elderly poor and size of geographic service area.

The Department may require the agencies which receive said funds to provide a thirty percent (30%) matching share in cash or in-kind contributions, or both such cash and in-kind contributions.

SECTION 6. The Oklahoma Department of Commerce shall expend Four Million Eight Hundred Nine Thousand Nine Hundred Fourteen Dollars (\$4,809,914.00) of the amount appropriated to Community Action Agencies in Section 3 of this act, or so much thereof as may be necessary, for the purpose of improving Head Start programs and expanding Head Start enrollment. Of said amount:

1. Four Million Six Hundred Forty-four Thousand Nine Hundred Fourteen Dollars (\$4,644,914.00) shall be distributed through contracts with Community Action Agencies that operate or sponsor federally funded Head Start programs. Contracts shall require eligible Community Action Agencies to expand Head Start services and enrollment, offer family services and develop early intervention strategies for juvenile delinquency prevention. Distribution of funds shall be based on a formula developed from historical data on poverty population and criteria used by the U.S. Department of Health and Human Services in the distribution of federal funds appropriated for the Head Start program;

2. One Hundred Thousand Dollars (\$100,000.00), or so much thereof as may be necessary, shall be expended by the Oklahoma Department of Commerce for the purpose of administering Head Start contracts provided herein. Such duties of the Department shall include establishing performance criteria, reviewing programs for effectiveness in accomplishing objectives of the federal Head Start program, monitoring compliance with contractual provisions, and providing technical assistance to Community Action Agencies; and

3. Sixty-five Thousand Dollars (\$65,000.00) of said amount shall be distributed through contract to the Oklahoma Association of Community Action Agencies, Inc., for the purpose of the Head Start Coordination Program.

SECTION 7. For the fiscal year ending June 30, 1996, contracts authorized by Sections 5 and 6 of this act shall be exempt from the Central Purchasing Act, Section 85.1 et seq. of Title 74 of the Oklahoma Statutes. The Department shall not execute a contract with a Community Action Agency until the applicant submits, and the Department approves, a budget work program for expenditure of funds. Each contract shall require audits of expenditures, as provided in rules promulgated by the Department of Commerce.

SECTION 8. For the fiscal year ending June 30, 1996, the Oklahoma Department of Commerce shall expend the amount appropriated in Section 3 of this act, or so much thereof as may be necessary, to perform the substate multicounty regional planning functions and responsibilities imposed upon the Department by law. 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 - Grand Gateway Economic Development Association (Craig, Delaware, Mayes, Nowata, Ottawa, Rogers and Washington Counties) \$ 48,011.00	
2 - Eastern Oklahoma Development District (Adair, Cherokee, McIntosh, Muskogee, Okmulgee, Sequoyah and Wagoner Counties) 48,309.00	
3 - Kiamichi Economic Development District of Oklahoma (Choctaw, Haskell, Latimer, LeFlore, McCurtain, Pittsburg and Pushmataha Counties) 47,754.00	
4 - Southern Oklahoma Development Association (Atoka, Bryan, Carter, Coal, Garvin, Johnston, Love, Marshall, Murray and Pontotoc Counties) 48,011.00	
5 - Central Oklahoma Economic Development District (Hughes, Lincoln, Okfuskee, Pawnee, Payne, Pottawatomie and Seminole Counties) 48,096.00	
6 - Indian Nations Council of Governments (Creek, Osage and Tulsa Counties) 51,551.00	
7 - Northern Oklahoma Development Association (Alfalfa, Blaine, Garfield, Grant, Kay, Kingfisher, Major and Noble Counties) 48,096.00	
8 - Association of Central Oklahoma Governments (Canadian, Cleveland, Logan and Oklahoma Counties) 53,684.00	
9 - Association of South Central Oklahoma Governments (Caddo, Comanche, Cotton, Grady, Jefferson, McClain, Stephens and Tillman Counties) 48,906.00	
10 - South Western Oklahoma Development Authority (Beckham, Custer, Greer, Harmon, Jackson, Kiowa, Roger Mills and Washita Counties) 47,413.00	
11 - Oklahoma Economic Development Association (Beaver, Cimarron, Dewey, Ellis, Harper, Texas, Woods and Woodward Counties) <u>46,773.00</u>	
TOTAL	\$536,604.00

The Department may require the agencies to which the Department grants 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.

The Oklahoma Department of Commerce shall establish eligibility requirements for substate multicounty planning districts to receive grants from appropriations to the Oklahoma Department of Commerce. The primary purpose of the substate multicounty planning districts shall include but not be limited to the enhancement of planning and technical assistance to local governments in the areas of community development, infrastructure and environmental needs.

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.

SECTION 9. The Oklahoma Department of Commerce may expend the amount allocated in Section 3 of this act, or so much 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. Audit costs may be paid from allocated, appropriated funds.

SECTION 10. The Oklahoma Department of Commerce may expend the amount allocated in Section 3 of this act, or so much 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 the Oklahoma Department of Commerce. Audit costs may be paid from allocated, appropriated funds. For the fiscal year ending June 30, 1996, any contracts authorized under this section shall be exempt from the Central Purchasing Act.

SECTION 11. For the fiscal year ending June 30, 1996, the Oklahoma Department of Commerce shall serve as the lead state agency in establishing a community development strategy and plan for the state. The Department shall have the authority to establish and administer community development programs such as a certified communities program; the Department has the authority to administer such programs directly or by contract with qualified community development entities.

In establishing such programs, the Department shall determine needs, priorities or funding limits within the limits for such programs imposed by the Legislature. The Department may promulgate rules in accordance with the Administrative Procedures Act to clarify such programs.

The Department shall establish and develop or cause to be developed individual program budgets, work plans, and audits of each community development program established and administered.

SECTION 12. The Oklahoma Department of Commerce shall expend the amount allocated in Section 3 of this act, or so much as may be necessary, to accomplish contractual responsibilities for the creation of the Community Development Centers Program with emphasis on the aging and elderly. The Department may contract with communities or organizations only after:

1. An applicant has submitted an approved application;
2. An applicant has demonstrated through experience and managerial expertise capabilities of constructing or causing construction or renovation of facilities and management of community development facilities;
3. An applicant has demonstrated that it can provide financial management capacity and responsibility to manage a program for community development centers for the aging or elderly;
4. An applicant has demonstrated experience in establishing and managing programs to enhance the quality of life of the aging and elderly;
5. The Department of Commerce has developed, adopted and published additional criteria, ongoing programmatic guidance and definitions through rules;
6. A competitive bidding process has been conducted by the Department.

The Department may solicit donations, apply for federal grants or require matching funds to enhance the budget for the community development centers program. For the fiscal year ending June 30, 1996, funds expended for the program from the Community Development

Centers Program Fund shall be exempt from the requirements of the Central Purchasing Act, Section 85.1 et seq. of Title 74 of the Oklahoma Statutes.

SECTION 13. The Oklahoma Department of Commerce shall expend the amount allocated in Section 3 of this act, or so much as may be necessary, to establish the Oklahoma Community Institute for Community Development. The purpose of the institute will be to: provide a one-stop resource/referral center for communities needing assistance; develop public policy recommendations that affect Oklahoma communities; provide training and technical assistance for people who work in communities.

SECTION 14. The Oklahoma Department of Commerce shall expend the amount allocated in Section 3 of this act, or so much as may be necessary, to accomplish contractual responsibilities with the Kiamichi Economic Development District of Oklahoma for the purpose of establishing a Rural Regional Incubator Program, which shall serve as a model program providing assistance to new small businesses. The services provided by the Rural Regional Incubator Program shall include but not be limited to: business plan and pro forma construction; permit and license assistance; assistance in securing a client base; employee recruitment and training; and advertising and marketing assistance. The Department shall establish in the contract performance standards for this program.

SECTION 15. The Oklahoma Department of Commerce may expend the amount allocated in Section 3 of this act, or so much as may be necessary to accomplish contractual responsibilities with the Delta Community Action Agency for the purpose of community development and housing efforts.

SECTION 16. The Oklahoma Department of Commerce shall contract for a review of the capital needs of Oklahoma businesses and entrepreneurs. The review should identify voids and gaps in the existing capital markets and recommend effective ways to meet the capital needs of Oklahoma businesses.

SECTION 17. 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 One Hundred Thousand Four Hundred Sixty Dollars (\$100,460.00) per annum, payable monthly for the fiscal year ending June 30, 1996. The Oklahoma Department of Commerce for the fiscal year ending June 30, 1996, shall be subject to the following budgetary limitations on full-time-equivalent employees, except as may be authorized pursuant to the provisions of Section 3603 of Title 74 of Oklahoma Statutes:

<u>Budgetary Limitation</u>	<u>Amount</u>
Full-time-equivalent Employees	185.0

SECTION 18. All funds appropriated to the Oklahoma Department of Commerce for the fiscal year ending June 30, 1996, 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 Department 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 agreements between the Department and applicable federal agencies or instrumentalities.

SECTION 19. Funds appropriated to the Department of Commerce in Section 87, Chapter 187, O.S.L. 1994, as amended by Section 1, Chapter 247, O.S.L. 1994, and by Section 2, Chapter 247, O.S.L. 1994, may be budgeted and expended for the fiscal year ending June

30, 1996, and may be budgeted and expended for the general operating expenses of the Oklahoma Department of Commerce regardless of the purpose for which the funds were budgeted by the agency for the fiscal year ending June 30, 1995.

OKLAHOMA CENTER FOR THE ADVANCEMENT
OF SCIENCE AND TECHNOLOGY

SECTION 20. There is hereby appropriated to the Oklahoma Center for the Advancement of Science and Technology from any monies not otherwise appropriated from the General Revenue Fund of the State Treasury for the fiscal year ending June 30, 1996, the sum of Two Hundred Fifty Thousand Dollars (\$250,000.00) or so much thereof as may be necessary to perform the duties imposed upon the Oklahoma Center Advancement of Science and Technology by law.

SECTION 21. There is hereby appropriated to the Oklahoma Center for the Advancement of Science and Technology from any monies not otherwise appropriated from the General Revenue Fund of the State Treasury for the fiscal year ending June 30, 1996, the sum of One Hundred Thousand Dollars (\$100,000.00) or so much thereof as may be necessary to perform duties specified in the Oklahoma Breast Cancer Act pursuant to Section 5060.9d of Title 74 of the Oklahoma Statutes.

SECTION 22. The duties and compensation of employees, not otherwise prescribed by law, necessary to perform the duties imposed upon the Oklahoma Center for the Advancement of Science and Technology by law shall be set by the President of the Oklahoma Center for the Advancement of Science and Technology. The salary of the President shall not exceed Sixty-two Thousand Two Hundred Forty-six Dollars (\$62,246.00) per annum, payable monthly for the fiscal year ending June 30, 1996. The Oklahoma Center for the Advancement of Science and Technology for the fiscal year ending June 30, 1996, shall be subject to the following budgetary limitations 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	20.0

SECTION 23. Funds appropriated to the Oklahoma Center for the Advancement of Science and Technology in Section 20, Chapter 187, O.S.L. 1994, and in Section 19, Chapter 247, O.S.L. 1994, may be budgeted and expended for the fiscal year ending June 30, 1996, and may be budgeted and expended for the general operating expenses of the Oklahoma Center for the Advancement of Science and Technology regardless of the purpose for which the funds were budgeted by the agency for the fiscal year ending June 30, 1995.

SECTION 24. Appropriations made by Sections 1, 2, 20 and 21 of this act to state agencies for the operations of state government, not including appropriations made for capital outlay purposes, may be budgeted for the fiscal year ending June 30, 1996 (hereafter FY-96) or may be budgeted for the fiscal year ending June 30, 1997 (hereafter FY-97). Funds budgeted for FY-96 may be encumbered only through June 30, 1996, and must be expended by November 15, 1996. Any funds remaining after November 15, 1996, and not budgeted for FY-97, shall lapse to the credit of the proper fund for the then current fiscal year. Funds budgeted for FY-97 may be encumbered only through June 30, 1997. Any funds remaining after November 15, 1997, shall lapse to the credit of the proper fund for the then current fiscal year. These appropriations may not be budgeted in both fiscal years simultaneously. Funds budgeted in FY-96, and not required to pay obligations for that fiscal year, may be budgeted for FY-97, after the agency to which the funds have been appropriated has prepared and submitted a budget work program revision removing these funds from the FY-96 budget work program and after such revision has been approved by the Office of State Finance.

SECTION 25. This act shall become effective September 1, 1995.
 Passed the Senate the 18th day of May, 1995.

President of the Senate

Passed the House of Representatives the 19th day of May, 1995.

Speaker of the House of
 Representatives

