

SHORT TITLE: Appropriations to economic development services agencies; budget limits; lapse date; effective date; emergency.

STATE OF OKLAHOMA

1st Session of the 45th Legislature (1995)

SENATE BILL NO. 193

By: Haney and Hobson of the  
Senate

and

Hamilton and Steidley of  
the House

AS INTRODUCED

An Act relating to economic development services;  
making an appropriation to the Oklahoma Department  
of Commerce; specifying purpose; requiring  
budgeting in certain categories 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; providing guidelines; authorizing  
matching contributions; exempting certain contracts  
from Oklahoma Central Purchasing Act; requiring  
certain distribution for Headstart Program;  
requiring determination of formulas based on  
certain information; authorizing creation of  
certain program; exempting certain contract from  
Central Purchasing Act; providing for establishment  
of certain performance criteria; providing for  
expenditures to administer performance criteria;  
providing for performance of substate multicounty  
regional planning functions and responsibilities;  
requiring certain allocations; providing for  
eligibility and specifying purposes; providing for

voting membership of certain boards; 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; providing for expenditures for certain contractual responsibilities; specifying purposes; requiring reports, filings and audits; authorizing disallowances for noncompliance; 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; providing for expenditures for certain purposes; requiring development of performance standards; requiring report; requiring the transfer of certain funds; specifying certain expenditures; making an appropriation to the Oklahoma Center for the Advancement of Science and Technology; specifying purpose; requiring certain transfers; specifying purposes; requiring certain deposits in certain funds; specifying purpose; providing for duties and compensation of employees; limiting salary of President; providing budgetary limitations; making appropriations subject to fiscal year limitations; providing lapse date;

providing an effective date; and declaring an emergency.

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 Zero Dollars (\$0.00) or so much thereof as may be necessary to perform the duties imposed upon the Oklahoma Department of Commerce by law.

SECTION 2. For the fiscal year ending June 30, 1996, the Oklahoma Department of Commerce shall budget all funds in the following categories and amounts:

<u>Category</u>	<u>Appropriation</u>	<u>Total</u>
Administrative Support	\$0.00	\$0.00
Business Financing	0.00	0.00
Business Services	0.00	0.00
Community Investment	0.00	0.00
Global Trade	0.00	0.00
Information Services	0.00	0.00
Marketing and Sales	<u>0.00</u>	<u>0.00</u>
Total	0.00	\$0.00

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 from within the categories and amounts listed in Section 2 of this act:

ORIGINS	\$0.00
Community Action Agencies:	\$0.00

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	\$0.00
Minority Business Development Program Revolving Fund	\$0.00
Rural Enterprise Inc.	\$0.00
Substate Planning Districts:	\$0.00
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	\$0.00

Community Development Centers Program	\$0.00
Southeastern Oklahoma State	
University for the Statewide	
Small Business Development	
Centers Program	\$0.00
Rural Regional Incubator Program-Kiamichi	
Economic Development District	
of Oklahoma	\$0.00
Oklahoma Community Institute for	
Community Development	\$0.00
Capital Investment Board Venture	
Capital Associates Programs	\$0.00
Oklahoma Aerospace Contracting	
Assistance Program	\$0.00

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 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 transfer, assist expansion of existing industry and to disseminate all pertinent information. 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 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. For the fiscal year ending June 30, 1996, the allocation memorialized by contract shall be exempt from the Central Purchasing Act.

SECTION 6. A. Of the Zero Dollars (\$0.00) allocated for the purpose of funding Community Action Agencies in Section 3 of this act, Zero Dollars (\$0.00) 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 sum of Zero Dollars (\$0.00) of the money distributed to the Headstart Programs and as provided by subsection C of this section shall be expended exclusively for the purpose of implementing the Headstart Programs. The distribution of the remaining Zero Dollars (\$0.00) 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.

B. From within the funds allocated to Community Action Agencies in Section 3 of this act, the Oklahoma Department of Commerce may establish a Headstart Coordination Program to coordinate the Headstart activities operated by community action agencies. The Department may establish a contract with the Oklahoma Association of Community Action Agencies. The contractor shall submit an annual report as required by the rules and regulations of the Oklahoma Department of Commerce. For the fiscal year ending June 30, 1996, the contract shall be exempt from the Central Purchasing Act.

C. Pursuant to the provisions of the Administrative Procedures Act, the Oklahoma Department of Commerce, in coordination with the Headstart Coordination Program established within the Oklahoma Association of Community Action Agencies, is hereby authorized to establish performance criteria for Headstart Programs that receive state funds from the Department. The performance criteria shall be incorporated into Headstart Program contracts beginning January 1, 1995.

D. The Department of Commerce may expend up to five percent (5%) of the total funds allocated in this section for Headstart Programs to administer, review, monitor and implement the performance criteria established pursuant to subsection C of this section.

SECTION 7. For the fiscal year ending June 30, 1996, the Oklahoma Department of Commerce shall expend the following amounts, or 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 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 - Grand Gateway Economic Development Association (Craig, Delaware, Mayes, Nowata, Ottawa, Rogers and Washington Counties)	\$0.00
2 - Eastern Oklahoma Development	

	District (Adair, Cherokee, McIntosh, Muskogee, Okmulgee, Sequoyah and Wagoner Counties)	0.00
3 -	Kiamichi Economic Development District of Oklahoma (Choctaw, Haskell, Latimer, LeFlore, McCurtain, Pittsburg and Pushmataha Counties)	0.00
4 -	Southern Oklahoma Development Association (Atoka, Bryan, Carter, Coal, Garvin, Johnston, Love, Marshall, Murray and Pontotoc Counties)	0.00
5 -	Central Oklahoma Economic Development District (Hughes, Lincoln, Okfuskee, Pawnee, Payne, Pottawatomie and Seminole Counties)	0.00
6 -	Indian Nations Council of Governments (Creek, Osage and Tulsa Counties)	0.00
7 -	Northern Oklahoma Development Association (Alfalfa, Blaine, Garfield, Grant, Kay, Kingfisher, Major and Noble Counties)	0.00
8 -	Association of Central Oklahoma Governments (Canadian, Cleveland, Logan and Oklahoma Counties)	0.00
9 -	Association of South Central Oklahoma Governments (Caddo, Comanche, Cotton, Grady, Jefferson, McClain, Stephens	

and Tillman Counties)	0.00
10 - South Western Oklahoma Development Authority (Beckham, Custer, Greer, Harmon, Jackson, Kiowa, Roger Mills and Washita Counties)	0.00
11 - Oklahoma Economic Development Association (Beaver, Cimarron, Dewey, Ellis, Harper, Texas, Woods and Woodward Counties)	<u>0.00</u>
TOTAL	\$0.00

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. 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 8. 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 Ninety-three Thousand Nine Hundred Seventy-five Dollars (\$93,975.00) 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 9. 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 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 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 11. 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 12. 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 the 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 is empowered to 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 in its discretion if necessary 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 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 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. 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 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 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 15. A. 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.

B. The Oklahoma Department of Commerce, in cooperation with the Oklahoma Business Incubators Association and the State Department of Vocational and Technical Education, shall conduct a review of the effectiveness and economic impact of publicly funded business incubator programs in the state and prepare a report. The report should contain a review of existing business incubators and the coordination efforts among various public and private entities. The report shall be submitted to the Economic Development Committees of the House of Representatives and the Senate and the House of Representatives Special Committee on Small Business by February 7, 1996.

SECTION 16. The Oklahoma Employment Security Commission shall transfer an amount not to exceed Zero Dollars (\$0.00) 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.

OKLAHOMA CENTER FOR THE ADVANCEMENT  
OF SCIENCE AND TECHNOLOGY

SECTION 17. 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 Zero Dollars (\$0.00) 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 18. From all monies appropriated to the Oklahoma Center for the Advancement of Science and Technology for the fiscal year ending June 30, 1996, the amount of Zero Dollars (\$0.00) and the following amounts shall be deposited into the Research Support Revolving Fund created pursuant to Section 5060.11 of Title 74 of the Oklahoma Statutes or so much thereof as may be necessary for the following purposes:

Applied Research	\$0.00
Health Research	\$0.00
Technology Transfer	\$0.00

SECTION 19. From all monies appropriated to the Oklahoma Center for the Advancement of Science and Technology for the fiscal year ending June 30, 1996, the following amounts shall be deposited into the Administration and Data Processing Revolving Fund created pursuant to Section 5060.34 of Title 74 of the Oklahoma Statutes or so much thereof as may be necessary for the following purposes:

Personal Services Costs and Administrative and Data Processing Functions	\$0.00
Salary and Fringe benefits for the President or Acting President	\$0.00

SECTION 20. 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-one Thousand Four Hundred Forty-six Dollars (\$61,446.00) 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
Lease-Purchase Expenditures	\$0.00

SECTION 21. The appropriations made by this act shall be subject to fiscal year limitations and may be encumbered through June 30, 1996. Any unexpended funds remaining after November 15, 1996, shall lapse and be transferred to the credit of the proper fund for the then current fiscal year.

SECTION 22. This act shall become effective July 1, 1995.

SECTION 23. 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.

45-1-0496

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