

ENROLLED HOUSE  
BILL NO. 1862

By: Hamilton and Settle of  
the House

and

Haney and Hobson of the  
Senate

An Act relating to arts; authorizing the Oklahoma Arts Council to assist in the creation of a citizen-supported organization; stating purpose of the organization; stating conditions for the organization; allowing the chair and Director to serve on the board of the organization; prohibiting compensation for service on board; requiring the Council to make certain determination; providing for issuance of a letter by the Director; allowing the Council to take certain actions; providing for collection and deposit of organization funds; requiring submission of an annual audit to certain persons; providing for codification; providing an effective date; and declaring an emergency.

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

SECTION 1. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 166.1 of Title 53, unless there is created a duplication in numbering, reads as follows:

A. The Oklahoma Arts Council is hereby authorized to create a citizen-supported organization, which will provide assistance, funding and promotional support for Council programs and projects consistent with the purposes set forth in Section 166 of Title 53 of the Oklahoma Statutes.

B. Such organization shall:

1. Be a bona fide, not-for-profit organization exempt from the payment of federal income taxes pursuant to Section 501(c)(3) of the federal Internal Revenue Code that does not engage in, and has no officer, director or member who engages in, any prohibited transaction, as defined by Section 503(b) of the Internal Revenue Code;

2. Be organized in accordance with the laws of this state, domiciled in Oklahoma and in good standing;

3. Be organized and operated to conduct programs and activities, raise funds, request and receive grants, gifts and bequests of money, acquire, receive, hold, invest and administer in its own name securities, funds, or real or personal property, and make expenditures for the benefit of the Oklahoma Arts Council and consistent with their authorized purposes;

4. Be an organization which provides equal employment and membership opportunities to all persons regardless of race, color, national origin, religion, sex or age; and

5. Have a majority of its directors or trustees appointed by the Council.

C. The chair of the Oklahoma Arts Council and Director shall serve as nonvoting members on the board of directors of the Foundation, but shall receive no compensation for such service.

D. Subject to a determination by the Oklahoma Arts Council that such organization is currently organized to act in a manner consistent with the goals of the Council and best interests of the state and the issuance of a written letter by the Director to that effect, the Council and such organization may exercise the authorities outlined in paragraphs 1 and 2 of subsection B of this section, in addition to any other authorities provided by law.

1. The Council may permit such organization to use its property, facilities and personnel free of charge, subject to such conditions as the Council deems appropriate, to the extent that such use is for an approved public purpose, in accordance with applicable law, and it does not unreasonably interfere with the use of same by the Department or the public and may engage in any lawful transaction with such organization in furtherance of the purposes of the Council.

2. The Council may contract with and cooperate with such organization on projects.

E. Funds collected by the organization shall be considered private funds and shall be held in an account outside of the State Treasury. Such organization shall provide for an annual audit of its financial records and accounts and shall submit such audit to the Oklahoma Arts Council and the State Auditor and Inspector.

SECTION 2. This act shall become effective July 1, 1997.

SECTION 3. 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 House of Representatives the 27th day of May, 1997.

Speaker of the House of  
Representatives

Passed the Senate the 28th day of May, 1997.

President of the Senate