

ENROLLED HOUSE
BILL NO. 3068

By: Hamilton, Settle and
Boyd (Laura) of the
House

and

Haney and Hobson of the
Senate

An Act relating to the Rural Economic Action Plan Act; creating the Rural Economic Action Plan Water Projects Fund; specifying nature of fund; amending Section 87 of Enrolled House Bill No. 3050 of the 2nd Session of the 46th Oklahoma Legislature, which relates to appropriations to the Oklahoma Water Resources Board; modifying appropriation; providing for appropriation to Rural Economic Action Plan Water Projects Fund; amending Section 3, Chapter 193, O.S.L. 1996, as amended by Section 1, Chapter 382, O.S.L. 1997, Section 4, Chapter 193, O.S.L. 1996, as amended by Section 2, Chapter 382, O.S.L. 1997, Section 6, Chapter 193, O.S.L. 1996, as amended by Section 3, Chapter 382, O.S.L. 1997 and Section 11, Chapter 193, O.S.L. 1996, as amended by Section 3, Chapter 236, O.S.L. 1997 (62 O.S. Supp. 1997, Sections 2003, 2004, 2006 and 2011), which relate to the Rural Economic Action Plan; modifying references to certain legislation; providing reference to certain fund; deleting certain references to dollar amounts; providing for distribution of funds; modifying certain dates; modifying certain requirement related to audit of expenditures; providing for monitoring of expenditures; repealing Section 5, Chapter 193, O.S.L. 1996 (62 O.S. Supp. 1997, Section 2005), which relates to distributions of certain funds by the Oklahoma Department of Transportation; 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 2002 of Title 62, unless there is created a duplication in numbering, reads as follows:

There is hereby created the Rural Economic Action Plan Water Projects Fund. The fund shall be subject to legislative appropriation and shall consist of all monies deposited into the fund by law. The fund shall be a continuing fund not subject to fiscal year limitations.

SECTION 2. AMENDATORY Section 87 of Enrolled House Bill No. 3050 of the 2nd Session of the 46th Oklahoma Legislature, is amended to read as follows:

Section 87. There is hereby appropriated to the ~~Oklahoma Water Resources Board~~ Rural Economic Action Plan Water Projects Fund from any monies not otherwise appropriated from the General Revenue Fund of the State Treasury for the fiscal year ending June 30, 1999, the sum of Four Million Five Hundred Thousand Dollars (\$4,500,000.00) or so much thereof as may be necessary to implement the provisions of Section 2003 of Title 62 of the Oklahoma Statutes.

SECTION 3. AMENDATORY Section 3, Chapter 193, O.S.L. 1996, as amended by Section 1, Chapter 382, O.S.L. 1997 (62 O.S. Supp. 1997, Section 2003), is amended to read as follows:

Section 2003. A. Except as otherwise provided by this section, the monies appropriated by ~~Section 104 of Enrolled Senate Bill No. 160 of the 1st Session of the 46th Oklahoma Legislature~~ to the Rural Economic Action Plan Water Projects Fund shall be administered by the Oklahoma Water Resources Board in the same manner as provided by law for the grant of other funds for water related projects subject to the provisions contained herein.

B. The monies referred to in subsection A of this section shall be distributed to eligible cities and towns, unincorporated areas or other qualified entities located within the areas represented by the following organizations:

1. Association of Central Oklahoma Governments (ACOG);
2. Association of South Central Oklahoma Governments (ASCOG);
3. Central Oklahoma Economic Development District (COEDD);
4. Eastern Oklahoma Economic Development District (EOEDD);
5. Grand Gateway Economic Development Association (GGEDA);
6. Indian Nations Council of Governments (INCOG);
7. Kiamichi Economic Development District (KEDDO);
8. Northern Oklahoma Development Association (NODA);
9. Oklahoma Economic Development Association (OEDA);
10. Southern Oklahoma Development Association (SODA); and
11. South Western Oklahoma Development Authority (SWODA).

C. The monies referred to in subsection A of this section shall not be expended for the benefit of cities or towns with a population in excess of seven thousand (7,000) persons according to the latest Federal Decennial Census. Any municipality may enter into an agreement with an entity described in subsection B of this section to apply for available funds described by this section if the municipality is located within the area served by the entity. Upon approval of the application, funds shall be paid to the municipality requesting the funds.

D. An entity described in subsection B of this section may apply for a grant to be used for the benefit of an unincorporated area within a county served by that entity. Any county may enter into an agreement with an entity described in subsection B of this section if the county is located within the area served by the entity. Upon approval of the application, funds shall be paid to the county requesting the funds.

E. The monies referred to in subsection A of this section may be expended for water quality projects, including but not limited to sewer line construction or repair and related storm or sanitary sewer projects, water line construction or repair, water treatment, water acquisition, distribution or recovery and related projects.

F. Any city or town with a population less than one thousand five hundred (1,500) persons according to the latest Federal Decennial Census shall have a higher priority for funds allocated by the Oklahoma Water Resources Board from the amount referred to in

subsection A of this section than jurisdictions of greater size. Among such cities or towns, those municipalities having relatively weaker fiscal capacity shall have a priority for project funding in preference to other municipalities.

G. The Oklahoma Water Resources Board shall establish ten separate accounts containing ~~Four Hundred Fifty Thousand Dollars (\$450,000.00)~~ one-tenth (1/10) of the amount annually appropriated to the Rural Economic Action Plan Water Projects Fund per account. Each account shall be available for distribution to qualified entities located within the area served by entities described in subsection A of Section 2007 of this title or for distribution to benefit unincorporated areas with the exception of one account which shall be divided equally into two subaccounts ~~containing Two Hundred Twenty-five Thousand Dollars (\$225,000.00) each~~. Each one of the two subaccounts shall be available for distribution to qualified entities located within the respective jurisdiction of one of the entities described by subsection B of Section 2007 of this title or for distribution to benefit unincorporated areas. No funds deposited into one account or subaccount shall be transferred to any other account. The total expenditure from any one account or subaccount for each fiscal year may not exceed the amount of funds available to each account as may be provided by law.

H. No city, town or other entity to which funds shall be awarded pursuant to this section shall be required to provide any form of match to obtain the funds, whether through cash, services or any other method.

I. The Oklahoma Water Resources Board shall not be allowed to retain any of the funds referred to in subsection A of this section for administration. All such funds shall be distributed to eligible entities as authorized by law.

J. In order to permit equal access to the funds referred to in subsection A of this section, the Oklahoma Water Resources Board shall not act upon an application for such funds until ~~the expiration of six (6) months from the effective date of this act~~ January 1 each year. Applications may be submitted to the Oklahoma Water Resources Board on or after July 1, ~~1997~~ each year.

SECTION 4. AMENDATORY Section 4, Chapter 193, O.S.L. 1996, as amended by Section 2, Chapter 382, O.S.L. 1997 (62 O.S. Supp. 1997, Section 2004), is amended to read as follows:

Section 2004. The monies appropriated ~~by Section 26 of Enrolled Senate Bill No. 160 of the 1st Session of the 46th Oklahoma Legislature and by Section 61 of Enrolled Senate Bill No. 160 of the 1st Session of the 46th Oklahoma Legislature as amended by Section 5 of Enrolled House Bill No. 1075 of the 1st Session of the 46th Oklahoma Legislature~~ to the Rural Economic Action Plan Fund shall be subject to all of the requirements of Sections 2006 through 2013 of this title. There shall be deposited into each of the accounts provided by Section 2006 of this ~~act~~ title the sum of ~~One Million Two Hundred Fifty Thousand Dollars (\$1,250,000.00)~~ one-tenth (1/10) of the amount appropriated to the Rural Economic Action Plan Fund with the exception of one account which shall be divided equally into two subaccounts ~~containing Six Hundred Twenty-five Thousand Dollars (\$625,000.00) each~~. One of the two subaccounts shall be available to one and only one of the entities described by subsection B of Section 2007 of this title for distribution to cities or towns within the respective jurisdiction of the entity if the population of such city or town does not exceed seven thousand (7,000) persons according to the latest Federal Decennial Census or for the benefit of an unincorporated area.

SECTION 5. AMENDATORY Section 6, Chapter 193, O.S.L. 1996, as amended by Section 3, Chapter 382, O.S.L. 1997 (62 O.S. Supp. 1997, Section 2006), is amended to read as follows:

Section 2006. A. There is hereby established a fund within the State Treasury to be known as the Rural Economic Action Plan Fund. The fund shall be a continuing fund not subject to fiscal year limitations. Within the Rural Economic Action Plan Fund there shall be established ten separate accounts into which shall be deposited such funds as may be provided by law.

B. One of nine accounts shall be available to each entity described in subsection A of Section 2007 of this title.

C. One account shall be divided equally into two subaccounts ~~containing Six Hundred Twenty-five Thousand Dollars (\$625,000.00) each~~. One of the two subaccounts shall be available to each of the entities described by subsection B of Section 2007 of this title for distribution to cities or towns within the respective jurisdiction of the entity if the population of such city or town does not exceed seven thousand (7,000) persons according to the latest Federal Decennial Census or for the benefit of an unincorporated area.

D. No funds deposited into one account or subaccount shall be transferred to any other account. No entity may access any more than one account per fiscal year and the total expenditure from any one account for each fiscal year may not exceed the amount of funds available to each account as may be provided by law.

SECTION 6. AMENDATORY Section 11, Chapter 193, O.S.L. 1996, as amended by Section 3, Chapter 236, O.S.L. 1997 (62 O.S. Supp. 1997, Section 2011), is amended to read as follows:

Section 2011. A. Except as otherwise provided by subsection C of this section, the funds available pursuant to the provisions of Section 2006 of this title shall not be used to pay any administrative expenses of the entity requesting the funds. The State Auditor and Inspector shall ~~conduct an annual audit to determine~~ monitor expenditures made pursuant to the Rural Economic Action Plan Act to ensure compliance with the provisions of this section. Misuse of funds by an entity shall disqualify the entity from further funding for a period of one (1) year from the date as of which any report by the State Auditor and Inspector is issued revealing a violation of the requirements of this section.

B. Except for funds authorized by subsection C of this section, an entity which violates the provisions of this section shall be liable to the State of Oklahoma for treble the amount of funds identified as having been impermissibly used for the payment or reimbursement of administrative expenses. The payment shall be made to the State Auditor and Inspector for deposit in the Rural Economic Action Plan Fund and such funds shall become available for distribution as otherwise provided by this act except that no such funds shall be paid to an entity which has been required to make the treble damage payment.

C. Upon verification by the State Auditor and Inspector's office that an entity is qualified to receive funds for a purpose authorized by this act, the entity shall be eligible for an initial planning expenditure payment of not to exceed five percent (5%) of the amount contained in the account created for the entity pursuant to Section 2006 of this title.

SECTION 7. REPEALER Section 5, Chapter 193, O.S.L. 1996 (62 O.S. Supp. 1997, Section 2005), is hereby repealed.

SECTION 8. This act shall become effective July 1, 1998.

SECTION 9. 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 29th day of May, 1998.

Speaker of the House of
Representatives

Passed the Senate the 29th day of May, 1998.

President of the Senate