

STATE OF OKLAHOMA

2nd Session of the 46th Legislature (1998)

HOUSE BILL NO. 3011

By: Hamilton and Settle of the
House

and

Haney and Hobson of the
Senate

AS INTRODUCED

An Act relating to the Oklahoma Department of
Commerce; providing for expenditure of funds;
requiring certain expenditures and amounts;
providing for expenditure for certain contract and
responsibilities; specifying purposes; requiring
audit; requiring certain cooperation by contractor;
exempting certain contracts from the Oklahoma
Central Purchasing Act; providing for certain
expenditure for contractual responsibilities of
certain Authority; requiring expenditure for micro-
loan program; exempting contracts from the Oklahoma
Central Purchasing Act; providing for distribution
of certain funds to certain agencies; stating
purpose; providing guidelines; authorizing matching
contributions; 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 the 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 the 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 Community Development Centers activities; setting certain conditions; exempting certain expenditures from the Oklahoma Central Purchasing Act; authorizing solicitation for donations and matching funds; authorizing establishment of certain institute; stating purpose; providing for expenditures for certain purposes; requiring assistance to certain Authority; authorizing certain budgeting 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

disbursal of certain grants and reimbursements;
requiring budgeting of funds; and providing an
effective date.

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

SECTION 1. From all appropriations to the Oklahoma Department of Commerce for the fiscal year ending June 30, 1999, the following amounts shall be expended, subject to availability of funds, in the following categories:

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
 Minority Business Development
 Program Revolving Fund \$0.00
 Capital Improvement Program Revolving Fund \$0.00
 Rural Enterprise Inc. \$0.00
 Oklahoma Development Finance Authority/
 Rural Enterprises Inc. Micro-loan Program \$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 Fund	\$0.00
Southeastern Oklahoma State University for the Statewide Small Business Development Centers Program	\$0.00
Rural Economic and Community Development Programs-Kiamichi Economic Development District of Oklahoma	\$0.00
Native American Cultural and Educational Authority Fund	\$0.00
Vocational-Technical Education Dual Use Training Center	\$0.00

SECTION 2. The Oklahoma Department of Commerce shall expend the amount allocated in this act, or so much thereof 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 cooperate with the Oklahoma Department of Commerce

to assist in business financing, assist expansions 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, 1999, any contracts authorized under this appropriation shall be exempt from the Oklahoma Central Purchasing Act.

SECTION 3. The Oklahoma Department of Commerce shall expend the amount allocated in this act, or so much thereof as may be necessary, to accomplish contractual responsibilities with the Oklahoma Development Finance Authority. The Oklahoma Development Finance Authority shall expend the funds to accomplish contractual responsibilities with Rural Enterprises, Inc., for the purpose of matching federal funds available through the United States Small Business Administration for micro-loans to Oklahoma small businesses. For the fiscal year ending June 30, 1999, any contracts authorized under this section shall be exempt from the requirements of the Oklahoma Central Purchasing Act, Section 85.1 et seq. of Title 74 of the Oklahoma Statutes.

SECTION 4. The Oklahoma Department of Commerce shall enter into contracts to distribute _____ Dollars (\$0.00) of the amount allocated to all Community Action Agencies listed in 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 5. The Oklahoma Department of Commerce shall expend _____ Dollars (\$0.00) of the amount allocated to Community Action Agencies in 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. _____ Dollars (\$0.00) 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. Five percent (5%) of the total Head Start allocation, 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, and monitoring compliance with contractual provisions; and

3. _____ Dollars (\$0.00) shall be distributed through contract to the Oklahoma Association of Community Action Agencies, Inc., for the purpose of the Head Start Coordination Program and providing assessment, training and technical assistance to Head Start programs.

SECTION 6. Contracts with Community Action Agencies authorized by this act shall be exempt from the Oklahoma Central Purchasing Act. 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 Oklahoma Department of Commerce.

SECTION 7. For the fiscal year ending June 30, 1999, the Oklahoma Department of Commerce shall expend the amount allocated in 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) \$ 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) \$ 0.00
- TOTAL \$ 0.00

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 8. The Oklahoma Department of Commerce may expend the amount allocated in this act, or so much thereof 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 training 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 Oklahoma Department of Commerce. Audit costs may be paid from allocated, appropriated funds.

SECTION 9. The Oklahoma Department of Commerce may expend the amount allocated in this act, or so much thereof 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, 1999, any contracts authorized under this section shall be exempt from the Oklahoma Central Purchasing Act.

SECTION 10. 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 certified community programs and community programs which enhance the quality of life in Oklahoma communities; 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. Any contract authorized under this section shall be exempt from the Oklahoma Central Purchasing Act.

SECTION 11. The Oklahoma Department of Commerce shall transfer the amount allocated in this act to the Community Development Centers Program Fund.

The Department may contract with communities or organizations for Community Development Centers activities 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 Oklahoma 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 Oklahoma Central Purchasing Act.

SECTION 12. The Oklahoma Department of Commerce is authorized 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; and provide training and technical assistance for people who work in communities with an emphasis on local leadership development.

SECTION 13. 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 One Thousand Six Hundred Sixty Dollars (\$101,660.00) per annum, payable monthly for the fiscal year ending June 30, 1999. The Oklahoma Department of Commerce for the fiscal year ending June 30, 1999, 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
Lease-Purchase Agreements	\$0.00

SECTION 14. All funds appropriated to the Oklahoma Department of Commerce for the fiscal year ending June 30, 1999, 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 15. For the fiscal year ending June 30, 1999, the Oklahoma Department of Commerce shall budget all funds in the following categories and amounts:

<u>Category</u>	<u>Appropriation</u>	<u>Total</u>
Develop and Improve Capacity		
of Local Economies	\$0.00	\$0.00
Developing New Products		
and Services	0.00	0.00
Fueling Business Growth		
and Development	0.00	0.00
Operational Support	0.00	0.00
Pass-Through Funds	0.00	0.00
Planning, Securing and		
Disbursing a Budget	0.00	0.00
Recruiting and Expanding		
Investments and Jobs	<u>0.00</u>	<u>0.00</u>
TOTAL	\$0.00	\$0.00

SECTION 16. This act shall become effective September 1, 1998.

46-2-10229 SW