STATE OF OKLAHOMA

1st Session of the 48th Legislature (2001)

COMMITTEE SUBSTITUTE
FOR ENGROSSED
SENATE BILL NO. 156 By: Harrison of the Senate

and

Sweeden of the House

COMMITTEE SUBSTITUTE

An Act relating to public finance; amending Section 3, Chapter 193, O.S.L. 1996, as last amended by Section 5, Chapter 377, O.S.L. 1999 and Sections 4 and 6, Chapter 193, O.S.L. 1996, as last amended by Sections 2 and 3, Chapter 369, O.S.L. 1999 (62 O.S. Supp. 2000, Sections 2003, 2004 and 2006), which relate to the Rural Economic Action Plan; authorizing certain excess funds to be deposited into certain accounts; authorizing additional accounts; providing an effective date; and declaring an emergency.

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

SECTION 1. AMENDATORY Section 3, Chapter 193, O.S.L. 1996, as last amended by Section 5, Chapter 377, O.S.L. 1999 (62 O.S. Supp. 2000, Section 2003), is amended to read as follows:

Section 2003. A. Monies appropriated by law to the Oklahoma Water Resources Board for the purpose of funding the Rural Economic Action Plan grant program and the Rural Economic Action Plan Water Projects Fund shall be administered by the Oklahoma Water Resources Board as provided by this section.

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. However, funds may also be expended for cities or towns with a population below seven thousand (7,000) persons based upon the current population estimate according to the U.S. Census Bureau. Funds may be expended for those cities and towns until the next Federal Decennial Census subsequent to the passage of this act. 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~~ 1. Except as otherwise provided by this subsection, the Oklahoma Water Resources Board shall establish ten separate accounts containing 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. 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.

2. Except as otherwise provided by law, to the extent that monies accruing to the Rural Economic Action Plan Fund exceed the

monies needed to fully fund the purposes previously specified by the Rural Economic Action Plan of 1996 for fiscal year 2001, there shall be established eleven separate accounts into which shall be deposited such excess funds as provided by Section 2004 of this title.

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 ensure fair and equitable distribution of the funds referred to in subsection A of this section, the Oklahoma Water Resources Board shall promulgate rules for administering, determining priority of, approving and funding applications for such funds. The rules shall implement the provisions of this section including the following:

1. No qualified entity shall be approved nor funded for more than One Hundred Fifty Thousand Dollars ($150,000.00) from such funds in any twelve-month period;

2. If a qualified entity has previously been approved for or received such funds and makes a subsequent application, that subsequent application may be assigned lower priority than an application by qualified entities who have not previously been approved for or received such funds;

3. In order to prevent substantially the same entity or area from receiving an undue advantage, a political subdivision and all its public trusts and similar subordinate entities together shall be treated as one and the same qualified entity; provided rural water or sewer districts shall not be construed to be subordinate entities

of counties unless the effect would be to make multiple grants to substantially the same entity or service area; and

4. The Oklahoma Water Resources Board may establish limited time periods for processing applications for available funds.

SECTION 2. AMENDATORY Section 4, Chapter 193, O.S.L. 1996, as last amended by Section 2, Chapter 369, O.S.L. 1999 (62 O.S. Supp. 2000, Section 2004), is amended to read as follows:

Section 2004. A. 1. The monies appropriated to the Rural Economic Action Plan Fund shall be subject to all of the requirements of Sections 2006 through 2013 of this title. ~~There~~ Except as otherwise provided by subsection B of this section, there shall be deposited into each of the accounts provided by Section 2006 of this title the sum of 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.

2. a. 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. ~~However, funds~~

b. Funds may also be expended for cities or towns with a population below seven thousand (7,000) persons based upon the current population estimate according to the U.S. Census Bureau. Funds may be expended for ~~those~~ such cities and towns until the next Federal Decennial Census subsequent to the passage of this act.

B. To the extent that monies accruing to the Rural Economic Action Plan Fund exceed the monies needed to fully fund the purposes

previously specified by the Rural Economic Action Plan of 1996 for fiscal year 2001, except as otherwise provided by law, the excess funds shall be deposited into each of the accounts provided by Section 2006 of this title, the sum of one-eleventh (1/11) of the excess funds accruing to the Rural Economic Action Plan Fund.

SECTION 3. AMENDATORY Section 6, Chapter 193, O.S.L. 1996, as last amended by Section 3, Chapter 369, O.S.L. 1999 (62 O.S. Supp. 2000, 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~~

B. 1. Except as otherwise provided by subsection C of this section, 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.~~ 2. One of nine accounts shall be available to each entity described in subsection A of Section 2007 of this title.

~~C.~~

3. a. One account shall be divided equally into two subaccounts.

b. 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. ~~However, funds~~

c. Funds may also be expended for cities or towns with a population below seven thousand (7,000) persons based upon the current population estimate according to the

U.S. Census Bureau. Funds may be expended for ~~those~~ such cities and towns until the next Federal Decennial Census subsequent to the passage of this act.

~~D.~~ C. 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.

D. Except as otherwise provided by law, to the extent that monies accruing to the Rural Economic Action Plan Fund exceed the monies needed to fully fund the purposes previously specified by the Rural Economic Action Plan of 1996 for fiscal year 2001, there shall be established eleven separate accounts into which shall be deposited such excess funds as provided by Section 2004 of this title.

SECTION 4. This act shall become effective July 1, 2001.

SECTION 5. 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.

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