ENROLLED SENATE
BILL NO. 149

By: Morgan, Crutchfield and Braddock of the Senate

and

Benge and Newport of the House

An Act relating to the Oklahoma Department of Commerce; making appropriations to the Oklahoma Department of Commerce; stating purposes of appropriations; authorizing certain transfer; authorizing certain expenditures; prescribing budgetary categories and amounts; requiring performance measures; providing for duties and compensation of employees; setting budgetary limitations; setting expenditure limitations in certain categories and amounts; providing for expenditure of certain amounts in designated categories; requiring Oklahoma Department of Commerce to enter into certain contracts; providing for certain matching amount; providing for expenditure for Head Start Programs; providing formula for distribution of funds; providing exemption from Oklahoma Central Purchasing Act; requiring certain provisions in certain contracts; providing for expenditures related to substate multicounty regional planning; allocating amounts; authorizing certain matching requirement; requiring establishment of certain eligibility requirements; imposing certain voting requirement; authorizing contracts for certain purposes; providing for powers and duties of certain entities; providing for and requiring certain expenditures; prescribing procedures related to expenditure of funds pursuant to contractual provisions; requiring certain budget programs and reports; requiring certain audits and for payment therefor; exempting certain contracts from the Oklahoma Central Purchasing Act; requiring and authorizing the transfer and expenditure of certain funds for certain purposes; providing for certain application requirements; providing for budgeting and encumbrances; allowing certain persons to use state purchase cards; limiting amount of transaction; requiring Department of Commerce to conduct audits; providing procedures for exempting certain funds from expenditure and budgetary limitations; making appropriations nonfiscal; providing lapse dates; requiring and prohibiting certain budget procedures; providing budgetary limits; providing for

codification; providing an effective date; and declaring an emergency.

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

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, 2006, the sum of Three Million Dollars ($3,000,000.00) or so much thereof as may be necessary to implement the Community Expansion of Nutrition Assistance (CENA) program for independent senior centers across the state as implemented and administered by the Area Agency on Aging programs.

SECTION 2. 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, 2006, the sum of One Million Dollars ($1,000,000.00) or so much thereof as may be necessary to implement the Prescription Drug Program for Oklahoma (Rx for Oklahoma) to assist medically indigent residents of Oklahoma to receive prescriptions from drug manufacturer assistance programs. The Oklahoma Department of Commerce is hereby directed to promulgate emergency rules to administer the Rx for Oklahoma Program by September 1, 2005.

SECTION 3. 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, 2006, the sum of One Million Dollars ($1,000,000.00) to be transferred to the Oklahoma Military Strategic Planning Commission Incentive Fund or so much thereof as may be necessary to perform the duties imposed upon the Oklahoma Military Strategic Planning Commission by law.

SECTION 4. 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, 2006, the sum of Sixteen Million Four Hundred Eleven Thousand One Hundred Thirty-five Dollars ($16,411,135.00) or so much thereof as may be necessary to perform the duties imposed upon the Oklahoma Department of Commerce by law.

SECTION 5. There is hereby appropriated to the Oklahoma Department of Commerce from any monies not otherwise appropriated from the Special Cash Fund of the State Treasury the sum of Four Million Nine Hundred Twenty-three Thousand Five Hundred Twenty-eight Dollars ($4,923,528.00) or so much thereof as may be necessary to perform the duties imposed upon the Oklahoma Department of Commerce by law.

SECTION 6. The Oklahoma Department of Commerce is authorized to expend an amount not to exceed One Million Dollars ($1,000,000.00) from the Rural Economic Action Plan Water Projects Fund from the

gross production tax, as apportioned by Section 1004 of Title 68 of the Oklahoma Statutes, to be transferred to the Oklahoma Department of Commerce Revolving Fund ("205" Fund) created in Section 5012 of Title 74 of the Oklahoma Statutes for the purpose of performing the duties imposed upon the Oklahoma Department of Commerce by law.

SECTION 7. For the fiscal year ending June 30, 2006, the Oklahoma Department of Commerce shall budget all funds in the following categories and amounts:

Category	Appropriation	Total
Community Development	$ 2,886,996.00	$62,238,106.00
Global Business Services	3,567,090.00	4,640,233.00
Operational Support	4,638,874.00	8,039,391.00
Contracts for Community and Economic Development	15,241,703.00	52,207,766.00
TOTAL	$26,334,663.00	$127,125,496.00

The agency shall develop outcome-based performance measures for each budget category.

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. Unless otherwise provided by law, the salary of the Executive Director of the Oklahoma Department of Commerce shall be set by the Governor. The Oklahoma Department of Commerce for the fiscal year ending June 30, 2006, shall be subject to the following budgetary limitations on full-time-equivalent employees and expenditures excluding expenditures for capital and special projects, except as may be authorized pursuant to the provisions of Section 3603 of Title 74 of the Oklahoma Statutes:

Budgetary Limitation	Amount
Full-time-equivalent Employees	185.0
Lease-Purchase Agreements	$0.00

SECTION 9. From all appropriations to the Department of Commerce for the fiscal year ending June 30, 2006, the following amounts shall be expended, subject to the availability of funds in the following categories and amounts:

Category	Amount
Community Action Agencies	$663,276.00
Central Oklahoma Community Action, Inc.	
Big Five Community Services, Inc.	

Community Action Agency of Oklahoma City and Oklahoma/Canadian Counties, Inc.

Community Action Project of Tulsa County, 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.

Community Action Development Corporation

Southwest Oklahoma Community Action Group

United Community Action Program

Community Action Resource and Development, Inc.

Washita Valley Community Action Council

Community Action Agencies Head Start Program	$3,168,484.00
Minority Business Development Program Revolving Fund	$182,261.00
Capital Improvement Program Revolving Fund	$500,000.00
Rural Enterprises Inc.	$262,468.00
Oklahoma Development Finance Authority/ Rural Enterprises Inc. Business Revolving Loan Fund	$124,830.00
Rural Enterprises Inc./VANSAT Pilot Program	$38,000.00
Oklahoma Quality Awards Program	$75,000.00

Oklahoma Alliance for Manufacturing Excellence	$250,000.00
Substate Planning District Multicounty Regional Planning	$550,000.00
Small Rural Manufacturers Program - Oklahoma State University	$300,000.00
Community Development Centers Program Revolving Fund	$115,112.00
Southeastern Oklahoma State University for the Statewide Small Business Development Centers Program	$600,873.00
Oklahoma Community Institute	$79,059.00
Native American Cultural and Educational Authority Fund	$802,510.00
Bid Assistance Program Oklahoma State University/CATT	$124,830.00
Community Expansion of Nutrition Assistance	$3,000,000.00
Education, Research and Economic Development Foundation	$250,000.00

Notwithstanding any other requirements provided by law, categories and amounts authorized by this section shall be exempt from the Central Purchasing Act.

SECTION 10. The Oklahoma Department of Commerce shall enter into contracts to distribute Six Hundred Sixty-three Thousand Two Hundred Seventy-six Dollars ($663,276.00) 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 11. The Oklahoma Department of Commerce shall expend Three Million One Hundred Sixty-eight Thousand Four Hundred Eighty-four Dollars ($3,168,484.00) 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. Two Million Nine Hundred Five Thousand Six Hundred Twenty Dollars ($2,905,620.00) 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. One Hundred Fifty-five Thousand Nine Hundred Twenty-four Dollars ($155,924.00), 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 for 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. One Hundred Six Thousand Nine Hundred Forty Dollars ($106,940.00) 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 12. Contracts with Community Action Agencies authorized by this act shall be exempt from the Oklahoma Central Purchasing Act. The Department of Commerce 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 Department.

SECTION 13. 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)	$50,000.00
2 - Eastern Oklahoma Development District (Adair, Cherokee, McIntosh, Muskogee, Okmulgee, Sequoyah and Wagoner Counties)	50,000.00
3 - Kiamichi Economic Development District of Oklahoma (Choctaw, Haskell, Latimer, LeFlore, McCurtain, Pittsburg and Pushmataha Counties)	50,000.00

4 -	Southern Oklahoma Development Association (Atoka, Bryan, Carter, Coal, Garvin, Johnston, Love, Marshall, Murray and Pontotoc Counties)	50,000.00
5 -	Central Oklahoma Economic Development District (Hughes, Lincoln, Okfuskee, Pawnee, Payne, Pottawatomie and Seminole Counties)	50,000.00
6 -	Indian Nations Council of Governments (Creek, Osage and Tulsa Counties)	50,000.00
7 -	Northern Oklahoma Development Association (Alfalfa, Blaine, Garfield, Grant, Kay, Kingfisher, Major and Noble Counties)	50,000.00
8 -	Association of Central Oklahoma Governments (Canadian, Cleveland, Logan and Oklahoma Counties)	50,000.00
9 -	Association of South Central Oklahoma Governments (Caddo, Comanche, Cotton, Grady, Jefferson, McClain, Stephens and Tillman Counties)	50,000.00
10 -	South Western Oklahoma Development Authority (Beckham, Custer, Greer, Harmon, Jackson, Kiowa, Roger Mills and Washita Counties)	50,000.00
11 -	Oklahoma Economic Development Association (Beaver, Cimarron, Dewey, Ellis, Harper, Texas, Woods and Woodward Counties)	50,000.00
	TOTAL	$550,000.00

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-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 14. 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 budget work 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 15. 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 for business revolving loans to Oklahoma small businesses. Any contracts authorized under this section shall be exempt from the requirements of the Oklahoma Central Purchasing Act.

SECTION 16. 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, to establish a VANSAT project, and to promote international trade. The contractor shall cooperate with the Oklahoma Department of Commerce to assist in business financing, assist expansions of existing industry and home-based businesses. The contractor shall submit an annual audit as required by the Oklahoma Department of Commerce. Any contracts authorized under this appropriation shall be exempt from the Oklahoma Central Purchasing Act.

SECTION 17. 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 18. The Oklahoma Department of Commerce shall expend the amount allocated in this act, or so much thereof as may be necessary, for the purpose of the Oklahoma Alliance for Manufacturing Excellence. The Oklahoma Alliance for Manufacturing Excellence will coordinate with the Oklahoma Department of Commerce for the purpose of retaining and expanding existing Oklahoma businesses. The Alliance may focus on small and medium-sized manufacturing operations, distribution centers and regional business service operations. Funds expended for the Oklahoma Alliance for Manufacturing Excellence shall be exempt from the requirements of the Oklahoma Central Purchasing Act.

SECTION 19. 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; and

4. An applicant has demonstrated experience in establishing and managing programs to enhance the quality of life of the aging and elderly.

SECTION 20. The Oklahoma Department of Commerce shall expend the amount allocated in this act, or so much thereof as may be necessary, to assist the Native American Cultural and Educational Authority as required by Section 5017 of Title 74 of the Oklahoma Statutes. The Oklahoma Department of Commerce shall assist the Native American Cultural and Educational Authority in fulfilling the responsibilities of the act. Any contracts authorized under Section 1226 et seq. of Title 74 of the Oklahoma Statutes shall be exempt from the Oklahoma Central Purchasing Act.

SECTION 21. The Oklahoma Department of Commerce shall expend the amount allocated in this act, or so much thereof as may be necessary, for the purpose of the Bid Assistance Program/Computer-Assisted Technology Transfer program at Oklahoma State University-Okmulgee. Funds expended for the programs shall be exempt from the requirements of the Oklahoma Central Purchasing Act.

SECTION 22. The Oklahoma Department of Commerce shall expend the amount allocated in this act, or so much thereof as may be necessary, for the purpose of establishing a Small Rural Manufacturer program at Oklahoma State University. Funds expended for the program shall be exempt from the requirements of the Oklahoma Central Purchasing Act.

SECTION 23. The Oklahoma Department of Commerce shall expend funds from any available source to accomplish contractual responsibilities with the Oklahoma Quality Awards Foundation for the purpose of promoting performance excellence criteria throughout the Oklahoma business, education, government and health care sectors. Funds expended for the program shall be exempt from the requirements of the Oklahoma Central Purchasing Act.

SECTION 24. The Oklahoma Department of Commerce shall expend the sum of Nine Hundred and Seventy Thousand Dollars ($970,000.00) from the amount appropriated by Section 5 of this act to accomplish contractual responsibilities with the Association of Central Oklahoma Governments for the purpose of promoting economic and community development and improving transportation services in Oklahoma communities. Funds expended for the programs shall be exempt from the requirements of the Oklahoma Central Purchasing Act. The Oklahoma Department of Commerce shall expend the sum of Two Hundred Forty-nine Thousand Nine Hundred Forty Dollars ($249,940.00) from the amount appropriated by Section 5 of this act to accomplish contractual responsibilities with the Association of South Central Oklahoma Governments for the purpose of promoting economic and community development and improving transportation services in Oklahoma communities. Funds expended for the programs shall be exempt from the requirements of the Oklahoma Central Purchasing Act. The Oklahoma Department of Commerce shall expend the sum of Two Hundred Seven Thousand Five Hundred Dollars ($207,500.00) from the amount appropriated by Section 5 of this act to accomplish contractual responsibilities with the Central Oklahoma Economic Development District for the purpose of promoting economic and community development and improving transportation services in Oklahoma communities. Funds expended for the programs shall be exempt from the requirements of the Oklahoma Central Purchasing Act. The Oklahoma Department of Commerce shall expend the sum of Seventy-five Thousand Dollars ($75,000.00) from the amount appropriated by Section 5 of this act to accomplish contractual responsibilities with the Eastern Oklahoma Development District for the purpose of assisting with operations and promoting economic and community development and improving transportation services in Oklahoma communities. Funds expended for the programs shall be exempt from the requirements of the Oklahoma Central Purchasing Act. The Oklahoma Department of Commerce shall expend the sum of Five Hundred Forty-six Thousand Dollars ($546,000.00) from the amount appropriated by Section 5 of this act to accomplish contractual responsibilities with Grand Gateway Economic Development Association for the purpose of promoting economic and community development, enhancing quality of life, and improving transportation services in Oklahoma communities. Funds expended for the programs shall be exempt from the requirements of the Oklahoma Central Purchasing Act. The Oklahoma Department of Commerce shall expend the sum of Three Hundred Sixty-six Thousand Five Hundred Sixty Dollars ($366,560.00) from the amount appropriated by Section 5 of this act to accomplish contractual responsibilities with the Indian Nations Council of Governments for the purpose of promoting economic and community development and improving transportation services in Oklahoma communities. Funds expended for the programs shall be exempt from the requirements of the Oklahoma Central Purchasing Act. The

Oklahoma Department of Commerce shall expend the sum of One Hundred Seventy-five Thousand Dollars ($175,000.00) from the amount appropriated by Section 5 of this act to accomplish contractual responsibilities with the Kiamichi Economic Development District for the purposes of establishing and promoting economic and community development and improving transportation services in Oklahoma communities. Funds expended for the programs shall be exempt from the requirements of the Oklahoma Central Purchasing Act. The Oklahoma Department of Commerce shall expend the sum of Forty Thousand Dollars ($40,000.00) from the amount appropriated by Section 5 of this act to accomplish contractual responsibilities with the Northern Oklahoma Development Association for the purpose of promoting economic and community development and improving transportation services in Oklahoma communities. Funds expended for the programs shall be exempt from the requirements of the Oklahoma Central Purchasing Act. The Oklahoma Department of Commerce shall expend the sum of Three Hundred Thousand Dollars ($300,000.00) from the amount appropriated by Section 5 of this act to accomplish contractual responsibilities with the Southern Oklahoma Development Association for the purpose of assisting with operations and promoting economic and community development and improving transportation services in Oklahoma communities. Funds expended for the programs shall be exempt from the requirements of the Oklahoma Central Purchasing Act. The Oklahoma Department of Commerce shall expend the sum of Two Hundred Twenty-five Thousand Dollars ($225,000.00) from the amount appropriated by Section 5 of this act to accomplish contractual responsibilities with the South Western Oklahoma Development Authority for the purpose of promoting economic and community development and improving transportation services in Oklahoma communities. Funds expended for the programs shall be exempt from the requirements of the Oklahoma Central Purchasing Act.

SECTION 25. 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 Education Research and Economic Development Foundation for the purpose of developing a corporation-based inventory of the capabilities of manufacturing in rural areas. The contractor shall submit an annual budget work program and quarterly expenditure reports. The contractor shall submit an annual audit as required by the Department of Commerce. Any contracts authorized under this appropriation shall be exempt from the Oklahoma Central Purchasing act.

SECTION 26. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 85.5a of Title 74, unless there is created a duplication in numbering, reads as follows:

The State Purchasing Director may authorize personnel assigned to the Office of Global Business Services of the Department of Commerce, upon a finding by the Secretary of Commerce that such personnel have a legitimate need therefore, to utilize a state purchase card for acquisitions for programs, functions or services essential to the mission of the agency while traveling on Department of Commerce business in foreign locations with transaction limits not to exceed Thirty-five Thousand Dollars ($35,000.00). The purchase cardholders are required to sign a purchase card agreement

prior to becoming a cardholder and to attend purchase card procedure training. The Department of Commerce will conduct quarterly internal auditing on all purchase card transactions associated with business and travel in foreign locations.

SECTION 27. Receipt and expenditure of unanticipated federal funds awarded to the Department of Commerce after July 1, 2005, shall be exempt from expenditure limitations, provided that any such funds used for operations shall be included in the agency's budget work program.

SECTION 28. Appropriations made by this act, not including appropriations made for capital outlay purposes, may be budgeted for the fiscal year ending June 30, 2006 (hereafter FY-06), or may be budgeted for the fiscal year ending June 30, 2007 (hereafter FY-07). Funds budgeted for FY-06 may be encumbered only through June 30, 2006, and must be expended by November 15, 2006. Any funds remaining after November 15, 2006, and not budgeted for FY-07, shall lapse to the credit of the proper fund for the then current fiscal year. Funds budgeted for FY-07 may be encumbered only through June 30, 2007. Any funds remaining after November 15, 2007, shall lapse to the credit of the proper fund for the then current fiscal year. These appropriations may not be budgeted in both fiscal years simultaneously. Funds budgeted in FY-06, and not required to pay obligations for that fiscal year, may be budgeted for FY-07, after the agency to which the funds have been appropriated has prepared and submitted a budget work program revision removing these funds from the FY-06 budget work program and after such revision has been approved by the Office of State Finance.

SECTION 29. This act shall become effective July 1, 2005.

SECTION 30. 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 Senate the 27th day of May, 2005.

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Presiding Officer of the Senate

Passed the House of Representatives the 27th day of May, 2005.

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Presiding Officer of the House
of Representatives