

**EHB 2125**

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**THE STATE SENATE**  
**Thursday, March 30, 2006**

**ENGROSSED**  
**House Bill No. 2125**  
**As Amended**

ENGROSSED HOUSE BILL NO. 2125 - By: WRIGHT of the House and EASLEY of the Senate.

An Act relating to sunset; amending 74 O.S. 2001, Sections 7003, as amended by Section 14, Chapter 312, O.S.L. 2004, 7005, as amended by Section 16, Chapter 312, O.S.L. 2004, 7007, as amended by Section 17, Chapter 312, O.S.L. 2004, 7008 and 7009, as amended by Section 18, Chapter 312, O.S.L. 2004 (74 O.S. Supp. 2005, Sections 7003, 7005, 7007 and 7009), which relate to the State Agency Review Committee; renaming the Committee; re-creating the Committee; modifying the termination date; and providing an effective date.

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

**SECTION 1.** AMENDATORY 74 O.S. 2001, Section 7003, as amended by Section 14, Chapter 312, O.S.L. 2004 (74 O.S. Supp. 2005, Section 7003), is amended to read as follows:

Section 7003. As used in the Oklahoma State Employee Charitable Contribution Act:

- 1. "Federation" means a legally constituted grouping of at least five health and social service agencies that are bound together to raise and distribute charitable contributions;
- 2. "State presence" means a test to determine whether the agency actually provides service to people in the State of Oklahoma;

1       3. "Local advisory review committee" means a group of state  
2 employees in a facility or agency assisting in the local involvement  
3 of state employees in the campaign;

4       4. "Principal combined fund raising organization" means the  
5 organization in the State of Oklahoma responsible for the charitable  
6 contribution campaign; and

7       5. "~~State Agency Review~~ Oversight Committee for State Employee  
8 Charitable Contributions" means a group of state employees  
9 responsible for overseeing at the state level the conducting of the  
10 State Charitable Campaign.

11       SECTION 2.       AMENDATORY       74 O.S. 2001, Section 7005, as  
12 amended by Section 16, Chapter 312, O.S.L. 2004 (74 O.S. Supp. 2005,  
13 Section 7005), is amended to read as follows:

14       Section 7005. A. The ~~State Agency Review~~ Oversight Committee  
15 for State Employee Charitable Contributions shall be composed of the  
16 Administrator of the Office of Personnel Management, or designee and  
17 six (6) state employees, of which two shall be appointed by the  
18 Governor, two shall be appointed by the President Pro Tempore of the  
19 Senate and two shall be appointed by the Speaker of the House of  
20 Representatives. Members shall serve at the pleasure of their  
21 appointing authorities. The provisions of Section 6 of Title 51 of  
22 the Oklahoma Statutes shall not apply to appointments to the

1 Committee. The Committee is created to continue until July 1, ~~2006~~  
2 2012, in accordance with the provisions of the Oklahoma Sunset Law.

3 B. The Committee annually shall elect a chairman from its  
4 membership. The Administrator of the Office of Personnel Management  
5 shall serve as chairman until the first such election.

6 C. The ~~State Agency Review~~ Oversight Committee for State  
7 Employee Charitable Contributions shall have the following duties  
8 and responsibilities:

9 1. Arrange for publication of information about the application  
10 process;

11 2. Review applications of federations electing to participate  
12 in the State Charitable Campaign and certify that a federation and  
13 each of its member agencies meet the eligibility criteria set forth  
14 in Sections 7009 and 7010 of this title;

15 3. Notify in writing each of the applying federations of its  
16 acceptance or rejection. Provided, if a federation is rejected, the  
17 Committee shall provide the reason for rejection of each of the  
18 member agencies of the federation;

19 4. Hear appeals of rejected agencies;

20 5. Delegate to the principal combined fund raising organization  
21 the primary responsibility for the staffing of and the financial  
22 obligations necessary to comply with the provisions of this  
23 subsection;

1           6. Develop a pledge card to be used throughout the State  
2 Charitable Campaign;

3           7. Select a principal combined fund raising organization to  
4 assist the Committee in gathering and accumulating the applications;  
5 and

6           8. Promulgate rules to implement the provisions of the Oklahoma  
7 State Employee Charitable Contribution Act.

8           D. The Office of Personnel Management shall provide such staff  
9 support as is required by the Committee.

10          E. The ~~State Agency Review~~ Oversight Committee for State  
11 Employee Charitable Contributions is authorized to appoint such  
12 advisory councils and task forces as it deems necessary for counsel,  
13 advice and review concerning the formulation and administration of  
14 the rules, application review process and the implementation of the  
15 Oklahoma State Employee Charitable Contribution Act.

16          SECTION 3.           AMENDATORY           74 O.S. 2001, Section 7007, as  
17 amended by Section 17, Chapter 312, O.S.L. 2004 (74 O.S. Supp. 2005,  
18 Section 7007), is amended to read as follows:

19          Section 7007. A. The state principal combined fund raising  
20 organization shall be a local federation in the State of Oklahoma  
21 that provides, through one specific annual public solicitation for  
22 funds, substantial voluntary financial support for charitable  
23 agencies that depend on public subscription for support in the state

1 and that has the necessary staff and volunteer support to administer  
2 the charitable contribution campaign.

3 B. The state principal combined fund raising organization shall  
4 have the following duties and responsibilities:

5 1. Work with the ~~State Agency Review~~ Oversight Committee for  
6 State Employee Charitable Contributions to develop the charitable  
7 contribution campaign plan for the State Charitable Campaign;

8 2. Develop the charitable contribution campaign materials and  
9 publicity for the State Charitable Campaign;

10 3. Recruit and train the volunteers, departmental coordinators  
11 and solicitors in a bipartisan manner; develop and keep records on  
12 all the accounts to be solicited; and cultivate the accounts to  
13 encourage participation in the charitable contribution campaign;

14 4. Keep all fiscal and financial records of the activities and  
15 submit to the ~~State Agency Review~~ Oversight Committee for State  
16 Employee Charitable Contributions a separate accounting of all  
17 proceeds of the State Charitable Campaign;

18 5. Submit to the participating federations a detailed  
19 accounting of the amount of money designated to the federation and  
20 to each of its member agencies; and

21 6. Disperse the allocation checks to the participating  
22 agencies.

1 C. Each state employee shall receive from the state principal  
2 combined fund raising organization general information material with  
3 each federation listed and each of its member agencies listed under  
4 the federation. Each agency and federation shall be identified by a  
5 code number. If descriptions of each agency are used in the general  
6 information material, they shall be provided to the state principal  
7 combined fund raising organization by the federations.

8 D. Each state employee shall be given the option to designate  
9 his or her gifts. Undesignated gifts shall be allocated pursuant to  
10 the provisions of subsection E of this section.

11 E. Undesignated money shall be distributed in the same  
12 proportion as designated dollars within the State of Oklahoma.

13 F. Allocations shall be distributed quarterly; provided, for  
14 campaigns of One Hundred Thousand Dollars (\$100,000.00) or less,  
15 allocations shall be distributed semiannually. Any interest earned  
16 from funds held prior to distribution will be distributed  
17 proportionally to the distribution of undesignated funds.

18 SECTION 4. AMENDATORY 74 O.S. 2001, Section 7008, is  
19 amended to read as follows:

20 Section 7008. The reimbursement cost for developing the  
21 charitable contribution campaign materials, training the solicitors  
22 and the overall administration of the campaign by the state  
23 principal combined fund organization shall be no greater than ten

1 percent (10%) of the charitable contribution campaign proceeds or  
2 actual cost, whichever is less. The cost shall be borne by each of  
3 the federations or organizations proportionally. A charitable  
4 campaign budget shall be presented to the ~~State Agency Review~~  
5 Oversight Committee for State Employee Charitable Contributions by  
6 the state principal combined fund raising organization.

7 SECTION 5. AMENDATORY 74 O.S. 2001, Section 7009, as  
8 amended by Section 18, Chapter 312, O.S.L. 2004 (74 O.S. Supp. 2005,  
9 Section 7009), is amended to read as follows:

10 Section 7009. A. Participation in the State Charitable  
11 Campaign shall be limited to voluntary, charitable, health and  
12 welfare agencies that provide or support direct health and welfare  
13 services to individuals or their families and meet the criteria set  
14 out in this section. The health and welfare services shall be  
15 available to state employees, unless they are rendered to needy  
16 persons overseas. The services shall directly benefit human beings,  
17 whether children, youth, adults, the aged, the ill and infirm, or  
18 the mentally or physically handicapped. The services shall consist  
19 of care, research, or education in the fields of human health or  
20 social adjustment and rehabilitation; relief for victims of natural  
21 disasters and other emergencies; or assistance to those who are  
22 impoverished and, therefore, in need of food, shelter, clothing, and  
23 basic human welfare services.

1           B. For the purposes of the State Charitable Campaign, basic  
2 human welfare service shall not include:

3           1. Organizations whose primary purpose is the direct or  
4 indirect support of institutions of higher education;

5           2. Lobbying; and

6           3. Religious activities.

7           C. To be included in the State Charitable Campaign, a voluntary  
8 charitable agency, in addition to meeting the other requirements set  
9 forth in this section, shall:

10          1. Be a nonprofit, tax-exempt charitable organization and  
11 submit to the participating federation a 501(c)(3) exemption from  
12 the Internal Revenue Service;

13          2. Be incorporated or authorized to do business in this state  
14 as a private, nonprofit organization;

15          3. Register, annually, with the Secretary of State to solicit  
16 or accept contributions in this state;

17          4. Submit to the participating federation an audit of the  
18 agency, conducted by an accounting firm or individual holding a  
19 permit to practice public accounting in this state according to the  
20 generally accepted standards of accounting for nonprofit  
21 organizations; and

22          5. Submit to the participating federation a copy of the annual  
23 form 990.

1 D. Applications to the State Charitable Campaign shall be  
2 submitted to the ~~State Agency Review~~ Oversight Committee for State  
3 Employee Charitable Contributions from local federations which shall  
4 include United Ways, United Funds, Combined Health Appeals,  
5 International Social Service Agencies and any other local federation  
6 consisting of at least five local agencies which meet the  
7 requirements of this section. Each federation shall certify the  
8 application for its member agencies and shall give state charitable  
9 agencies precedence over national agencies if both qualify for the  
10 charitable contribution campaign. Applications from individual  
11 agencies shall not be accepted.

12 SECTION 6. This act shall become effective November 1, 2006.

13 COMMITTEE REPORT BY: COMMITTEE ON SUNSET REVIEW, dated 3-28-06 - DO  
14 PASS, As Amended.