

THE HOUSE OF REPRESENTATIVES
Tuesday, April 14, 2009

Committee Substitute for
ENGROSSED
Senate Bill No. 267

COMMITTEE SUBSTITUTE FOR ENGROSSED SENATE BILL NO. 267 - By: CRAIN
of the Senate and COX of the House.

An Act relating to public finance; amending 62 O.S. 2001, Section 2309, as amended by Section 1, Chapter 169, O.S.L. 2006 (62 O.S. Supp. 2008, Section 2309), which relates to duties of the Board of Directors of the Tobacco Settlement Endowment Trust Fund; providing that funding for certain capital expenditures and operating expenses deemed to be allowable purpose for which earnings from Trust Fund may be expended; authorizing Board to expend earnings for such purposes; and providing an effective date.

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

1 SECTION 1. AMENDATORY 62 O.S. 2001, Section 2309, as amended by
2 Section 1, Chapter 169, O.S.L. 2006 (62 O.S. Supp. 2008, Section 2309), is amended to
3 read as follows:

4 Section 2309. A. The Board of Directors of the Tobacco Settlement Endowment
5 Trust Fund shall be empowered to:

6 1. Appoint an executive director and other staff necessary to perform the duties of
7 the Board of Directors;

1 2. Make and execute contracts and other instruments necessary or convenient to
2 the exercise of its powers on such terms and for such period of time as the Board of
3 Directors shall determine; and

4 3. Promulgate rules in accordance with the Administrative Procedures Act and not
5 inconsistent with ~~this act~~ the Tobacco Settlement Endowment Trust Fund Act to
6 implement its duties and responsibilities ~~under the act~~ as provided by law.

7 B. Funding for capital expenditures and operating expenses incurred by the
8 University of Oklahoma Health Sciences Center and the Oklahoma State University
9 College of Osteopathic Medicine, for educational programs and residency training to
10 maintain or improve the health of Oklahomans or to enhance the provision of health care
11 services to Oklahomans, is hereby deemed to be an allowable purpose for which earnings
12 from the trust fund may be expended pursuant to the provisions of paragraph 3 of
13 subsection E of Section 40 of Article X of the Oklahoma Constitution. Pursuant to its
14 authority as set forth in subsection G of Section 40 of Article X of the Oklahoma
15 Constitution, the Legislature hereby authorizes the Board to expend earnings from the
16 trust fund for such purposes, in addition to other purposes provided by law.

17 C. The Board shall develop a multiyear strategy by January 1, 2002, and annually
18 update it in order to guide the Board's funding for those programs set forth in Section 40
19 of Article X of the Oklahoma Constitution. The strategy shall be used to maximize the
20 outcomes of the grants awarded by the Board of Directors.

1 ~~C. D.~~ The Board of Directors shall develop grant programs for private, nonprofit,
2 and public entities for the purposes set forth in Section 40 of Article X of the Oklahoma
3 Constitution.

4 1. The selection and awarding of grants, whether in the form of professional service
5 contracts or any other funding mechanism developed by the Board of Directors, awarded
6 pursuant to grant programs developed under this subsection, shall be exempt from the
7 requirements of The Oklahoma Central Purchasing Act.

8 2. The Board of Directors shall develop competitive processes for awarding grants
9 under programs developed under this subsection. Such competitive processes for
10 selection shall not be required for contracts awarded for program support services,
11 including, but not limited to, professional service contracts to evaluate, audit or provide
12 budgeting, accounting, auditing or legal services for specific programs or program
13 grantees, contractors or participants.

14 3. The Board of Directors may promulgate rules to assist in the implementation
15 and administration of grant programs developed under this subsection.

16 4. The terms of any request for proposals, request for applications, invitation for
17 bid, bid notice, or grant proposal or any other solicitation issued by the Board of
18 Directors to solicit or invite applications, proposals, bids or responses to obtain funding
19 under grant programs developed under this subsection shall be confidential until the
20 date and time at which the solicitation is to be made equally and uniformly known to all
21 prospective applicants and the public, at which point all such documents and information
22 shall be uniformly known to all prospective applicants and the public, at which point all

1 such documents and information shall be subject to the Oklahoma Open Records Act and
2 Oklahoma Open Meeting Act. Any application, proposal, bid, or any other document to
3 obtain funding responsive to any solicitation of the Board of Directors under grant
4 programs developed under this subsection shall be confidential until the date and time of
5 award of the grant or contract, at which point all such documents and information shall
6 be subject to the Oklahoma Open Records Act and Oklahoma Open Meeting Act.

7 ~~D. E.~~ E. The Board of Directors shall encourage grantees to match grant monies
8 awarded with monetary commitments and in-kind matches.

9 ~~E. F.~~ F. The Board of Directors shall be required to develop a performance evaluation
10 component for the Board of Directors' activities and those of its grantees so that the
11 performance of grantees can be measured by their attainment of outcomes.

12 ~~F. G.~~ G. The Board of Directors shall contract periodically for performance
13 evaluations. Copies of the evaluations shall be filed with the Governor, the Speaker of
14 the House of Representatives, and the President Pro Tempore of the Senate.

15 ~~G. H.~~ H. The Board of Directors shall prepare an annual report detailing the Board of
16 Directors' activities and reporting its expenditures and the outcomes achieved by the
17 expenditures. A copy of the report shall be submitted to the Governor, the Speaker of the
18 House of Representatives, and the President Pro Tempore of the Senate.

19 ~~H. I.~~ I. All records associated with the expenditure of monies received by the Board of
20 Directors or its grantees pursuant to the Tobacco Settlement Endowment Trust Fund Act
21 shall be subject to the Oklahoma Open Records Act.

22 SECTION 2. This act shall become effective November 1, 2009.

1 COMMITTEE REPORT BY: COMMITTEE ON APPROPRIATIONS AND BUDGET,
2 dated 04-13-09 - DO PASS, As Amended.