

<DateSubmitted>

HOUSE OF REPRESENTATIVES
CONFERENCE COMMITTEE REPORT

Mr. President:
Mr. Speaker:

The Conference Committee, to which was referred

HB1732

By: Roberts (Sean) of the House and Fields of the Senate

Title: Tobacco Settlement Endowment Trust Fund; permitting funding for certain endowed chairs;
effective date.

Together with Engrossed Senate Amendments thereto, beg leave to report that we have had the same under consideration and herewith return the same with the following recommendations:

1. Conferees are unable to agree.

Respectfully submitted,

House Action _____ Date _____ Senate Action _____ Date _____

SENATE CONFEREES

- Allen _____
- Anderson _____
- Barrington _____
- Bass _____
- Bice _____
- Bingman _____
- Boggs _____
- Brecheen _____
- Brinkley _____
- Brooks _____
- Brown _____
- Crain _____
- Dahm _____
- David _____
- Fields _____
- Floyd _____
- Ford _____
- Fry _____
- Garrison _____
- Griffin _____
- Halligan _____
- Holt _____
- Jech _____
- Jolley _____
- Justice _____

Loveless

Marlatt

Mazzei

Newberry

Paddack

Pittman

Quinn

Schulz

Sharp

Shaw

Shortey

Shumate

Silk

Simpson

Smalley

Sparks

Standridge

Stanislawski

Sykes

Thompson

Treat

Wyrick

Yen

1 ENGROSSED SENATE AMENDMENT
TO
2 ENGROSSED HOUSE
BILL NO. 1732

By: Roberts (Sean), Montgomery
and McCullough of the House

4 and

5 Fields of the Senate

6
7
8 [Tobacco Settlement Endowment Trust Fund - Board of
9 Directors of the Tobacco Settlement Endowment Trust
10 Fund - endowed chairs - effective date]

11
12
13 AMENDMENT NO. 1. Page 1, strike the stricken title, enacting clause
and entire bill and insert

14 "[Tobacco Settlement Endowment Trust Fund - Board of
15 Directors - effective date]

16
17 ~~BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:~~

18 SECTION 1. AMENDATORY 62 O.S. 2011, Section 2309, is
19 amended to read as follows:

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

22 1. Appoint an executive director and other staff necessary to
23 perform the duties of the Board of Directors;
24

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

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

8 B. The following are hereby deemed to be allowable purposes for
9 which earnings from the trust fund may be expended pursuant to the
10 provisions of paragraph 3 of subsection E of Section 40 of Article X
11 of the Oklahoma Constitution:

12 1. Funding for capital expenditures and operating expenses
13 incurred by the University of Oklahoma Health Sciences Center and
14 the Oklahoma State University College of Osteopathic Medicine, for
15 educational programs and residency training to maintain or improve
16 the health of Oklahomans or to enhance the provision of health care
17 services to Oklahomans, is hereby deemed to be an allowable purpose
18 for which earnings from the trust fund may be expended pursuant to
19 the provisions of paragraph 3 of subsection E of Section 40 of
20 Article X of the Oklahoma Constitution; and

21 2. Funding for the support of research, activities, and
22 programs at the Jimmy Everest Center for Cancer and Blood Disorders
23 through the University of Oklahoma Children's Hospital.
24

1 Pursuant to its authority as set forth in subsection G of Section 40
2 of Article X of the Oklahoma Constitution, the Legislature hereby
3 authorizes the Board to expend earnings from the trust fund for ~~such~~
4 the purposes set forth in this subsection, in addition to other
5 purposes provided by law.

6 C. The Board shall develop a multiyear strategy by January 1,
7 2002, and annually update it in order to guide the Board's funding
8 for those programs set forth in Section 40 of Article X of the
9 Oklahoma Constitution. The strategy shall be used to maximize the
10 outcomes of the grants awarded by the Board of Directors.

11 D. The Board of Directors shall develop grant programs for
12 private, nonprofit, and public entities for the purposes set forth
13 in Section 40 of Article X of the Oklahoma Constitution.

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

19 2. The Board of Directors shall develop competitive processes
20 for awarding grants under programs developed under this subsection.
21 Such competitive processes for selection shall not be required for
22 contracts awarded for program support services, including, but not
23 limited to, professional service contracts to evaluate, audit or
24

1 provide budgeting, accounting, auditing or legal services for
2 specific programs or program grantees, contractors or participants.

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

6 4. The terms of any request for proposals, request for
7 applications, invitation for bid, bid notice, or grant proposal or
8 any other solicitation issued by the Board of Directors to solicit
9 or invite applications, proposals, bids or responses to obtain
10 funding under grant programs developed under this subsection shall
11 be confidential until the date and time at which the solicitation is
12 to be made equally and uniformly known to all prospective applicants
13 and the public, at which point all such documents and information
14 shall be uniformly known to all prospective applicants and the
15 public, at which point all such documents and information shall be
16 subject to the Oklahoma Open Records Act and Oklahoma Open Meeting
17 Act. Any application, proposal, bid, or any other document to
18 obtain funding responsive to any solicitation of the Board of
19 Directors under grant programs developed under this subsection shall
20 be confidential until the date and time of award of the grant or
21 contract, at which point all such documents and information shall be
22 subject to the Oklahoma Open Records Act and Oklahoma Open Meeting
23 Act.
24

1 E. The Board of Directors shall encourage grantees to match
2 grant monies awarded with monetary commitments and in-kind matches.

3 F. The Board of Directors shall be required to develop a
4 performance evaluation component for the Board of Directors'
5 activities and those of its grantees so that the performance of
6 grantees can be measured by their attainment of outcomes.

7 G. The Board of Directors shall contract periodically for
8 performance evaluations. Copies of the evaluations shall be filed
9 with the Governor, the Speaker of the House of Representatives, and
10 the President Pro Tempore of the Senate.

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

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

21 SECTION 2. This act shall become effective November 1, 2015."

22 and when the title is restored, amend the title to
23 conform
24

1 ENGROSSED HOUSE
2 BILL NO. 1732

By: Roberts (Sean), Montgomery
and McCullough of the House

3 and

4 Fields of the Senate

5
6
7 [Tobacco Settlement Endowment Trust Fund - Board of
8 Directors of the Tobacco Settlement Endowment Trust
9 Fund - endowed chairs - effective date]

10
11
12 BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

13 SECTION 3. AMENDATORY 62 O.S. 2011, Section 2309, is
14 amended to read as follows:

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

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

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

22 3. Promulgate rules in accordance with the Administrative
23 Procedures Act and not inconsistent with the Tobacco Settlement
24

1 Endowment Trust Fund Act to implement its duties and
2 responsibilities as provided by law.

3 B. The following are hereby deemed to be allowable purposes for
4 which earnings from the trust fund may be expended pursuant to the
5 provisions of paragraph 3 of subsection E of Section 40 of Article X
6 of the Oklahoma Constitution:

7 1. Funding for capital expenditures and operating expenses
8 incurred by the University of Oklahoma Health Sciences Center and
9 the Oklahoma State University College of Osteopathic Medicine, for
10 educational programs and residency training to maintain or improve
11 the health of Oklahomans or to enhance the provision of health care
12 services to Oklahomans, is hereby deemed to be an allowable purpose
13 for which earnings from the trust fund may be expended pursuant to
14 the provisions of paragraph 3 of subsection E of Section 40 of
15 Article X of the Oklahoma Constitution;

16 2. Funding for operating expenses incurred by the University of
17 Oklahoma Health Sciences Center and the Oklahoma State University
18 College of Osteopathic Medicine to endow chairs relating to
19 research, treatment or prevention of cancer and other tobacco-
20 related diseases; provided, that a minimum of two and one-half
21 percent (2.5%) of earnings from the trust fund each year shall be
22 used for such purpose to fund the endowed chairs;

23 3. Funding for operating expenses incurred by the University of
24 Oklahoma Health Sciences Center and the Oklahoma State University

1 College of Osteopathic Medicine to fund residency programs related
2 to research, treatment or prevention of cancer and other tobacco-
3 related diseases; provided, that a minimum of two and one-half
4 percent (2.5%) of earnings from the trust fund each year shall be
5 matched with appropriate Medicaid federal funds through the Oklahoma
6 Health Care Authority in order to fund residency programs; and

7 4. Funding in the amount of One Million Seven Hundred Thousand
8 Dollars (\$1,700,000.00) each fiscal year for the support of the
9 Jimmy Everest Center for Cancer and Blood Disorders through the
10 University of Oklahoma Children's Hospital.

11 Pursuant to its authority as set forth in subsection G of Section 40
12 of Article X of the Oklahoma Constitution, the Legislature hereby
13 authorizes the Board to expend earnings from the trust fund for ~~such~~
14 the purposes set forth in this subsection, in addition to other
15 purposes provided by law.

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

21 D. The Board of Directors shall develop grant programs for
22 private, nonprofit, and public entities for the purposes set forth
23 in Section 40 of Article X of the Oklahoma Constitution.
24

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

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

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

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

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

10 E. The Board of Directors shall encourage grantees to match
11 grant monies awarded with monetary commitments and in-kind matches.

12 F. The Board of Directors shall be required to develop a
13 performance evaluation component for the Board of Directors'
14 activities and those of its grantees so that the performance of
15 grantees can be measured by their attainment of outcomes.

16 G. The Board of Directors shall contract periodically for
17 performance evaluations. Copies of the evaluations shall be filed
18 with the Governor, the Speaker of the House of Representatives, and
19 the President Pro Tempore of the Senate.

20 H. The Board of Directors shall prepare an annual report
21 detailing the Board of Directors' activities and reporting its
22 expenditures and the outcomes achieved by the expenditures. A copy
23 of the report shall be submitted to the Governor, the Speaker of the
24

