

STATE OF OKLAHOMA

2nd Session of the 56th Legislature (2018)

COMMITTEE SUBSTITUTE  
FOR

SENATE BILL NO. 896

By: Brecheen

COMMITTEE SUBSTITUTE

[ Tobacco Settlement Endowment Trust Fund - modifying  
certain apportionment - broadening use of certain  
funds - conditional effective date ]

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

SECTION 1. AMENDATORY 62 O.S. 2011, Section 50, as  
amended by Section 1, Chapter 370, O.S.L. 2012 (62 O.S. Supp. 2017,  
Section 50), is amended to read as follows:

Section 50. A. There is hereby created in the State Treasury a  
revolving fund to be known and designated as the Tobacco Settlement  
Fund, into which fund shall be deposited:

1. All monies received by the state or any official, agency or  
department of the state in settlement of claims by the state against  
tobacco manufacturers during the month of April 2000;

1        2. All monies received by the state or any official, agency or  
2 department of the state in settlement of claims by the state against  
3 tobacco manufacturers during fiscal year 2001;

4        3. That portion of monies apportioned to the Tobacco Settlement  
5 Fund pursuant to the provisions of subsection B of this section; and

6        4. Such other monies as may be appropriated or otherwise  
7 directed thereto by law.

8        The Tobacco Settlement Fund shall be a continuing fund, not  
9 subject to fiscal year limitations. No monies shall be paid out of  
10 such fund except pursuant to appropriation by the Legislature.

11        B. Monies received by the state or any official, agency or  
12 department of the state in settlement of claims by the state against  
13 tobacco manufacturers which is not otherwise apportioned pursuant to  
14 the provisions of Section 40 of Article X of the Oklahoma  
15 Constitution shall be apportioned as follows:

16        1. ~~Seventy-five percent (75%)~~ Eighty-seven and fifty one  
17 hundredths percent (87.50%) shall be apportioned to the Tobacco  
18 Settlement Fund; ~~and~~

19        2. ~~Twenty-five percent (25%)~~ Twelve and fifty one hundredths  
20 percent (12.50%) shall be apportioned to the Attorney General's  
21 Evidence Fund.

22        SECTION 2.        AMENDATORY        62 O.S. 2011, Section 2309, as  
23 amended by Section 1, Chapter 98, O.S.L. 2015 (62 O.S. Supp. 2017,  
24 Section 2309), is amended to read as follows:

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

3       1. Appoint an executive director and other staff necessary to  
4 perform the duties of the Board ~~of Directors~~;

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

8       3. Promulgate rules in accordance with the Administrative  
9 Procedures Act and not inconsistent with the Tobacco Settlement  
10 Endowment Trust Fund Act to implement its duties and  
11 responsibilities as provided by law.

12       B. 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. Pursuant to its authority  
21 as set forth in subsection G of Section 40 of Article X of the  
22 Oklahoma Constitution, the Legislature hereby authorizes the Board  
23 to expend earnings from the trust fund for such purposes, in  
24 addition to other purposes provided by law.

1 C. Support for residency training programs at the Oklahoma  
2 State University College of Osteopathic Medicine and the University  
3 of Oklahoma College of Medicine is hereby deemed to be an allowable  
4 purpose for which earnings from the trust fund may be expended  
5 pursuant to the provisions of paragraph 7 of subsection E of Section  
6 40 of Article X of the Oklahoma Constitution.

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

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

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

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

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. Any unsolicited application, proposal, bid, or any other  
24 document to obtain funding shall not be considered to be

1 confidential and shall be subject to the Oklahoma Open Records Act  
2 and Oklahoma Open Meeting Act at all times.

3 ~~F.~~ F. The Board of Directors shall encourage grantees to match  
4 grant monies awarded with monetary commitments and in-kind matches.

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

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

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

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

23 SECTION 3. This act shall become effective upon certification  
24 of election returns favoring passage of the Constitutional Amendment

1 proposed in Senate Joint Resolution No. 45 of the 2nd Session of the  
2 56th Oklahoma Legislature.

3

4 56-2-3431 LB 2/28/2018 11:17:30 AM

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24