

STATE OF OKLAHOMA

2nd Session of the 56th Legislature (2018)

COMMITTEE SUBSTITUTE
FOR

SENATE BILL 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.

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