

1 STATE OF OKLAHOMA

2 1st Session of the 55th Legislature (2015)

3 SUBCOMMITTEE RECOMMENDATION
4 FOR

5 HOUSE BILL NO. 1732

6 By: Roberts (Sean)

7 SUBCOMMITTEE RECOMMENDATION

8 An Act relating to the Tobacco Settlement Endowment
9 Trust Fund; amending 62 O.S. 2011, Section 2309,
10 which relates to the duties of the Board of Directors
11 of the Tobacco Settlement Endowment Trust Fund;
12 requiring certain percentage of earnings from fund be
13 used to endow certain chairs under certain
14 circumstances; and providing an effective date.

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

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

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

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

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

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

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

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

18 2. Funding for operating expenses incurred by any institution
19 governed by the Oklahoma State Regents for Higher Education to endow
20 chairs relating to research, treatment or prevention of cancer and
21 other tobacco-related diseases; provided, that a minimum of two
22 percent (2%) of earnings from the trust fund each year shall be used
23 for such purpose as necessary to fully fund the endowed chairs. If
24 the endowed chairs are funded from other sources, whether in whole

1 or in part, or if the positions do not otherwise require funds from
2 the income described by this paragraph, then the income shall be
3 applied to other purposes as authorized by this section and pursuant
4 to Section 40 of Article X of the Oklahoma Constitution.

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

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

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

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

22 2. The Board of Directors shall develop competitive processes
23 for awarding grants under programs developed under this subsection.
24 Such competitive processes for selection shall not be required for

1 contracts awarded for program support services, including, but not
2 limited to, professional service contracts to evaluate, audit or
3 provide budgeting, accounting, auditing or legal services for
4 specific programs or program grantees, contractors or participants.

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

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

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

5 F. 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. 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. 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. 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.

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

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