An Act

ENROLLED HOUSE
BILL NO. 3291

By: McNiel and Fields of the House

and

Justice of the Senate

An Act relating to public finance; amending 62 O.S. 2001, Sections 2003, as amended by Section 1, Chapter 219, O.S.L. 2002, 2007, as amended by Section 3, Chapter 194, O.S.L. 2007 and 2008 (62 O.S. Supp. 2009, Sections 2003 and 2007), which relate to the Rural Economic Action Plan; prescribing population limit for certain areas; modifying eligible projects; deleting reference to certain projects; imposing expenditure requirements for certain project types; imposing certain reporting requirements; authorizing Oklahoma Department of Commerce to prescribe form of reporting; amending 25 O.S. 2001, Section 304, as amended by Section 1, Chapter 142, O.S.L. 2007 (25 O.S. Supp. 2009, Section 304), which relates to the Oklahoma Open Meeting Act; and modifying definition.

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

SECTION 1. AMENDATORY 62 O.S. 2001, Section 2003, as amended by Section 1, Chapter 219, O.S.L. 2002 (62 O.S. Supp. 2009, Section 2003), is amended to read as follows:

Section 2003. A. Monies appropriated by law to the Oklahoma Water Resources Board for the purpose of funding the Rural Economic Action Plan grant program and the Rural Economic Action Plan Water Projects Fund shall be administered by the Oklahoma Water Resources Board as provided by this section.

B. The monies referred to in subsection A of this section shall be distributed to eligible cities and towns, unincorporated areas or

other qualified entities located within the areas represented by the following organizations:

1. Association of Central Oklahoma Governments (ACOG);

2. Association of South Central Oklahoma Governments (ASCOG);

3. Central Oklahoma Economic Development District (COEDD);

4. Eastern Oklahoma Economic Development District (EOEDD);

5. Grand Gateway Economic Development Association (GGEDA);

6. Indian Nations Council of Governments (INCOG);

7. Kiamichi Economic Development District (KEDDO);

8. Northern Oklahoma Development Association (NODA);

9. Oklahoma Economic Development Association (OEDA);

10. Southern Oklahoma Development Association (SODA); and

11. South Western Oklahoma Development Authority (SWODA).

C. The monies referred to in subsection A of this section shall not be expended for the benefit of cities or towns with a population in excess of seven thousand (7,000) persons according to the latest Federal Decennial Census. Funds may also be expended for any city or town with a population below seven thousand (7,000) persons based upon the current population estimate according to the U.S. Census Bureau. Funds may be expended for such cities and towns until the next following Federal Decennial Census. Any municipality may enter into an agreement with an entity described in subsection B of this section to apply for available funds described by this section if the municipality is located within the area served by the entity. Upon approval of the application, funds shall be paid to the municipality requesting the funds.

D. An entity described in subsection B of this section may apply for a grant to be used for the benefit of an unincorporated area within a county served by that entity <u>if the area benefited does not contain a population in excess of seven thousand (7,000) persons</u>. Any county may enter into an agreement with an entity described in subsection B of this section if the county is located

within the area served by the entity. Upon approval of the application, funds shall be paid to the county requesting the funds.

E. The monies referred to in subsection A of this section may be expended for water quality projects, including but not limited to sewer line construction or repair and related storm or sanitary sewer projects, water line construction or repair, water treatment, water acquisition, distribution or recovery and related projects.

F. Any city or town with a population less than one thousand seven hundred fifty (1,750) persons according to the latest Federal Decennial Census shall have a higher priority for funds allocated by the Oklahoma Water Resources Board from the amount referred to in subsection A of this section than jurisdictions of greater size. Among such cities or towns, those municipalities having relatively weaker fiscal capacity shall have a priority for project funding in preference to other municipalities.

G. The Oklahoma Water Resources Board shall establish ten separate accounts containing one-tenth (1/10) of the amount annually appropriated to the Rural Economic Action Plan Water Projects Fund per account. Each account shall be available for distribution to qualified entities located within the area served by entities described in subsection A of Section 2007 of this title or for distribution to benefit unincorporated areas with the exception of one account which shall be divided equally into two subaccounts. Each one of the two subaccounts shall be available for distribution to qualified entities located within the respective jurisdiction of one of the entities described by subsection B of Section 2007 of this title or for distribution to benefit unincorporated areas. No funds deposited into one account or subaccount shall be transferred to any other account. The total expenditure from any one account or subaccount for each fiscal year may not exceed the amount of funds available to each account as may be provided by law.

H. No city, town or other entity to which funds will be awarded pursuant to this section shall be required to provide any form of match to obtain the funds, whether through cash, services or any other method.

I. The Oklahoma Water Resources Board shall not be allowed to retain any of the funds referred to in subsection A of this section for administration. All such funds shall be distributed to eligible entities as authorized by law.

J. In order to ensure fair and equitable distribution of the funds referred to in subsection A of this section, the Oklahoma Water Resources Board shall promulgate rules for administering, determining priority of, approving and funding applications for such funds. The rules shall implement the provisions of this section including the following:

1. No qualified entity shall be approved nor funded for more than One Hundred Fifty Thousand Dollars ($150,000.00) from such funds in any twelve-month period;

2. If a qualified entity has previously been approved for or received such funds and makes a subsequent application, that subsequent application may be assigned lower priority than an application by qualified entities who have not previously been approved for or received such funds;

3. In order to prevent substantially the same entity or area from receiving an undue advantage, a political subdivision and all its public trusts and similar subordinate entities together shall be treated as one and the same qualified entity; provided rural water or sewer districts shall not be construed to be subordinate entities of counties unless the effect would be to make multiple grants to substantially the same entity or service area; and

4. The Oklahoma Water Resources Board may establish limited time periods for processing applications for available funds.

SECTION 2. AMENDATORY 62 O.S. 2001, Section 2007, as amended by Section 3, Chapter 194, O.S.L. 2007 (62 O.S. Supp. 2009, Section 2007), is amended to read as follows:

Section 2007. A. A voluntary association of Oklahoma local governmental jurisdictions or another legal entity, including a public trust or a nonprofit corporation or other entity which performs functions for the benefit of or which exists for the primary benefit of Oklahoma local governmental jurisdictions and which is not described in subsection B of this section, shall be eligible to obtain funding for rural economic development projects as authorized by Section 2004 of this title or as authorized by subsection B of Section 2006 of this title.

B. A voluntary association of Oklahoma local governmental jurisdictions containing at least one municipality with a population in excess of three hundred fifty thousand (350,000) persons

according to the latest Federal Decennial Census, shall be eligible to obtain funding as authorized by Section 2004 of this title or as authorized by subsection C of Section 2006 of this title.

C. The entities described in subsection A or B of this section and which are eligible for any funds authorized by Section 2006 of this title shall be prohibited from making expenditures on behalf of or from making payment directly to any city or town with a population in excess of seven thousand (7,000) persons using any funds deposited to the Rural Economic Action Plan Fund created by Section 2006 of this title. Funds may also be expended for any city or town with a population below seven thousand (7,000) persons based upon the current population estimate according to the U.S. Census Bureau. Funds may be expended for such cities and towns until the next following Federal Decennial Census.

D. An organization described in subsection A or B of this section shall be authorized to make payment of funds obtained pursuant to Section 2006 of this title directly to a county if the funds are used for the benefit of an unincorporated area located within the county to which payment is made if the area benefited does not contain a population in excess of seven thousand (7,000) persons. After the county has provided a request to an organization described in subsection A or B of this section for funds to benefit an unincorporated area of the county, together with a statement that the county has conducted a review of the needs of unincorporated areas located within the county and that the funding requested is consistent with the evaluation of priorities for funds by the county, the funds requested may be paid to the county. Any funds paid to a county pursuant to the provisions of this subsection shall be expended by the county exclusively for the purpose identified in the request.

E. No county to which funds are paid pursuant to the provisions of subsection D of this section shall be liable to any person or other legal entity for damages arising out of any condition, act, omission or other cause alleged to have arisen as a result of a project upon which funds expended pursuant to the authority of subsection D of this section were paid to the county.

SECTION 3. AMENDATORY 62 O.S. 2001, Section 2008, is amended to read as follows:

Section 2008. A. The governing board of an entity described by subsection A or B of Section 2007 of this title shall develop a plan

for the use of available funds for the economic development of areas included within its respective jurisdiction. For purposes of this act, "economic development" shall include, but shall not be limited to, the following purposes:

1. Rural water quality projects, including acquisition, treatment, distribution and recovery of water for consumption by humans or animals or both;

2. Rural solid waste disposal, treatment or similar projects;

3. Rural sanitary sewer construction or improvement projects;

4. Rural road or street construction or improvement projects;

5. Provision of ~~health care services, including emergency medical care, in rural areas~~ rural fire protection services and public safety services;

6. ~~Provision of rural fire protection services~~ Expenditures designed to increase the employment level within the jurisdiction of the entity;

7. ~~Construction or improvement of telecommunication facilities or systems~~ Provision of health care services, including emergency medical care, in rural areas;

8. ~~Improvement of municipal energy distribution systems~~ Construction or improvement of telecommunication facilities or systems;

9. ~~Expenditures designed to increase the employment level within the jurisdiction of the entity~~ Improvement of municipal energy distribution systems; and

10. ~~Such other purposes as may be certified pursuant to an affirmative vote of two thirds (2/3) of the governing board of an entity described by subsection A or B of Section 2007 of this title~~ Community buildings, courthouses, town halls, senior nutrition centers, meeting rooms or similar public facilities.

B. Effective July 1, 2010, at least eighty percent (80%) of any funds distributed to an entity as provided by this section shall be expended for assets described in paragraphs 1 through 6 of subsection A of this section. The remaining amount of any funds

distributed to an entity as provided by this section may be expended on assets or purposes described in paragraphs 7 through 10 of subsection A of this section.

C. Not later than July 31, each entity described by Section 2007 of this title shall transmit, in such electronic form as may be prescribed by the Oklahoma Department of Commerce for purposes of access to such information on the website maintained by the Department, a summary of each project upon which funds received by the entity from the Rural Economic Action Plan Fund were expended during the fiscal year ending on the June 30 date immediately preceding the July 31 reporting date.

SECTION 4. AMENDATORY 25 O.S. 2001, Section 304, as amended by Section 1, Chapter 142, O.S.L. 2007 (25 O.S. Supp. 2009, Section 304), is amended to read as follows:

Section 304. As used in the Oklahoma Open Meeting Act:

1. "Public body" means the governing bodies of all municipalities located within this state, boards of county commissioners of the counties in this state, boards of public and higher education in this state and all boards, bureaus, commissions, agencies, trusteeships, authorities, councils, committees, public trusts or any entity created by a public trust, including any committee or subcommittee composed of any of the members of a public trust or other legal entity receiving funds from the Rural Economic Action Plan Fund as authorized by Section 2007 of Title 62 of the Oklahoma Statutes, task forces or study groups in this state supported in whole or in part by public funds or entrusted with the expending of public funds, or administering public property, and shall include all committees or subcommittees of any public body. Public body shall not include the state judiciary, the Council on Judicial Complaints when conducting, discussing, or deliberating any matter relating to a complaint received or filed with the Council, the Legislature, or administrative staffs of public bodies, including, but not limited to, faculty meetings and athletic staff meetings of institutions of higher education when those staffs are not meeting with the public body, or entry-year assistance committees. Furthermore, public body shall not include the multidisciplinary team provided for in subsection C of Section 1-502.2 of Title 63 of the Oklahoma Statutes or any school board meeting for the sole purpose of considering recommendations of a multidisciplinary team and deciding the placement of any child who is the subject of the recommendations. Furthermore, public body

shall not include meetings conducted by stewards designated by the Oklahoma Horse Racing Commission pursuant to Section 203.4 of Title 3A of the Oklahoma Statutes when the stewards are officiating at races or otherwise enforcing rules of the Commission;

2. "Meeting" means the conduct of business of a public body by a majority of its members being personally together or, as authorized by Section 307.1 of this title, together pursuant to a videoconference. Meeting shall not include informal gatherings of a majority of the members of the public body when no business of the public body is discussed;

3. "Regularly scheduled meeting" means a meeting at which the regular business of the public body is conducted;

4. "Special meeting" means any meeting of a public body other than a regularly scheduled meeting or emergency meeting;

5. "Emergency meeting" means any meeting called for the purpose of dealing with an emergency. For purposes of the Oklahoma Open Meeting Act, an emergency is defined as a situation involving injury to persons or injury and damage to public or personal property or immediate financial loss when the time requirements for public notice of a special meeting would make such procedure impractical and increase the likelihood of injury or damage or immediate financial loss;

6. "Continued or reconvened meeting" means a meeting which is assembled for the purpose of finishing business appearing on an agenda of a previous meeting. For the purposes of the Oklahoma Open Meeting Act, only matters on the agenda of the previous meeting at which the announcement of the continuance is made may be discussed at a continued or reconvened meeting; and

7. "Videoconference" means a conference among members of a public body remote from one another who are linked by interactive telecommunication devices permitting both visual and auditory communication between and among members of the public body and members of the public. During any videoconference both the visual and auditory communications functions of the device shall be utilized. Whenever the term "teleconference" appears in any law in relation to a meeting of a public body, it shall be deemed to mean a videoconference as defined in this paragraph.

Passed the House of Representatives the 26th day of May, 2010.

Presiding Officer of the House of Representatives

Passed the Senate the 26th day of May, 2010.

Presiding Officer of the Senate

OFFICE OF THE GOVERNOR

Received by the Governor this 27th **day of** May, **20** 10, **at** 2:30 **o'clock** P **M.**

By:

Approved by the Governor of the State of Oklahoma the 7th **day of** June, **20** 10, **at** 9:45 **o'clock** P **M.**

Governor of the State of Oklahoma

OFFICE OF THE SECRETARY OF STATE

Received by the Secretary of State this 8th **day of** June, **20** 10, **at** 4:38 **o'clock** P. **M.**

By: