

STATE OF OKLAHOMA

1st Session of the 43rd Legislature (1991)

SENATE BILL NO. 460

BY: HOBSON

AS INTRODUCED

AN ACT RELATING TO PUBLIC FINANCE; AMENDING 62 O.S.

1981, SECTION 353, WHICH RELATES TO MATURITY OF CERTAIN GENERAL OBLIGATION BONDS; MODIFYING INSTALLMENT AMOUNTS OF MATURING BONDS VOTED OR ISSUED AFTER CERTAIN DATE TO ALLOW FOR EQUALIZING DEBT SERVICE PAYMENTS; CONFORMING LANGUAGE; PROVIDING AN EFFECTIVE DATE; AND DECLARING AN EMERGENCY.

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

SECTION 1. AMENDATORY 62 O.S. 1981, Section 353, is amended to read as follows:

Section 353. ~~Whenever~~ A. Except as provided for in subsection B of this section, whenever any municipal corporation or political subdivision of the State of Oklahoma shall vote any bonds or issue any funding or refunding bonds, such bonds, or combined issue of bonds referred to in Section 354, ~~Title 62, Oklahoma Statutes 1961 of this title~~ shall be made to mature in equal annual installments, beginning not less than two (2) nor more than five (5) years after their date, except that the first maturing installment may be for such sum, not more than one installment and the last maturing installment may be for such sum not more than two installments, as

will complete the full issue of such bonds notwithstanding the necessity of varying the amount thereof to complete the same.

B. 1. On and after the effective date of this act, whenever any municipal corporation or political subdivision of the State of Oklahoma shall vote any bonds or issue any funding or refunding bonds, such bonds, or combined issue of bonds referred to in Section 354 of this title, may be made to mature pursuant to a schedule of annual installments which allows the bonds to be structured with level debt service payments. Such bonds shall mature beginning not less than two (2) years nor more than five (5) years after their date.

2. For purposes of this subsection:

- a. "level debt service" means that net total annual or fiscal debt service, except for short or stub periods, must be approximately equal for every annual or fiscal period, provided that all net annual or fiscal payments must be within a dollar amount range not to exceed twice the stated denomination of the bonds, and
- b. "short or stub periods" means the period preceding the beginning of full amortization of principal and payment of interest.

C. The denomination of ~~said~~ bonds issued pursuant to the provisions of this section shall be One Hundred Dollars (\$100.00) or multiples thereof, not exceeding One Hundred Thousand Dollars (\$100,000.00) except the first numbered bond may be for such odd amount as will complete the full issue of said bonds.

SECTION 2. This act shall become effective July 1, 1991.

SECTION 3. It being immediately necessary for the preservation of the public peace, health and safety, an emergency is hereby declared to exist, by reason whereof this act shall take effect and be in full force from and after its passage and approval.

43-1-236

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