STATE OF OKLAHOMA

1st Session of the 43rd Legislature (1991)

SENATE BILL NO. 559 BY: KERR, STIPE and LONG (Lewis)

AS INTRODUCED

AN ACT RELATING TO STATE GOVERNMENT; CREATING THE OKLAHOMA STATE DEPOSITORY; PROVIDING SHORT TITLE; CREATING BOARD OF DIRECTORS; PROVIDING FOR MEMBERSHIP, QUALIFICATIONS, APPOINTMENT, TERMS OF OFFICE, VACANCY AND REMOVAL FOR CAUSE; STATING POWERS AND DUTIES; PROVIDING FOR CODIFICATION; AND PROVIDING AN EFFECTIVE DATE.

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

SECTION 1. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 5068.1 of Title 74, unless there is created a duplication in numbering, reads as follows:

This act shall be known and may be cited as the "Oklahoma Development Act of 1991".

SECTION 2. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 5068.2 of Title 74, unless there is created a duplication in numbering, reads as follows:

A. There is hereby created an instrumentality of the state which shall be known as the "Oklahoma State Depository". The exercise of any authority or power conferred upon the Oklahoma State Depository by the provisions of this act shall be deemed and held to be an essential governmental function of the state.

B. The Oklahoma State Depository shall be governed by a Board of Directors which shall consist of five (5) members who are appointed by the Governor with the advice and consent of the Senate. The members shall have outstanding knowledge, leadership and experience in the fields of business and finance. Members shall serve a term of office of five (5) years; provided, of the members initially appointed to the Board, one member shall serve a term of one (1) year; one member shall serve a term of two (2) years, one member shall serve a term of three (3) years, one member shall serve a term of four (4) years and one member shall serve a term of five (5) years. Any vacancy on the Board shall be filled for the remaining term by appointment by the Governor with the advice and consent of the Senate. Members may be removed from the Board by the Governor for cause.

C. The Board shall have the following powers and duties:

1. Receive and accept deposits from private citizens and from all public and private entities, including, but not limited to, businesses, authorities, boards, banks and other financial institutions, investment funds and public and private pension funds;

2. Pay interest on all deposits;

3. Insure all deposits in full;

4. Borrow money and issue bonds;

5. Make loans to Oklahoma businesses;

6. Credit enhance loans made by other financial institutions;

7. Assist state and local authorities and trusts, communities and counties in developing and providing financing for new or expanding business for capital improvements, machinery and equipment, inventory and operating expenses; and

8. Charge and collect fees in connection with its loans, commitments and services, including, but not limited to, a fee based on risk to be deposited in an insurance fund or used to purchase insurance as a guarantee against losses.

SECTION 3. This act shall become effective September 1, 1991.

43-1-452 JY