

STATE OF OKLAHOMA

2nd Session of the 44th Legislature (1994)

HOUSE BILL NO. 2655

By: McCorkell

AS INTRODUCED

An Act relating to state government; amending 74 O.S. 1991, Sections 5062.2 and 5062.5, which relate to the Oklahoma Development Finance Authority; expanding statement of need; adding definition; and providing an effective date.

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

SECTION 1. AMENDATORY 74 O.S. 1991, Section 5062.2, is amended to read as follows:

Section 5062.2 A. Lack of response in this state to fundamental changes in national and international markets has created an economic hardship as manifested by high levels of unemployment and bankruptcy. Structural changes in global capital markets and real goods markets have had a profound impact on the availability of long-term capital for Oklahoma's agricultural and industrial enterprises and for infrastructure finance. There exists a need to improve, repair, replace and expand Oklahoma's infrastructure, which is vital to the welfare of Oklahomans and to the economic development of the state.

B. It is hereby found that there exists in the state an immediate and urgent need to provide the means and methods for providing financing:

1. To complement the state's private financial institutions to better serve their customers in ways which contribute to a strengthened and diversified Oklahoma economy;

2. To promote and develop the expansion of existing and the establishment of new agricultural enterprises and industrial enterprises for the purpose of further alleviating unemployment within the state and for providing additional employment;

3. To promote and target resources of the state to further the development of export trade of state products for the purpose of the economic development of the state and for providing additional employment therefrom;

4. To assure the development of reliable, affordable, efficient and environmentally compatible sources of energy for all types of public and private consumption;

5. To provide health care facilities for the citizens and inhabitants of the state;

6. To provide capital improvement facilities for the benefit of the citizens and inhabitants of the state;

7. To provide, in conjunction with the Oklahoma Department of Commerce, an infrastructure program which will enable political subdivisions of this state to finance public works projects in order to modify or improve existing public facilities for purposes of bringing said facilities, and the operation thereof, into compliance with and maintaining compliance with federal, state and local laws and regulations pertaining to the protection of the public health and the environment;

8. To provide educational facilities and educational technology for educational institutions within the state;

9. To provide for such additional facilities, enterprises and projects as herein authorized; and

10. To provide for short-term advance funding and the purchase of the obligations of political subdivisions throughout the state.

C. Any public trust organized pursuant to Title 60 of the Oklahoma Statutes for the benefit of the entire State of Oklahoma which has Seven Hundred Fifty Million Dollars (\$750,000,000.00) or more of issued and outstanding indebtedness, and if such indebtedness has been issued for three (3) or more distinct purposes, shall become eligible to become the Oklahoma Development Finance Authority as provided by this act. Such trust may amend its indenture to conform with the provisions of this act and, upon certification by the Governor, such trust shall be known as and exercise all of the powers of the Oklahoma Development Finance Authority as provided by law. After the certification of the trust as the Oklahoma Development Finance Authority, the trustees of such trust shall, with addition of other persons as provided by law, become the board of directors of the Oklahoma Development Finance Authority. The Oklahoma Development Finance Authority is hereby constituted an instrumentality of the state and the exercise of the authority and powers conferred by this act shall be deemed and held to be the performance of an essential governmental function.

SECTION 2. AMENDATORY 74 O.S. 1991, Section 5062.5, is amended to read as follows:

Section 5062.5 As used in the Oklahoma Development Finance Authority Act:

1. "Authority" means the Oklahoma Development Finance Authority;

2. "Agricultural enterprise" means facilities for farms, ranches, other agricultural, silvicultural or aquacultural commodity operations, and related businesses and industries, including but not limited to, grain elevators, shipping heads, livestock pens, warehouses and other storage facilities, related transportation facilities, drainage facilities and any related facilities hereto;

3. "Board of directors" means and includes the board of directors of the Authority created by this act;

4. "Bonds" means any bonds, notes, obligations, debentures, interim certificates, grant and revenue anticipation notes, interest in a lease, lease certificates of participation or other evidences of indebtedness, whether or not the interest on which is includable in the gross income of the recipients thereof for federal income tax purposes, issued by the Authority pursuant to this act;

5. "Educational facilities" means any facility intended by an educational institution in furtherance of its educational program, including, but not limited to, classrooms, laboratories, administrative buildings, equipment and other property for use therein or thereon;

6. "Educational technology" means any computer and computer software, communications or telecommunications systems or network including voice, data, radio, video and facsimile systems which are used to transmit educational information to a school or classroom;

7. "Energy conservation facilities" means any facility designated for the purchasing and installation of energy conservation equipment or facilities, including building modifications;

~~7.~~ 8. "Energy distribution facilities" means an energy distribution system owned, in whole or in part, by an individual, municipality, corporation or other governmental or business entity and which uses alcohol, peat, solar, waste, water and related dams, wind, wood, coal or natural gas;

~~8.~~ 9. "Energy generating facilities" means (a) for a system which does not generate electricity, an energy generating system owned, in whole or in part, by an individual, municipality, corporation or other governmental or business entity, and which systems uses biomass, peat, solar, waste, water and related dams, wind, wood or coal, or which is an energy conservation project; or (b) for a system which does generate electricity, an energy generating system which uses alcohol, peat, solar, waste, water and

related dams, wind, wood or coal, and which is owned, in whole or in part, by an individual, municipality, corporation or other business or governmental entity;

~~9.~~ 10. "Facilities" means any real property, including, without limitation, any land, building, fixture, improvement, easement, right-of-way, water right, land lying under the water or air right, and any personal property, including without limitation any leasehold, inventory, account receivable, patent, license, franchise, machinery, equipment, merchandise, raw material, supply, product, work in process or stock in trade, or mixed property of any and every kind including, but not limited to, buildings, rights-of-way, roads, streets, waterways, transportation systems, ports and terminals, pipes, pipelines, reservoirs, utilities, pollution control systems, toxic and solid waste disposal systems, health care facilities for furnishing any physical or mental health care, materials, commodities, equipment, fixtures, machinery, furniture, furnishings, instrumentalities, tourism facilities in the form of amusement parks, entertainment parks, theme parks, or museums, and other real, personal or mixed property of every kind or any preliminary studies and surveys related thereto;

~~10.~~ 11. "Financing assistance" or "financial assistance" means the making of, entering into or providing for guarantees, leases, insurance, financing credits, loans, letters of credit, financing assistance payments, grants or other financial aid;

~~11.~~ 12. "Financial document" means a lease, installment sale agreement, conditional sale agreement, note, mortgage, chattel mortgage, loan agreement or other instrument pertaining to an extension of financial assistance;

~~12.~~ 13. "Industrial enterprise" means facilities for manufacturing, producing, research, processing, assembling, repairing, extracting, warehousing and distributing goods, facilities for any service profession, facilities for

communications, computer services, transportation and corporate and management offices and services provided in connection with any of the foregoing, in isolation or in any combination that involve the creation of new or additional employment or the retention of existing employment, and industrial parks;

~~13.~~ 14. "Operating capital" means start-up costs of general administration for a temporary period not to exceed one (1) year for qualified enterprises as defined in the bylaws or by resolution of the Authority;

~~14.~~ 15. "Political subdivision" means any incorporated city or town, school district, county, special district or public trust where a city, town, school district, county or special district is a beneficiary and all their institutions, agencies or instrumentalities;

~~15.~~ 16. "Pollution" means any form of environmental pollution, including, but not limited to, water pollution, air pollution, radiation contamination, noise pollution or pollution caused by solid waste disposal;

~~16.~~ 17. "Pollution control facilities" means any facilities for the purpose of reducing, abating, preventing, controlling, or eliminating pollution caused or produced by the operation of any manufacturing, industrial, or commercial enterprise or any utility plant or useful for the purpose of removing or treating any substance in processed material, which material would cause pollution if used without such removal or treatment;

~~17.~~ 18. "Project" means any facility used for or in connection with any of the following: industrial enterprises, agricultural enterprises, capital improvements, health-care facilities, educational facilities, pollution control facilities, energy conservation facilities, energy distribution facilities, energy generating facilities, recreational facilities, tourism facilities

in the form of amusement parks, entertainment parks, theme parks, or museums, short-term advance funding, waste water facilities;

~~18.~~ 19. "Short-term advance funding" shall mean the financing of temporary cash shortfalls of the state or political subdivisions;

~~19.~~ 20. "State" means the State of Oklahoma or any office, department, agency, authority, commission, board, institution, hospital, college, university, public trust where the state is the beneficiary or other instrumentality thereof;

~~20.~~ 21. "Waste water" shall mean any water containing sewage, industrial wastes, or other wastes or contaminants derived from the prior use of such water, and shall include, without limiting the generality of the foregoing, surface water of the type storm sewers are designed to collect and dispose of; and

~~21.~~ 22. "Waste water facilities" shall mean any facility for the purpose of treating, neutralizing, disposing of, stabilizing, cooling, segregating or holding waste water, including, without limiting the generality of the foregoing, facilities for the treatment and disposal of sewage, industrial wastes, or other wastes, waste water, and the residue thereof; facilities for the temporary or permanent impoundment of waste water, both surface and underground; and sanitary sewers or other collection systems, whether on the surface or underground, designed to transport waste water together with the equipment and furnishings thereof and their appurtenances and systems, whether on the surface or underground including force mains and pumping facilities therefor.

SECTION 3. This act shall become effective September 1, 1994.

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