

STATE OF OKLAHOMA

1st Session of the 44th Legislature (1993)

HOUSE JOINT  
RESOLUTION NO. 1023

By: Crocker

AS INTRODUCED

A Joint Resolution directing the Secretary of State to refer to the people for their approval or rejection a proposed amendment to Sections 6, 8, 9, 9A, 9B, 9C, 9D, 10, 10A, 10B, 21, 26 and 35 of Article X of the Constitution of the State of Oklahoma, a proposed amendment to the Constitution of the State of Oklahoma by adding a new section to Article X to be designated as Section 8B; modifying exemption amount for certain personal property; modifying percentage of value for purposes of assessing property; requiring one hundred percent valuation; imposing duties on State Board of Equalization with respect to valuation and equalization; prescribing assessment level and uniformity requirements; modifying millage rates authorized for levy by various taxing jurisdictions; prescribing procedures for imposition and alteration of millage levies; modifying school district millages; modifying references to school funding; modifying building fund levy provisions; prescribing ratio for certain property; modifying limitations on indebtedness; prescribing procedures for computation of debt limitations; requiring budgets for certain fiscal year made pursuant to certain requirements; defining term; requiring calculations of revenue; providing procedures for computation of millage rates; providing for calculation of fair cash value for certain purpose; providing procedures for computation of rates for certain property; providing for computation of sinking fund millage rates; providing procedure to determine certain millage rates; providing for calculation of millage rates by certain taxing jurisdictions; providing effective date; providing ballot title; and directing filing.

BE IT RESOLVED BY THE HOUSE OF REPRESENTATIVES AND THE SENATE OF THE  
1ST SESSION OF THE 44TH OKLAHOMA LEGISLATURE:

SECTION 1. The Secretary of State shall refer to the people for their approval or rejection, as and in the manner provided by law,

the following proposed amendment to the Constitution of the State of Oklahoma, amending Sections 6, 8, 9, 9A, 9B, 9C, 9D, 10, 10A, 10B, 21, 26 and 35 of Article X, to read as follows:

Section 6. (a) Except as otherwise provided in subsection (b) of this section, all property used for free public libraries, free museums, public cemeteries, property used exclusively for nonprofit schools and colleges, and all property used exclusively for religious and charitable purposes, and all property of the United States except property for which a federal agency obtains title through foreclosure, voluntary or involuntary liquidation or bankruptcy unless the taxation of such property is prohibited by federal law; all property of this state, and of counties and of municipalities of this state; household goods of the heads of families, tools, implements, and livestock employed in the support of the family, not exceeding ~~One Hundred Dollars (\$100.00)~~ One Thousand Dollars (\$1,000.00) in value, and all growing crops, shall be exempt from taxation: Provided, that all property not herein specified now exempt from taxation under the laws of the Territory of Oklahoma, shall be exempt from taxation until otherwise provided by law.

All property owned by the Murrow Indian Orphan Home, located in Coal County, and all property owned by the Whitaker Orphan Home, located in Mayes County, so long as the same shall be used exclusively as free homes or schools for orphan children, and for poor and indigent persons, and all fraternal orphan homes, and other orphan homes, together with all their charitable funds, shall be exempt from taxation, and such property as may be exempt by reason of treaty stipulations, existing between the Indians and the United States government, or by federal laws, during the force and effect of such treaties or federal laws. The Legislature may authorize any incorporated city or town, by a majority vote of its electors voting thereon, to exempt manufacturing establishments and public utilities

from municipal taxation, for a period not exceeding five (5) years, as an inducement to their location.

(b) The board of county commissioners of any county may call a special election to determine whether or not household goods of the heads of families and livestock employed in support of the family located within the county shall be exempt from ad valorem taxation. Such an election shall also be called by the board upon petition signed by not less than twenty-five percent (25%) of the registered voters of the county. Upon passage of the question, the exemption provided for in this subsection shall become effective on January 1 of the following year.

The amendment to this section shall become effective January 1, 1995.

Section 8. (a) All property which may be taxed ad valorem shall be assessed for taxation at one hundred percent (100%) of its fair cash value, estimated at the price it would bring at a fair voluntary sale, ~~except real property and tangible personal property shall not be assessed for taxation at more than thirty-five percent (35%) of its fair cash value, estimated at the price it would bring at a fair voluntary sale.~~ Provided, however, that ~~no~~ real property shall be assessed for ad valorem taxation at ~~a value greater than thirty-five percent (35%)~~ one hundred percent (100%) of its fair cash value for the highest and best use for which such property was actually used, or was previously classified for use, during the calendar year next preceding the first day of January on which the assessment is made. Provided, further, that the transfer of property without a change in its use classification shall not require a reassessment based exclusively upon the sale value of such property. In connection with the foregoing, the Legislature shall be empowered to enact laws defining classifications of use for the purpose of applying standards to facilitate uniform assessment procedures in this state. Any officer or other person authorized to

assess values or subjects for taxation, who shall commit any willful error in the performance of his duty, shall be deemed guilty of malfeasance, and upon conviction thereof shall forfeit his office and be otherwise punished as may be provided by law.

(b) For purposes of county equalization studies performed on each locally assessed class or subclass of property within a county, the State Board of Equalization shall define the maximum allowable range of deviation with respect to the valuation requirement enumerated in subsection (a) of this section; provided that, in no event shall the minimum assessment ratio to be achieved in satisfaction of the one hundred percent (100%) valuation requirement enumerated in subsection (a) of this section be less than ninety-two percent (92%) nor shall the maximum assessment ratio to be achieved in satisfaction of said requirement be greater than one hundred percent (100%). When an equalization study indicates an assessment ratio below the minimum applicable assessment ratio or above the maximum applicable assessment ratio, equalization orders of the State Board of Equalization shall correct, adjust and equalize the valuation to the applicable minimum requirement or the applicable maximum requirement set by the State Board of Equalization as provided by this subsection.

(c) The Legislature shall be empowered to enact laws which will facilitate uniform assessment procedures for locally-assessed property in this state.

(d) The amendments to this section shall become effective January 1, 1995.

Section 9. (a) Except as herein otherwise provided, the total taxes for all purposes on an ad valorem basis shall not ~~exceed, vary~~ from the millage levels for the fiscal year beginning July 1, 1995, as calculated pursuant to subsections (d) and (f) of Section 8B of Article X of the Oklahoma Constitution in any taxable year, ~~fifteen~~ (15) mills on the dollar, no. No less than five (5) mills of which

the amount of such millage levels apportioned for school district purposes for the fiscal year beginning July 1, 1995, is hereby apportioned for school district purposes, the remainder to be apportioned between county, city, town and school district, by the County Excise Board, until such time as a regular apportionment thereof is otherwise provided for by the Legislature.

No ad valorem tax shall be levied for State purposes, nor shall any part of the proceeds of any ad valorem tax levy upon any kind of property in this State be used for State purposes.

(b) A tax ~~of four (4) mills~~ shall be levied annually on the dollar valuation of all taxable property in the county ~~shall be levied annually~~ in each county of the State for school purposes and, until otherwise provided by law, the proceeds thereof shall be apportioned to the school districts of the county by the County Treasurer on the basis of the legal average daily attendance for the preceding school year as certified by the State Board of Education. Such tax shall not vary from the millage levels for the fiscal year beginning July 1, 1995, as calculated pursuant to subsections (d) and (f) of Section 8B of Article X of the Oklahoma Constitution. Provided that in case a school district lies in more than one county, such district shall be deemed a school district of the county having the greater part of the area comprising such district, unless otherwise provided by law, and shall be entitled to participate in the proceeds of such tax on the same basis as districts lying wholly within such county but revenue from such tax on the assessed valuation of the district in other counties shall, when collected, be transmitted to the County Treasurer of such county having the greater part of the area comprising the district, unless otherwise provided by law, and be apportioned as hereinbefore provided for the proceeds of such tax on the assessed valuation of such county. Not to exceed seventy-five per centum (75%) of the amount received by a school district from the proceeds of such

county levy in any year shall be required to finance the State guaranteed program of such district.

(c) Upon certification of a need therefor by the board of education of any school district an additional tax of not to exceed ~~fifteen (15) mills on the dollar valuation of all taxable property in the district~~ the millage level, as authorized by this subsection, for the fiscal year beginning July 1, 1995, as calculated pursuant to subsections (d) and (f) of Section 8B of Article X of the Oklahoma Constitution shall be levied for the benefit of the schools of such district.

(d) In addition to the levies hereinbefore authorized, any school district may make an emergency levy for the benefit of the schools of such district, in an amount not to exceed ~~five (5) mills on the dollar valuation of the taxable property in such district~~ the millage level of such emergency levy for the fiscal year beginning July 1, 1995, as calculated pursuant to subsections (d) and (f) of Section 8B of Article X of the Oklahoma Constitution when approved by a majority of the electors of the district voting on the question at an election called for such purpose. This emergency levy shall provide only sufficient additional revenue to meet the needs of the district each fiscal year as determined by the board of such district and must be approved by a majority of the electors voting on said question at such an election for each fiscal year.

(d-1) In addition to the levies hereinbefore authorized, any school district may make a local support levy for the benefit of the schools of such district, in an amount not to exceed ~~ten (10) mills on the dollar valuation of the taxable property in such district~~ the millage level of such local support levy for the fiscal year beginning July 1, 1995, as calculated by subsections (d) and (f) of Section 8B of Article X of the Oklahoma Constitution, when approved by a majority of the ad valorem taxpaying voters voting on said question at an election for each fiscal year called for such

purposes. This local support levy shall provide only sufficient additional revenue to meet the needs of the district for each such fiscal year as determined by the board of such district; provided, an elector desiring to vote upon such local support levy must present an ad valorem tax receipt for the year immediately preceding before being issued a ballot, or sign a sworn affidavit certifying the fact of such payment.

(e) The amount of revenue from school district ad valorem taxes levied under (a) and (c) of this Section which any school district may be required to use to finance its State guaranteed program shall not be in excess of its share, based upon its relative taxpaying ability as may be defined by law, of an amount equivalent to the net proceeds from ~~a fifteen (15) mill tax levy~~ the millage level for the fiscal year beginning July 1, 1995, as calculated pursuant to subsections (d) and (f) of Section 8B of Article X of the Oklahoma Constitution on the aggregate net assessed valuation of the State; but until such relative taxpaying ability is defined by the Legislature, the amount of revenue from such taxes which any school district may be required to use to finance its State guaranteed program shall not be in excess of the net proceeds from ~~an ad valorem tax levy of fifteen (15) mills on the dollar net assessed valuation of the district~~ the millage level for the fiscal year beginning July 1, 1995, as calculated pursuant to subsections (d) and (f) of Section 8B of Article X of the Oklahoma Constitution. No part of the proceeds from any ad valorem levy for emergency levy and local support levy under (d) and (d-1) of this Section shall be required to finance the State guaranteed program of such district.

Nothing in the amendments to the Constitution incorporated herein shall be construed to amend, alter or supersede the present application of Article XII-A, Sections 1 and 2 of the Oklahoma Constitution.

~~(f) Should the amendment contained in subsection (d-1) hereof be adopted on September 14, 1965, the school board of any school district in the State may within ten (10) days thereafter file with the Excise Board of the county a supplemental estimate of needs and call a special election within fifteen (15) days after such call upon the new local support levy or emergency levy if not previously submitted, or both. The school board shall advertise notice of such election by publication in at least one issue of a newspaper having general circulation in the school district, or by posting in five public places in the district at least five (5) days before such election. Should the electors of the school district vote such additional levy in such election, the County Excise Board shall forthwith compute the levy and certify appropriations for all affected school districts and refile the budgets with the County Clerk and with the State Auditor. Notice of the filing of said budget shall be given as required by law. The forty (40) day protest period shall begin immediately upon the filing of said budgets.~~

~~For the fiscal year 1965-66, the Excise Board of each county shall not finally compute the levy nor certify the appropriations for the school districts of the State until after the school district shall have had the opportunity to hold a special election as provided herein.~~

~~Temporary appropriations, up to forty per centum (40%) of the estimated funds needed by the school board of any district in the State for the fiscal year 1965-66, may be approved any time after the beginning of such fiscal year.~~

~~Upon the computation of the levy and certification of appropriations by the Excise Board, the County Assessor shall prepare or revise the tax rolls and deliver the same to the County Treasurer who shall proceed with the collection of the taxes as required by law.~~

~~Should it become necessary, because of the delay in computing levies and certifying appropriations as herein provided, the Governor may, by executive order, extend the time when taxes will be delinquent for the year of 1965, and that year only. Such extension of time shall be for the minimum time necessary to permit the County Assessor and County Treasurer to perform their duties as required by law.~~

The amendments to this section shall become effective January 1, 1995.

Section 9A. For the purpose of maintaining or aiding in maintaining a department of health within any county of the State, an additional levy not to exceed ~~two and one-half mills~~ four-tenths (4/10) of one (1) mill on the dollar of the assessed valuation of the county may be levied annually, when such levy is approved by a majority of the ~~qualified ad valorem tax paying~~ voters of the county, voting on the question at an election called for such purpose by the Board of County Commissioners, or by initiative petition by voters of a county. A maximum levy of ~~two and one-half mills~~ four-tenths (4/10) of one (1) mill may be made for such purpose after such approval until repealed by a majority of the ~~qualified ad valorem tax paying~~ voters of the county, voting on the question at an election called for such purpose by the Board of County Commissioners, or by initiative petition by voters of a county. Such department of health may be maintained jointly or in conjunction with one or more counties, cities, towns or school districts, or any combination thereof, and shall be maintained as now or hereafter provided by law. Nothing herein shall prohibit other levies or the use of other public funds for such department of health.

The amendments to this section shall become effective January 1, 1995.

Section 9B. A. Area school districts for vocational and technical schools may be established and a levy of not to exceed ~~five (5) mills~~ seven-tenths (7/10) of one (1) mill on the dollar valuation of the taxable property in any area school district so established may be made annually, for the district, when the levy is approved by a majority of the electors of the area school district, voting on the question at an election called for that purpose. The levy shall be in addition to all other levies authorized by this Constitution, and when approved, shall be made each fiscal year thereafter until repealed by a majority of the electors of the area school district, voting on the question at an election called for that purpose. Any area school district so established shall be considered as a school district for the purposes of Sections 10 and 26 of this Article. The administrative control and direction of the area school district shall be vested in a school board which shall be constituted and empowered as provided for by law for school boards of independent school districts. Provisions of other subsections of this section notwithstanding, in any case where a college area vocational-technical school district recognized pursuant to Section 4423 of Title 70 of the Oklahoma Statutes and established by vote of the people after December 31, 1968, overlaps and includes territory which is included within the district of an area vocational-technical school established as prescribed by the State Board of Vocational and Technical Education pursuant to Section 14-108 of Title 70 of the Oklahoma Statutes, only the levies made by the college area vocational-technical school district shall be applied to said overlap territory, and revenues from the overlap area collected pursuant to any incentive levy so made shall be apportioned one-half to the college area vocational-technical school district making the levy and one-half to the overlapped area vocational-technical school district. In any case where a college area vocational-technical school district recognized pursuant to

Section 4420.1 of Title 70 of the Oklahoma Statutes overlaps and includes territory which is included within the district of an area vocational-technical school established as prescribed by the State Board of Vocational and Technical Education pursuant to Section 14-108 of Title 70 of the Oklahoma Statutes, said overlap territory shall be subject to all levies of both kinds of districts that are approved by a majority of the electors.

B. In addition to any other levies authorized by this section, an area school district may make a local incentive levy for the benefit of the area school district in an amount not to exceed ~~five~~ ~~(5) mills~~ seven-tenths (7/10) of one (1) mill on the dollar valuation of the taxable property in the area school district when approved by a majority of those registered voters of the area school district voting on the question at an election called for that purpose. Any funds generated pursuant to the provisions of this subsection shall not be charged against state appropriated funds.

C. Upon the establishment of area school districts, such districts are authorized to become indebted separate and apart from the indebtedness of any school district included in the area school district up to ~~five percent (5%)~~ a percentage, as prescribed by this subsection, of the net valuation of taxable property within the area school district for capital improvements, including purchasing sites and constructing, purchasing, improving, and equipping real property and buildings when the indebtedness is approved by a majority of the electors of the area school district voting on the question in an election called for that purpose. For fiscal years beginning on or after July 1, 1995, the amount of indebtedness as authorized by this subsection for area school districts shall be computed by multiplying the area school district's fiscal year 1995 total taxable valuation by five percent (5%). The resulting product shall be divided by the total taxable valuation of the area school district for the fiscal year 1996. The resulting quotient shall be

the maximum percentage of the net valuation of taxable property authorized for indebtedness. Such quotient shall be annually multiplied by the total taxable valuation of the area school district and the resulting product shall be the maximum amount of indebtedness, including existing indebtedness, which may be incurred by the area school district for any fiscal year beginning on or after July 1, 1995. For indebtedness incurred by an area school district for which the quotient, as prescribed by this subsection, cannot be determined, for fiscal years beginning on or after July 1, 1996, the maximum amount of indebtedness, including existing indebtedness, which may be incurred by the area school district shall be one-half of one percent (1/2 of 1%) of the net valuation of taxable property within the area school district.

D. Until otherwise provided for by law, area school districts and the government thereof shall be established in accordance with criteria and procedures prescribed by the State Board of Vocational and Technical Education.

E. ~~The~~ Except for the maximum millage levies prescribed by subsections A and B of this section and the maximum amount of authorized indebtedness prescribed by subsection C of this section, the Legislature may alter, amend, delete, or add to the provisions of this section by law.

F. The amendments to this section shall become effective January 1, 1995.

Section 9C. (a) The board of county commissioners, or boards if more than one county is involved, may call a special election to determine whether or not an ambulance service district shall be formed. An election shall also be called by the board or boards involved upon petition signed by not less than ten percent (10%) of the registered voters of the area affected. Said area may embrace a county, a part thereof, or more than one county or parts thereof, and in the event the area covers only a part or parts of one or more

counties, the area must follow school district boundary lines. All registered voters in such area shall be entitled to vote, as to whether or not such district shall be formed, and at the same time and in the same question authorize a tax levy not to exceed ~~three (3) mills~~ four-tenths (4/10) of one (1) mill for the purpose of providing funds for the purpose of support, organization, operation and maintenance of district ambulance services, known as emergency medical service districts and hereinafter referred to as "districts." If the formation of the district and the mill levy is approved by a majority of the votes cast, a special annual recurring ad valorem tax levy of not more than ~~three (3) mills~~ four-tenths (4/10) of one (1) mill on the dollar of the assessed valuation of all taxable property in the district shall be levied. The number of mills shall be set forth in the election proclamation, and may be increased or decreased in a later election, but may not ~~to~~ exceed a total levy of ~~three (3) mills~~ four-tenths (4/10) of one (1) mill. This special levy shall be in addition to all other levies and when authorized shall be made each fiscal year thereafter.

Each district which is herein authorized, or established, shall have a board of trustees composed of not less than five members. Such trustees shall be chosen jointly by the board or boards of county commissioners, provided that such membership shall be composed of not less than one individual from each county or part thereof which is included in said district.

Original members of the board of trustees shall hold office, as follows: At the first meeting of said board, board members shall draw lots to determine each trustee's original length of term in office. The number of lots to be provided shall be equal to the number of original members of the board, and lots shall be numbered sequentially from one through five, with lots in excess of the fifth lot being also numbered sequentially from one through five until all lots are numbered. Each original member or members added by an

expansion area of the board shall hold office for the number of years indicated on his or her lot. Each year, as necessary, the board or boards of county commissioners shall appoint successors to such members of the board of trustees whose terms have expired, and such subsequent appointments shall be for terms of five (5) years.

Such board of trustees shall have the power and duty to promulgate and adopt such rules, procedures and contract provisions necessary to carry out the purposes and objectives of these provisions, and shall individually post such bond as required by the county commissioners, which shall not be less than Ten Thousand Dollars (\$10,000.00).

The district board of trustees shall have the additional powers to hire a manager and appropriate personnel, contract, organize, maintain or otherwise operate the emergency medical services within said district and such additional powers as may be authorized by the Legislature.

(b) Any district board of trustees may issue bonds, if approved by a majority vote at a special election for such purpose. All registered voters within the designated district shall have the right to vote in said election. Such bonds shall be issued for the purpose of acquiring emergency vehicles and other equipment and maintaining and housing the same.

(c) The bonds authorized above shall not bear interest at a greater rate than that authorized by statute for the issuance of city municipal bonds. Such bonds shall be sold only at public sale after twenty (20) days' advertisement in a newspaper for publication of legal notices with circulation in the district. Any district may refund its bonds as is now provided by law for refunding municipal bonds.

(d) Any district board of trustees, upon issuing bonds as authorized in subsection (b) of this section, shall levy a special annual ad valorem tax upon the property within the district, payable

annually, in a total amount not to exceed ~~three (3) mills on the dollar~~ a rate expressed in mills, as prescribed by this subsection, on the real and personal taxable property in such district, for the payment of principal and interest on outstanding bonds, until same are paid. However, the trustees may, from time to time, suspend the collection of such annual levy when not required for the payment of the bonds. In no event shall the real and personal taxable property in any city or town be subject to a special tax in excess of ~~three (3) mills~~ the rate prescribed by this subsection for the payment of bonds issued hereunder. For fiscal years beginning on or after July 1, 1995, the maximum millage rate as authorized by this subsection for purposes of a sinking fund of an emergency medical service district shall be computed by multiplying the emergency medical service district's fiscal year 1995 total taxable valuation by three (3) mills. The resulting product shall be divided by the total taxable valuation of the emergency medical service district for the fiscal year 1996. The resulting quotient shall be the maximum millage rate for purposes of a sinking fund of the emergency medical service district for any fiscal year beginning on or after July 1, 1995. For purposes of a sinking fund of an emergency medical service district for which the quotient, as prescribed by this subsection, cannot be determined, the maximum millage rate for purposes of a sinking fund of such emergency medical service district for any fiscal year beginning on or after July 1, 1996, shall be four-tenths (4/10) of one (1) mill.

(e) There may also be pledged to the payment of principal and interest of the bonds herein authorized to be issued: (1) any net proceeds from operation of the district that the board of trustees of the district shall deem not necessary to the future operation and maintenance of said emergency medical service; or (2) any monies available from other funds of the district not otherwise obligated.

(f) Bonds shall be issued for designated sums with serial numbers thereon and maturing annually after three (3) years from date of issue. All bonds and interest thereon shall be paid upon maturity and no bonds shall be issued for a period longer than thirty (30) years. Any district board of trustees may in its discretion schedule the payment of principal over the thirty-year period so that when interest is added there will be approximately level annual payments of principal and interest.

(g) In the event the mill levy as set forth in the original election proclamation is less than ~~three (3) mills~~ four-tenths (4/10) of one (1) mill, the board of trustees may request the county commissioners to call a subsequent election to consider increasing or decreasing the mill levy; provided, however, the total levy authorized by subsection (a) hereof shall not exceed ~~three (3) mills~~ four-tenths (4/10) of one (1) mill.

(h) The board of trustees of any district shall have jurisdiction over the sale or refunding of any bonds issued by the district and shall be responsible for the economical expenditure of the funds derived from the bonds.

(i) Such districts shall be empowered to charge fees for services, and accept gifts, funds or grants from sources other than the mill levy, which shall be used and accounted for in a like manner. Persons served outside the district shall be charged an amount equal to the actual costs for the service, not taking into account any income the district receives from millage or sources within the district. The board of trustees shall have legal authority to bring suits necessary to collect accounts owed and to sue and defend as necessary for the protection of the board. The State ~~Examiner~~ Auditor and Inspector shall conduct an annual audit of the operations of such districts.

(j) Any emergency medical service district may expand to include other counties or parts thereof, provided that an election

is called by the county commissioners whose county or counties, or parts thereof, are to be added to in the established district; and provided further, that the county commissioners in the original district concur in the calling of said election. The proposed expansion area shall only be added to the original district if approved separately by a majority vote, by the voters in both the original district and in the expansion area, at an election called for that purpose. The county in which the expansion area is located shall have not less than one member on the board of trustees. Appropriate millage or other approved method of financial support shall be levied in the expansion area, when said area is added to the original district which millage shall be levied at the rate used to cover operational costs and outstanding bonded indebtedness as provided in ~~Section 9C,~~ subsections (d) and (e), ~~Article X of this~~ section.

(k) Any district may be dissolved, or the millage levy changed, by a majority vote of the registered voters voting at an election called for that purpose by the county commissioners of each county or part thereof included within the district; provided that such an election shall not be called unless either three-fifths (3/5) of the trustees of such district request the county commissioners to call such an election, or the respective county commissioners are presented a petition signed by not less than twenty percent (20%) of all registered voters in the district.

(l) In the event a district is dissolved, any mill levy used to support, organize, operate and maintain the emergency medical service district shall cease, provided that such mill levy shall not cease until all outstanding emergency medical service bonds of that district are retired and all other debts incurred by the emergency medical service district have been satisfied.

(m) All elections called under the provisions hereof shall be conducted by the county election board or boards of each county or

counties involved, upon receipt of an election proclamation, issued by a majority of the board or boards of county commissioners in the area affected. In the event more than one county is involved, said proclamation must be a joint proclamation from a majority of the board of county commissioners of each county involved. Said proclamation shall be published in one issue of a newspaper of general circulation in each county involved in the area affected at least ten (10) days prior to said election, and said proclamation shall set forth the purpose of the election, and the date thereof. The county election board or boards shall certify the results of an election to the board or boards issuing such proclamation.

(n) The board of any district shall have capacity to sue and be sued. Provided, however, the board shall enjoy immunity from civil suit for actions or omissions arising from the operation of the district, so long as, and to the same extent as, municipalities and counties within the state enjoy such immunity.

(o) In lieu of proceeding to establish a district as outlined hereinabove through the county commissioners, the governing body of any incorporated city or town may proceed to form a district, join an existing district or join with other incorporated cities or towns in forming a district. In such case, said governing body shall be considered as being substituted as to the powers and duties of said county commissioners as set forth hereinabove; provided, further, said city or town shall be considered as being substituted as to the powers and duties of a district formed, as set forth hereinabove. All rights, duties, privileges and obligations of the residents and voters in such city or town shall be the same as those outlined for the district as set forth above.

(p) The amendments to this section shall become effective January 1, 1995.

Section 9D. A. The board of county commissioners of any county may call a special election to determine whether or not the board

shall provide solid waste management services for the county. An election shall also be called by the board upon petition signed by not less than ten percent (10%) of the registered voters of the county. All registered voters in such county shall be entitled to vote, as to whether or not such services shall be provided, and at the same time and in the same question authorize a tax levy of not to exceed ~~three (3) mills~~ four-tenths (4/10) of one (1) mill for the purpose of providing funds for the purpose of support, organization, operation and maintenance of such services. If the provision of the services and the mill levy is approved by a majority of the votes cast, a special annual recurring ad valorem tax levy of not more than ~~three (3) mills~~ four-tenths (4/10) of one (1) mill on the dollar of the assessed valuation of all taxable property in the county shall be levied. The number of mills shall be set forth in the election proclamation, and may be increased or decreased in a later election, not to exceed a total levy of ~~three (3) mills~~ four-tenths (4/10) of one (1) mill. This special levy shall be in addition to all other levies and when authorized shall be made each fiscal year thereafter.

B. Upon passage of the question, the board of county commissioners shall provide solid waste management services for county residents and businesses. The board may provide for one or more disposal facilities and for solid waste collection services. The board may purchase landfill sites, construct and operate landfills and transfer stations and other solid waste disposal and handling facilities. The board shall provide a solid waste disposal and collection system for the county, using the funds available from the millage levy and any service charges the board may assess. The board may purchase, operate, and maintain vehicles for curbside or roadside solid waste collection. In rural areas where curbside collection services may not be economically feasible, the board may

construct and operate transfer stations for areawide collection and transfer of solid waste to ultimate disposal sites.

C. The board of county commissioners of a county in which the question has passed shall have the power and duty to promulgate and adopt such rules, procedures and contract provisions necessary to implement the purposes and objectives of this section. The board of county commissioners shall have the additional powers to hire a manager and appropriate personnel, contract, organize, maintain or otherwise operate the solid waste management services within said county and such additional powers as may be authorized by the Legislature.

D. Two or more counties in which the question has passed may enter into agreements with each other to provide solid waste management services in all counties involved in the most economical fashion, including agreements to provide collection and disposal services for each other where areas in one county may be more economically served by facilities located in another county.

E. In addition to other powers provided for pursuant to the provisions of this section, the board of county commissioners of any county in which the question has passed may issue bonds, if approved by a majority vote at a special election for such purpose. All registered voters within the county shall have the right to vote in said election. Such bonds may be issued for the purpose of:

1. acquiring vehicles, equipment and other necessary items;
2. purchasing landfill sites;
3. constructing landfills, transfer stations, or other facilities for solid waste management, disposal, and recycling; and
4. operating and maintaining all of the above listed items.

Landfill sites, equipment and other items, no longer needed, shall be disposed of as provided for by law for the sale of county-owned property.

F. The bonds authorized, pursuant to the provisions of subsection E of this section shall not bear interest at a greater rate than that authorized by statute for the issuance of city municipal bonds. Such bonds shall be sold only at public sale after twenty (20) days' advertisement in a newspaper of general circulation in the county. Any county may refund its bonds as is now provided by law for refunding municipal bonds.

G. Any board of county commissioners, upon issuing bonds as authorized in subsection E of this section, shall levy a special annual ad valorem tax upon the property within the county, payable annually, in a total amount not to exceed ~~three (3) mills on the dollar~~ a rate expressed in mills, as prescribed by this subsection, on the real and personal taxable property in such county, for the payment of principal and interest on outstanding bonds, until same are paid. However, the board may suspend, from time to time, the collection of such annual levy when not required for the payment of the bonds. For fiscal years beginning on or after July 1, 1995, the maximum millage rate as authorized by this subsection for purposes of a sinking fund of a county providing solid waste management services shall be computed by multiplying the county's fiscal year 1995 total taxable valuation by three (3) mills. The resulting product shall be divided by the total taxable valuation of the county for the fiscal year 1996. The resulting quotient shall be the maximum millage rate for purposes of a sinking fund of the county providing such services for any fiscal year beginning on or after July 1, 1995. For purposes of a sinking fund of a county providing solid waste management services for which the quotient, as prescribed by this subsection, cannot be determined, the maximum millage rate for purposes of a sinking fund of such county for any fiscal year beginning on or after July 1, 1996, shall be four-tenths (4/10) of one (1) mill.

H. There may also be pledged to the payment of principal and interest of the bonds authorized to be issued:

1. any net proceeds from operation of the county solid waste management services that the board of county commissioners shall deem not necessary to the future operation, maintenance or closure of said solid waste management services and facilities; or

2. any monies available from other funds of the county not otherwise obligated.

I. Bonds shall be issued for designated sums with interest payable semiannually and with the principal maturing annually beginning not more than three (3) years from date of issue. All bonds and interest thereon shall be paid upon maturity and no bonds shall be issued for a period longer than thirty (30) years. Any board of county commissioners may in its discretion schedule the payment of principal over the period of maturity of the bond issue, so that when interest is added there will be approximately level annual payments of principal and interest.

J. In the event the mill levy as provided for in the original election proclamation is less than ~~three (3) mills~~ four-tenths (4/10) of one (1) mill, the board of county commissioners may call a subsequent election to consider increasing or decreasing the mill levy; provided, however, the total levy authorized by subsection A of this section shall not exceed ~~three (3) mills~~ four-tenths (4/10) of one (1) mill.

K. The board of county commissioners shall have jurisdiction over the sale or refunding of any bonds issued by the county pursuant to the provisions hereof, and shall be responsible for the economical expenditure of the funds derived from the bonds.

L. The board of county commissioners shall be empowered to charge fees for services, and accept gifts, funds or grants from sources other than the mill levy, which shall be used and accounted for in a like manner. Persons served outside the county shall be

charged an amount equal to the actual costs for providing the service, not taking into account any income the county receives from millage or sources within the county. The board shall have legal authority to bring such suits necessary to collect accounts owed and to sue and defend as necessary for the protection of the board. The State Auditor and Inspector shall conduct an annual audit of the solid waste management operations of such counties.

M. Any county may cease providing solid waste management services, or cause the millage levy authorized by subsection G of this section to be changed, by a majority vote of the registered voters voting at an election called for that purpose by the board of county commissioners. Such an election shall not be called unless either two-thirds (2/3) of the board members vote to call such an election, or the board is presented a petition signed by not less than twenty percent (20%) of all registered voters in the county.

N. If a county ceases to provide solid waste management services, any mill levy used to support, organize, operate and maintain the services and facilities shall cease, provided that such mill levy shall not cease until all outstanding solid waste management services bonds of that county are retired, all other debts incurred by the county in providing solid waste management services have been satisfied, and all facilities have been properly closed as provided for by law.

O. All elections called pursuant to the provisions of this section shall be conducted by the county election board of each county involved, upon receipt of an election proclamation, issued by the board of county commissioners in the county affected. Said proclamation shall be published in one issue of a newspaper of general circulation in the county at least ten (10) days prior to said election. The proclamation shall set forth the purpose of the election, and the date thereof. The county election board shall

certify the results of the election to the board issuing the proclamation.

P. The amendments to this section shall become effective January 1, 1995.

Section 10. (a) For the purpose of erecting public buildings in counties or cities, or for the purpose of raising money for a building maintenance and improvement fund for a school district which may be used for erecting, remodeling, maintaining or repairing school buildings, and for purchasing furniture, the rates of taxation herein limited may be increased, when the rate of such increase and the purpose for which it is intended shall have been submitted to a vote of the people, and a majority of the qualified voters of such county, city, or school district, voting at such election, shall vote therefor: Provided, that such increase shall not exceed ~~five (5) mills~~ seven-tenths (7/10) of one (1) mill on the dollar of the assessed value of the taxable property in such county, city, or school district.

(b) The amendments to this section shall become effective January 1, 1995.

Section 10A. (a) To provide funds for the purpose of establishing and maintaining or aiding in establishing and maintaining public libraries and library services, a special annual recurring ad valorem tax levy of not ~~less than one (1) mill nor more than four (4) mills~~ to exceed six-tenths (6/10) of one (1) mill on the dollar of the assessed valuation of all taxable property in the county shall be levied when such levy is approved by a majority vote of the qualified electors of the county voting on the question at an election called for that purpose by the Board of County Commissioners, either upon its own initiative or upon petition initiated by not less than ten percent (10%) of the qualified electors of the county based on the total number of votes cast at the last general election for the county office receiving the

highest number of votes at such an election. This special levy shall be in addition to all other levies and when authorized shall be made each fiscal year thereafter until such authority shall be cancelled by a majority vote of the qualified electors of the county voting on the question at an election called for that purpose by the Board of County Commissioners upon petition initiated by not less than twenty percent (20%) of the qualified electors of the county based on the total number of votes cast at the last general election for the county office receiving the highest number of votes at such an election.

(b) In counties having a population of less than one hundred thousand (100,000), according to the most recent Federal Decennial Census, the proceeds of such levy shall be used by the county only for such public libraries and library services as are in cooperation with one or more other counties; and in counties having a population of more than one hundred thousand (100,000), according to the most recent Federal Decennial Census, the proceeds of such levy shall be used by the county for joint city-county public libraries and library services or for such public libraries and library services as are in cooperation with one or more other counties. Nothing herein shall prohibit other levies for public libraries and library services or the use of other public funds for such purposes. All expenditures of the proceeds of such levies shall be made in accordance with laws heretofore or hereafter enacted concerning such libraries and library services. The provisions hereof shall be self-executing.

(c) The amendment to this section shall become effective January 1, 1995.

Section 10B. For the purpose of operating and maintaining municipal-owned hospitals in cities, the rates of taxation herein limited may be increased, when the rate of such increase and the purpose of which it is intended shall have been submitted to a vote

of the people, and a majority of the qualified voters of such city, voting at such election, shall vote therefor: Provided, that such increase shall not exceed ~~five (5) mills~~ seven-tenths (7/10) of one (1) mill on the dollar of the assessed value of the taxable property in such city.

The amendment to this section shall become effective January 1, 1995.

Section 21. A. There shall be a State Board of Equalization consisting of the Governor, State Auditor and Inspector, State Treasurer, Lieutenant Governor, Attorney General, ~~State Inspector and Examiner~~ Superintendent of Public Instruction and President of the Board of Agriculture. The duty of said Board shall be to adjust and equalize the valuation of real and personal property both between and within each of the several counties in the state, and it shall perform such other duties as may be prescribed by law, and ~~they~~ it shall assess all railroad and public service corporation property.

B. ~~Should the Offices of State Examiner and Inspector and State Auditor be consolidated in the Office of State Auditor and Inspector, the State Auditor shall be replaced as a member of the State Board of Equalization by the State Auditor and Inspector and the Superintendent of Public Instruction shall be added as a member thereof. Should the offices not be so consolidated, the membership shall remain the same as provided in subsection A of this section and the Superintendent of Public Instruction shall not be added to the membership~~ For the assessment year 1995 and each assessment year thereafter, the State Board of Equalization shall assess all public service corporation property at one hundred percent (100%) of its fair cash value as prescribed by Section 8 of this article.

Section 26. (a) Except as herein otherwise provided, no county, city, town, township, school district, or other political corporation, or subdivision of the state, shall be allowed to become

indebted, in any manner, or for any purpose, to an amount exceeding, in any year, the income and revenue provided for such year without the assent of three-fifths of the voters thereof, voting at an election, to be held for that purpose, nor, in cases requiring such assent, shall any indebtedness be allowed to be incurred to an amount, including existing indebtedness, in the aggregate exceeding five percent (5%) of the valuation of the taxable property therein, to be ascertained from the last assessment for state and county purposes previous to the incurring of such indebtedness: Provided, that if a school district has an absolute need therefor, such district may, with the assent of three-fifths of the voters thereof voting at an election to be held for that purpose, incur indebtedness to an amount, including existing indebtedness, in the aggregate exceeding five percent (5%) but not exceeding ten percent (10%) of the valuation of the taxable property therein, to be ascertained from the last assessment for state and county purposes previous to the incurring of such indebtedness, for the purpose of acquiring or improving school sites, constructing, repairing, remodeling or equipping buildings, or acquiring school furniture, fixtures or equipment; and such assent to such indebtedness shall be deemed to be a sufficient showing of such absolute need, unless otherwise provided by law. Provided further, that if a city or town has an absolute need therefor, such city or town may, with the assent of three-fifths of the voters thereof voting at an election to be held for that purpose, incur indebtedness to an amount, including existing indebtedness, in the aggregate exceeding five percent (5%) but not exceeding ten percent (10%) of the valuation of the taxable property therein, to be ascertained from the last assessment for state and county purposes previous to the incurring of such indebtedness, and such assent to such indebtedness shall be deemed to be a sufficient showing of such absolute need unless otherwise provided by law. Provided, further, that any county,

city, town, school district, or other political corporation, or subdivision of the state, incurring any indebtedness requiring the assent of the voters as aforesaid, shall, before or at the time of doing so, provide for the collection of an annual tax sufficient to pay the interest on such indebtedness as it falls due, and also to constitute a sinking fund for the payment of the principal thereof within twenty-five (25) years from the time of contracting the same, and provided further that nothing in this section shall prevent any school district from contracting with certificated personnel for periods extending one (1) year beyond the current fiscal year, under such conditions and limitations as shall be prescribed by law.

(b) If a county approves an exemption of household goods of the heads of families and livestock employed in support of the family from ad valorem taxation pursuant to the provisions of subsection (b) of Section 6 of this article, the percentage limitations on indebtedness as specified in subsection (a) of this section for political subdivisions or political corporations located in any such county shall be adjusted by multiplying the percentage levels specified in subsection (a) of this section by the millage adjustment factor as specified in subsection (b) of Section 8A of this article.

(c) For fiscal years beginning on or after July 1, 1995, the maximum amount of indebtedness as authorized by this section shall be computed by multiplying the applicable political subdivision's or political corporation's fiscal year 1995 total taxable valuation by ten percent (10%). The resulting product shall be divided by the total taxable valuation of the applicable political subdivision or political corporation for the fiscal year 1996. The resulting quotient shall be the maximum percentage of the net valuation of taxable property authorized for indebtedness. Such quotient shall be annually multiplied by the total taxable valuation of the applicable political subdivision or political corporation and the

resulting product shall be the maximum amount of indebtedness, including existing indebtedness, which may be incurred by the applicable political subdivision or political corporation for any fiscal year beginning on or after July 1, 1995.

(d) Any county, city, town, school district, or other political corporation, or subdivision of the state for which the quotient, as prescribed by subsection (b) of this section, cannot be determined, for fiscal years beginning on or after July 1, 1996, shall not be allowed to become indebted, in any manner, or for any purpose, to an amount exceeding, in any year, the income and revenue provided for such year without the assent of three-fifths (3/5) of the voters thereof, voting at an election, to be held for that purpose, nor, in cases requiring such assent, shall any indebtedness be allowed to be incurred to an amount, including existing indebtedness, in the aggregate exceeding one percent (1%) of the valuation of the taxable property therein, to be ascertained from the last assessment previous to the incurring of such indebtedness.

(e) If approved by the people, the amendment to this section pursuant to State Question 648 shall become effective January 1, 1993.

(f) The amendments to this section shall become effective January 1, 1994.

Section 35. (a) Any incorporated town and any county may issue, by and with the consent of the majority of the registered voters of said municipality or county voting on the question at an election held for the purpose, bonds in sums provided by such majority at such election for the purpose of securing and developing industry within or near the said municipality or county holding the election.

(b) Such bonds shall bear interest at a rate as set by law and shall be sold in a manner prescribed by law.

(c) To provide for the payment of all such bonds outstanding, principal, and interest as they mature, the municipality or county may levy a special tax, payable annually, in a total amount not to exceed ~~five (5) mills on the dollar~~ a rate expressed in mills, as prescribed by this subsection, in addition to the legal rate permitted, on the real and personal taxable property therein; provided, however, the municipality or county may, from time to time, suspend the collection of such annual levy when not required for the payment of its bonds; and provided further, however, that in no event shall the real and personal taxable property in any city or town be subject to a special tax in excess of ~~five (5) mills~~ the rate prescribed by this subsection for bonds issued hereunder. For fiscal years beginning on or after July 1, 1995, the maximum millage rate as authorized by this subsection for purposes of a sinking fund of an incorporated town or county shall be computed by multiplying the incorporated town or county fiscal year 1995 total taxable valuation by five (5) mills. The resulting product shall be divided by the total taxable valuation of the applicable jurisdiction for the fiscal year 1996. The resulting quotient shall be the maximum millage rate for purposes of a sinking fund of the applicable jurisdiction for any fiscal year beginning on or after July 1, 1995. For purposes of a sinking fund of an incorporated town or county for which the quotient, as prescribed by this subsection, cannot be determined, the maximum millage rate for purposes of a sinking fund of such incorporated town or county for any fiscal year beginning on or after July 1, 1996, shall be six-tenths (6/10) of one (1) mill.

(d) Such bonds shall be issued under terms prescribed by law.

(e) (1) The governing body of the municipality or the county commissioners of the county shall exercise jurisdiction over the sale or exchange of any such bonds voted by the electors at an

election held for that purpose and shall expend economically the funds so provided.

(2) In the expenditure and use of proceeds from the sale of said bonds, the said governing body is hereby authorized and directed to coordinate its industrial development plans and projects insofar as practicable with similar plans and projects of local industrial development agencies and the Oklahoma Industrial Finance Authority, as set forth in Section 34 of Article X of the Constitution, so as to supplement funds to be derived from these and other sources, including federal aid available to economically depressed areas, if any; and to the extent that federal requirements shall require subordination of liens securing loans from the Oklahoma Industrial Finance Authority or from other sources, as a condition to the obtaining of such federal aid, the same is hereby approved and authorized.

(f) The election on the issuance of such bonds shall be held at such time as the governing body of the municipality may designate by ordinance, or as the county commissioners of the county may designate by order, which ordinance or order shall state the sum total of issue, the dates of maturities thereof, and shall fix the date of election so that it shall not occur earlier than thirty (30) days after the passage of the said ordinance or the granting of said order. All elections called pursuant to this section shall be conducted by the appropriate county election board or boards pursuant to the general election laws of the state. The said election shall be held and conducted, the vote thereof canvassed, and the result thereof declared under the law and in the manner now or hereafter provided for municipal elections when the election is held by a municipality, and in the manner now or hereafter provided for county elections when the election is held by a county, so far as the same may be applicable, except as herein otherwise provided. Notice of the election shall be given by the mayor of the

municipality or by the county commissioners of the county by advertisement weekly for at least four times in some newspaper having a bona fide circulation in the said municipality or county, with the last publication to be not less than ten (10) days prior to the date of the said election. Only registered voters of the said municipality or county shall have a right to vote at the said election. The result of the said election shall be proclaimed by the mayor of the municipality or by the county commissioners of the county, and the result as proclaimed shall be conclusive, unless attacked in the courts within thirty (30) days after the date of such proclamation.

(g) The amendments to this section shall become effective January 1, 1995.

SECTION 2. The Secretary of State shall refer to the people for their approval or rejection, as and in the manner provided by law, the following proposed amendment to Article X of the Constitution of the State of Oklahoma by adding a new Section 8B to read as follows:

Section 8B. (a) For the fiscal year beginning July 1, 1995, the budgets prepared for each taxing jurisdiction levying ad valorem taxes for a general fund or a building fund shall be made pursuant to the provisions of subsections (b) through (f) of this section. For purposes of this section, "taxing jurisdiction" shall include, but not be limited to, counties, cities, towns, common school districts, vocational-technical school districts, and any other unit of government authorized to collect ad valorem taxes from millage levied against the taxable value of property.

(b) Each taxing jurisdiction shall determine the total amount of revenue authorized to be collected as a result of any millage levy for a general fund or building fund of such taxing jurisdiction for the fiscal year beginning July 1, 1994. No taxing jurisdiction may levy a general fund millage rate or a building fund millage rate for the first time in the fiscal year beginning July 1, 1995, unless

such taxing jurisdiction levied the general fund millage rate or building fund millage rate in the fiscal year beginning July 1, 1994.

(c) Each taxing jurisdiction shall determine the total amount of revenue authorized to be collected as a result of such millage levied against the taxable valuation of property within the jurisdiction for the fiscal year beginning July 1, 1994. For such fiscal year, the jurisdiction shall separately compute the total amount of revenue so authorized to be collected from the taxable valuation of locally assessed real and personal property and state-assessed property, the ad valorem tax rate of which is federally regulated, and shall separately compute the total amount of revenue authorized to be collected from the taxable valuation of public service corporation property, the ad valorem tax rate of which is not federally regulated, located within the jurisdiction.

(d) The millage rate levied against the taxable valuation of locally assessed real and personal property and state-assessed property, the ad valorem tax rate of which is federally regulated, for the fiscal year beginning July 1, 1995, shall be computed by calculating the total amount of revenue authorized to be collected from the millage rate levied against the taxable valuation of locally assessed real and personal property and such state-assessed property for the fiscal year beginning July 1, 1994, and dividing the total amount of revenue so authorized for each general fund or building fund by a denominator equal to the total taxable valuation of such property within the taxing jurisdiction for the 1995 assessment year minus the net change resulting from the change in the total taxable valuation of the new construction and additions to existing improvements upon taxable locally assessed real property between January 1, 1994 and January 1, 1995. The resulting quotient shall be the millage rate which shall be levied against the taxable valuation of all property within the taxing jurisdiction except

public service corporation property the ad valorem tax rate of which is not federally regulated; provided, that in no event shall such quotient be insufficient to allow the total amount of revenue authorized for collection in fiscal year 1996 to be less than the total amount of revenue authorized for collection in fiscal year 1995.

(e) In order to compute the fair cash value of all real and personal property, each county assessor shall ensure that every item of locally-assessed property is correctly valued at one hundred percent (100%) of its fair cash value as of the January 1, 1995, assessment date. The State Board of Equalization shall ensure that all public service corporation property is correctly valued at one hundred percent (100%) of its fair cash value as of the January 1, 1995, assessment date.

(f) The millage rate levied against the taxable valuation of public service corporation property, the ad valorem tax rate of which is not federally regulated, for the fiscal year beginning July 1, 1995, shall be computed by calculating the total amount of revenue authorized to be collected from the millage rate levied against the taxable valuation of such property for the fiscal year beginning July 1, 1994, and dividing the total amount of such revenue authorized for each general fund or building fund by a denominator equal to the total taxable valuation of such public service corporation property within the taxing jurisdiction for the 1995 assessment year. The resulting quotient shall be the millage rate which shall be levied against the taxable valuation of all public service corporation property, the ad valorem tax rate of which is not federally regulated, within the taxing jurisdiction.

(g) (1) The provisions of this paragraph shall be followed in order to determine the millage rate for outstanding obligations of taxing jurisdictions existing on June 30, 1995. Beginning with the fiscal year 1996, millage for any sinking fund of a taxing

jurisdiction for all outstanding obligations existing on June 30, 1995, shall be determined by multiplying the total sinking fund requirements, including the reserve for delinquent taxes, by a percentage which is determined by dividing the total taxable valuation of public service corporation property, the ad valorem tax rate of which is not federally regulated, by the total taxable valuation of all property of the taxing jurisdiction. The resulting dollar amount shall be divided by the taxable valuation of public service corporation property the ad valorem tax rate of which is not federally regulated. The resulting quotient shall be the millage rate, for purposes of payment of any liability of a taxing jurisdiction that requires a sinking fund, for public service corporation property the ad valorem tax rate of which is not federally regulated. The dollar amount, determined as provided by this paragraph, shall be subtracted from the total requirements, including a reserve for delinquent taxes, of the sinking fund. The resulting dollar amount shall be divided by the sum of the taxable valuation of all locally assessed real and personal property and state-assessed property the ad valorem tax rate of which is federally regulated. The resulting quotient shall be the millage rate, for purposes of payment of any liability of a taxing jurisdiction that requires a sinking fund, for all locally assessed real and personal property and state-assessed property the ad valorem tax rate of which is federally regulated. The sinking fund requirements referred to in this paragraph shall be restricted only to payments of interest, bonds and judgments.

(2) The provisions of this paragraph shall be followed in order to determine the millage rate for obligations incurred on or after July 1, 1995. For any obligations incurred on or after July 1, 1995, which require a sinking fund, the millage for any sinking fund of a taxing jurisdiction shall be determined by computing the total sinking fund requirements, including the reserve for delinquent

taxes, required each fiscal year in order to satisfy such obligations. The dollar amount of revenue so required for purposes of satisfying any such obligations shall be determined each year and shall be divided by the sum of the taxable valuation of all property within a taxing jurisdiction. The resulting quotient shall be the millage rate for satisfaction of any such obligations. The sinking fund requirements referred to in this paragraph shall be restricted only to payments of interest, bonds and judgments.

(h) For fiscal years beginning on or after July 1, 1996, the millage rate applicable to public service corporation property, the ad valorem tax rate of which is not federally regulated, for a general fund or building fund shall be determined as provided by this subsection. If the millage rate applicable to property other than public service corporation property will remain unchanged from the millage rate applicable to such other property for the preceding fiscal year, the millage rate shall be subtracted from the millage rate applicable to public service corporation property. The difference so determined shall be multiplied by a figure the numerator of which shall be one (1) and the denominator of which shall be fifteen (15) for the first fiscal year in which the adjustment required by this subsection is made. The denominator shall be reduced thereafter by the whole number one (1) each fiscal year for the following fourteen (14) consecutive fiscal years. The figure determined each year using the numerator and denominator calculated as required by this subsection shall be multiplied by the difference between the public service corporation property millage rate and nonpublic service corporation property millage rate. The product of this computation shall be subtracted from the public service corporation property millage rate and the result of this calculation shall be the public service corporation property millage rate for the applicable fiscal year. In any fiscal year for which there will be an increase or decrease in the millage rate applicable

to nonpublic service corporation property compared to the preceding fiscal year, the difference between public service corporation property millage rates and nonpublic service corporation property millage rates shall be determined after the increase or decrease. After such difference is calculated, the public service corporation property millage rate will be adjusted as required by this subsection.

(i) If no public service corporation property was taxable in a taxing jurisdiction for the year preceding the year in which millage rates for public service corporation property are determined as provided in subsection (f) of this section, public service corporation property becoming taxable in any year shall be subject to the exact millage rate applicable to other property within the jurisdiction at the time the public service corporation property becomes taxable.

(j) Any taxing jurisdiction levying an ad valorem tax for a general fund for the first time pursuant to the provisions of any section of Article X of the Oklahoma Constitution for any fiscal year beginning on or after July 1, 1996, or any type of taxing jurisdiction authorized to levy ad valorem tax for any fiscal year beginning on or after July 1, 1996, shall be required to prepare a budget for the first fiscal year of its operation during which the jurisdiction levies an ad valorem tax. Either at the election forming the jurisdiction or at the election for approving its millage levy, the people shall vote upon the approval of such budget. If the formation of the jurisdiction or millage levy is approved, the millage rate for such jurisdiction shall be calculated by dividing the budget amount approved, expressed in dollars, by the taxable valuation of all real property, personal property and public service corporation property within such taxing jurisdiction. Such millage rate shall be uniform for all taxable property within the taxing jurisdiction. Any taxing jurisdiction levying an ad valorem

tax for a building fund pursuant to the provisions of Article X, Section 10 of the Oklahoma Constitution for any fiscal year beginning on or after July 1, 1996, shall be required to conduct an election for imposition of such millage rate. The ballot prepared for the election shall clearly state the millage rate submitted for approval. Upon approval of the millage rate, the rate shall be subject to the provisions of Article X, Section 10 of the Oklahoma Constitution and the rate shall be uniform for all taxable property within the taxing jurisdiction.

(k) The provisions of this section shall become effective January 1, 1995.

SECTION 3. The Ballot Title for the proposed Constitutional amendments as set forth in SECTIONS 1 and 2 of this resolution shall be in the following form:

BALLOT TITLE

Legislative Referendum No. \_\_\_\_\_ State Question No. \_\_\_\_\_

THE GIST OF THE PROPOSITION IS AS FOLLOWS:

This measure amends Article 10 of the Oklahoma Constitution. It makes many changes relating to property taxes, beginning in 1995. Debt is limited. Bond interest rates and debt limits would change. Taxes would be based on property's actual fair cash or use value. Local mill rates would be rolled back and would be capped. Public service corporation property tax rates would be lowered over time. Personal property exemptions would change. Duties of the State Board of Equalization change upon the measure's approval.

SHALL THIS AMENDMENT BE APPROVED BY THE PEOPLE?

   / YES, FOR THE AMENDMENT

   / NO, AGAINST THE AMENDMENT

SECTION 4. The Chief Clerk of the House of Representatives, immediately after the passage of this resolution, shall prepare and

file one copy thereof, including the Ballot Title set forth in SECTION 3 hereof, with the Secretary of State and one copy with the Attorney General.

44-1-5237

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