

ENROLLED SENATE
BILL NO. 391

By: Easley and Henry of the
Senate

and

Rice, Beutler, Hilliard,
Braddock, Covey, Turner
and Pope (Clay) of the
House

An Act relating to public finance; amending Section 2, Chapter 283, O.S.L. 1998, as amended by Section 6, Chapter 400, O.S.L. 1998 (18 O.S. Supp. 1998, Section 868), which relates to not for profit corporations; modifying and granting authority to certain corporation to issue certain indebtedness and making certain provisions relating to taxation thereof; amending 70 O.S. 1991, Section 4002.1, as amended by Section 122, Chapter 189, O.S.L. 1993 (70 O.S. Supp. 1998, Section 4002.1), which relates to legislative approval for certain bonds; providing that certain provision not be applicable to certain bonds; amending 74 O.S. 1991, Section 6002, which relates to designations of technology transfer centers; updating name of entity; removing designation of certain entity as technology transfer center; designating certain entity as instrumentality and technology transfer center of the state; providing an effective date; and declaring an emergency.

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

SECTION 1. AMENDATORY Section 2, Chapter 283, O.S.L. 1998, as amended by Section 6, Chapter 400, O.S.L. 1998 (18 O.S. Supp. 1998, Section 868), is amended to read as follows:

Section 868. A. A corporation organized not for profit pursuant to the provisions of the Oklahoma General Corporation Act and that holds a valid exemption from federal income taxation issued pursuant to Section 501(a) of the Internal Revenue Code ~~+~~ 26 U.S.C. Section 501(a) ~~+~~ and is listed as an exempt organization in Section 501(c) of the Internal Revenue Code ~~+~~ 26 U.S.C. Section 501(c) ~~+~~ and has been statutorily designated as an instrumentality of the State of Oklahoma is hereby authorized to issue indebtedness for the purpose of providing funds for the benefit of towns, cities and counties and their citizens throughout the state and to issue such indebtedness on a tax-exempt or taxable basis, as applicable under the Internal Revenue Code ~~+~~ 26 U.S.C. Section 1, et seq. ~~+~~ as

amended. Such not for profit corporations shall not be subject to the provisions of Sections 695.7, 695.8 and 695.9 of Title 62 of the Oklahoma Statutes, or similar laws thereto.

B. The interest on any indebtedness or obligations issued by any public trust or other entity authorized to issue obligations on which the interest thereon is exempt from federal income taxation and whose purpose includes providing safe, decent and affordable single family or multifamily housing, shall not be subject to taxation by the State of Oklahoma or by any county, municipality, or political subdivision therein when such indebtedness or obligation is issued to provide decent and affordable single family or multifamily housing.

C. A corporation organized not for profit pursuant to the provisions of the Oklahoma General Corporation Act and in accordance with the provisions of subsection A of this section which has been statutorily designated as an instrumentality of this state, and which is exempt from federal taxation under the provisions of the Internal Revenue Code, is hereby designated as an entity acting on behalf of towns, cities, counties and public trusts that have towns, cities or counties as their beneficiaries, is hereby authorized to issue indebtedness or obligations for the purpose of providing funds for the benefit of towns, cities, counties and public trusts that have towns, cities or counties as their beneficiaries. Such indebtedness may be issued on a tax-exempt or taxable basis and only for projects commonly defined as "governmental purposes" in the Internal Revenue Code of 1986, as amended. The interest on any indebtedness or obligations issued by any such entity, authorized to issue obligations on which the interest thereon is exempt from federal income taxation, shall not be subject to taxation by this state or by any political subdivision of this state.

SECTION 2. AMENDATORY 70 O.S. 1991, Section 4002.1, as amended by Section 122, Chapter 189, O.S.L. 1993 (70 O.S. Supp. 1998, Section 4002.1), is amended to read as follows:

Section 4002.1 Legislative approval expressed by concurrent resolution, except as provided by Section 121 ~~of this act, Chapter 189, O.S.L. 1993,~~ shall be required prior to commencing any action in anticipation of issuance by a Board of Regents of revenue bonds authorized by Section 4002 of Title 70 of the Oklahoma Statutes or any other bonds authorized by law to be issued by such Boards. The provisions of this section shall not apply to revenue bonds issued for the purpose of refundings or defeasance of existing revenue bonds.

SECTION 3. AMENDATORY 74 O.S. 1991, Section 6002, is amended to read as follows:

Section 6002. Rural Enterprises of Oklahoma, Inc. ~~and the Central Industrial Applications Center~~ are is hereby designated as an instrumentality and technology transfer ~~centers~~ center of the State of Oklahoma.

SECTION 4. This act shall become effective July 1, 1999.

SECTION 5. 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.

Passed the Senate the 28th day of May, 1999.

President of the Senate

Passed the House of Representatives the 28th day of May, 1999.

Speaker of the House of Representatives