STATE OF OKLAHOMA

2nd Session of the 48th Legislature (2002)

COMMITTEE SUBSTITUTE
FOR
SENATE BILL 858 By: Mickle

COMMITTEE SUBSTITUTE

An Act relating to public finance; amending 62 O.S. 2001, Section 695.24, which relates to private activity bond allocations; increasing allocation for Beginning Agriculture Producer Pool; and declaring an emergency.

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

SECTION 1. AMENDATORY 62 O.S. 2001, Section 695.24, is amended to read as follows:

Section 695.24 A. 1. The first Thirty Million Dollars ($30,000,000.00) of any portion of the state ceiling which is in excess of One Hundred Seventy Million Dollars ($170,000,000.00) shall be reserved and placed in the Student Loan Pool.

2. a. The second Thirty Million Dollars ($30,000,000.00) which is in excess of One Hundred Seventy Million Dollars ($170,000,000.00) shall be reserved and placed in a pool designated as the Economic Development Pool. For the period January 1 through September 1 of each calendar year, allocations from this pool may be made only upon the recommendation of the Director of the Oklahoma Department of Commerce and following review and approval by the Executive and Legislative Bond Oversight Commissions. In order to approve the recommendation, the Bond Oversight Commissions must find that the project seeking an allocation from this pool will result in the creation of manufacturing jobs

in this state or will in some other way contribute to an economic development objective of this state.

b. For purposes of this subsection, "manufacturing jobs" means jobs created by manufacturing facilities as that term is defined in subparagraphs a, b, and c of paragraph 1 of subsection B of Section 2902 of Title 68 of the Oklahoma Statutes.

c. The amount reserved and placed in the Economic Development Pool shall be excluded from the calculation of the state ceiling for the purposes of determining the amounts to be reserved and placed in the other Pools set forth in this section.

3. Any remainder of the state ceiling which is in excess of the amounts reserved pursuant to paragraphs 1 and 2 of this subsection shall be reserved and placed in the Local Issuer Single Family Pool.

B. 1. Eighteen and seventy-five one hundredths percent (18.75%) of the state ceiling shall be reserved and placed in a pool to be designated the Qualified Small Issue Pool.

2. For the period January 1 through September 1 of each calendar year, the Qualified Small Issue Pool shall be allocated to qualified small issue bond projects undertaken by either state or local issuers. Allocations will be available to issuers on a first-come, first-serve basis.

C. 1. Eight percent (8%) of the state ceiling shall be reserved and placed in a pool to be designated the Beginning Agricultural Producer and Exempt Facility Pools.

2. For the period January 1 through September 1 of each calendar year, the Beginning Agricultural Producer Pool shall be allocated pursuant to the criteria established in Section 5063.23 of Title 74 of the Oklahoma Statutes according to a ratio of fifty percent (50%) of the total amount allocated for the combined purposes, not to exceed ~~Two Million Seven Hundred Fifty Thousand~~

~~Dollars ($2,750,000.00)~~ Three Million Seven Hundred Fifty Thousand Dollars ($3,750,000.00), the remainder to be allocated for a period January 1 through September 1 of each calendar year to exempt facility bonds issued by either state or local issuers. Allocations will be available to issuers on a first-come, first-serve basis.

D. 1. In addition to the amount set forth in Section 695.24 of this title, six and twenty-five one-hundredths percent (6.25%) of the state ceiling is hereby set aside for student loan bonds and, annually, shall be reserved and placed in a pool to be designated the Student Loan Pool.

2. For the period January 1 through September 1 of each calendar year, the Student Loan Pool shall be allocated to qualified student loan bonds issued by eligible state issuers. Allocations will be available to issuers on a first-come, first-serve basis.

E. 1. Fourteen and seventy-five one-hundredths percent (14.75%) of the state ceiling shall be reserved and placed in a pool to be designated the Oklahoma Housing Finance Agency Pool.

2. a. For the period January 1 through September 1 of each year, the Oklahoma Housing Finance Agency Pool shall be allocated to qualified single family bonds, multifamily bonds, or mortgage credit certificates issued by the Oklahoma Housing Finance Agency.

b. Provided, twenty-five percent (25%) of the allocation from the Oklahoma Housing Finance Agency Pool shall be set aside for at least three (3) months for the origination of single family loans in counties with populations of three hundred thousand (300,000) or less.

F. 1. Six percent (6%) of the state ceiling shall be reserved and placed in a pool to be designated the State Issuer Pool. For the period commencing January 1 of each calendar year through September 1 of the same year, the State Issuer Pool shall be

allocated to those qualified small issuer projects undertaken by state issuers which have issued in excess of Seventy-five Million Dollars ($75,000,000.00) in qualified small issue bonds.

2. Notwithstanding the provisions of this section, a state issuer specifically limited in jurisdiction to one county shall be treated as a local issuer for the purposes of allocation.

G. 1. The balance of the state ceiling shall be reserved and placed in a pool to be designated the Local Issuer Single Family Pool. For the period commencing January 1 of each calendar year through September 1 of the same year, the Local Issuer Single Family Pool shall be allocated first, Fifteen Million Dollars ($15,000,000.00) to any public trust created to provide single family housing having a county with a population in excess of three hundred thousand (300,000) as its sole beneficiary and which has issued tax exempt single family housing revenue bonds in the amount of at least Four Hundred Million Dollars ($400,000,000.00). The balance of this pool shall be allocated to single family projects undertaken by other local issuers in counties with populations of three hundred thousand (300,000) or less on a first-come, first-serve basis with no single local issuer or project to receive an allocation in excess of Seven Million Five Hundred Thousand Dollars ($7,500,000.00) from the Local Issuer Single Family Pool.

2. An issuer which has not received any allocation from the State Issuer Pool and having a single family project limited in jurisdiction to twenty counties or less, each of which has a population of three hundred thousand (300,000) or less, shall be considered a local issuer for the purposes of this subsection.

H. The state ceiling for each calendar year shall be allocated within the categories set forth in subsections A, B, C, D, E, F and G of this section to all private activity bonds, as follows:

1. Except as provided in Section 695.21 et seq. of this title, the state ceiling shall be allocated in the order in which confirmations are issued;

2. The State Bond Advisor shall issue confirmations in the order in which fully and properly completed applications for state ceiling allocation are received. The State Bond Advisor shall have the limited authority to defer or deny confirmation on applications for state ceiling allocation which appear to be incomplete or premature based upon information submitted or which fail to show demand for funds pursuant to subsections F and G of Section 695.25 of this title; and

3. The State Bond Advisor shall have no discretionary control regarding the issuance of confirmations, except as specifically provided in the Oklahoma Private Activity Bond Allocation Act.

In the event a confirmation or application is denied, the State Bond Advisor, within five (5) business days following such denial, shall send written notice of such denial to the applicant together with a brief recital of the reason therefor.

I. 1. On September 2 of each calendar year, nonallocated sums remaining in the Economic Development Pool, Qualified Small Issue Pool, the Beginning Agricultural Producer Pool, the Exempt Facility Pool, the Student Loan Pool, the Oklahoma Housing Finance Agency Pool, the State Issuer Pool and the Local Issuer Single Family Pool shall be consolidated into the Consolidated Pool.

2. All local issuers and state issuers shall be entitled to obtain allocations from the Consolidated Pool for any private activity bond or mortgage credit certificate program based on the chronological order of completed applications received after January 1 of each calendar year which applications have not received an allocation.

SECTION 2. 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.

48-2-3088 RWT 6/12/2015 3:19:15 AM