

STATE OF OKLAHOMA

2nd Session of the 49th Legislature (2004)

COMMITTEE SUBSTITUTE
FOR ENGROSSED
SENATE BILL NO. 1088

By: Kerr of the Senate

and

Walker of the House

COMMITTEE SUBSTITUTE

An Act relating to public finance; authorizing and directing the Oklahoma Development Finance Authority to provide funds to the Oklahoma Department of Commerce to conduct certain studies; providing conditional authorization for acquisition of real property for certain purpose; authorizing lease of property and transfer of title to lessee upon satisfaction of certain financial obligations; authorizing public trusts to borrow money; authorizing issuance of negotiable obligations; requiring reporting of certain information to the Oklahoma Department of Commerce; providing for codification; and providing an effective date.

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

SECTION 1. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 58 of Title 62, unless there is created a duplication in numbering, reads as follows:

A. The Oklahoma Development Finance Authority is authorized to fund a study to be conducted by the Oklahoma Department of Commerce to determine the feasibility of acquiring property in the vicinity of electrical generating plants where such property could be developed into industrial parks and where construction and leasing of manufacturing facilities in such parks could be used to promote firms with high electrical needs in this state. If such feasibility studies indicate that the acquisition and development of the property under consideration is likely to be a financially viable

project which will lead to the development of new manufacturing jobs in this state, any local public trust or state beneficiary public trust is authorized to acquire real property located adjacent to, or in close proximity of, electrical generating facilities, together with improvements located thereon, for purposes of developing industrial parks and leasing space therein to manufacturing concerns or other businesses that use large amounts of electricity. The public trust may hold title to the real property and improvements until such time as any obligations issued for this purpose are retired or defeased and may lease the real property and improvements to business entities for use as manufacturing facilities or other businesses that use large amounts of electricity. Upon final redemption or defeasance of the obligations created pursuant to this section, title to the real property and improvements may be transferred from the public trust holding title to the manufacturing facilities or other businesses that use large amounts of electricity which are leasing the property.

B. For the purpose of paying the costs for acquisition of the real property and improvements authorized in subsection A of this section, the public trust is hereby authorized to borrow monies on the credit of the income and revenues to be derived from the leasing of such real property and improvements and, in anticipation of the collection of such income and revenues, to issue negotiable obligations for such purpose.

C. The obligations authorized under this section may be sold at either competitive or negotiated sale, as determined by the public trust, and in such form and at such prices as may be authorized by the public trust. The public trust may enter into agreements with such credit enhancers and liquidity providers as may be determined necessary to efficiently market the obligations. The obligations may mature and have such provisions for redemption as shall be determined by the public trust, but in no event shall the final

maturity of such obligations occur later than thirty (30) years from the first principal maturity date.

D. Any public trust acquiring real property for the purposes specified in subsection A of this section shall provide information to the Oklahoma Department of Commerce about the location of the property, proximity to the electric generating facility, improvements, utilities or such other information as the Department may require to keep a database of such properties for possible business site location.

SECTION 2. This act shall become effective November 1, 2004.

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