

EHB 2291

THE STATE SENATE
Wednesday, April 7, 2004

ENGROSSED

House Bill No. 2291

As Amended

ENGROSSED HOUSE BILL NO. 2291 - By: TURNER of the House and GUMM and RABON of the Senate.

[rural housing - creating the Oklahoma Rural Housing Incentive Act of 2004 - effective date]

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

SECTION 1. NEW LAW A new section of law not to be codified in the Oklahoma Statutes reads as follows:

This act shall be known and may be cited as the "Oklahoma Rural Housing Incentive Act of 2004".

SECTION 2. 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.

1 For the period January 1 through September 1 of each
2 calendar year, allocations from this pool may be made
3 only upon the recommendation of the Director of the
4 Oklahoma Department of Commerce and following review
5 and approval by the Executive and Legislative Bond
6 Oversight Commissions. In order to approve the
7 recommendation, the Bond Oversight Commissions must
8 find that the project seeking an allocation from this
9 pool will result in the creation of manufacturing jobs
10 in this state or will in some other way contribute to
11 an economic development objective of this state.

12 b. For purposes of this subsection, "manufacturing jobs"
13 means jobs created by manufacturing facilities as that
14 term is defined in subparagraphs a, b, and c of
15 paragraph 1 of subsection B of Section 2902 of Title
16 68 of the Oklahoma Statutes.

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

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

4 B. 1. Eighteen and seventy-five one hundredths percent
5 (18.75%) of the state ceiling shall be reserved and placed in a pool
6 to be designated the Qualified Small Issue Pool.

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

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

15 2. For the period January 1 through September 1 of each
16 calendar year, the Beginning Agricultural Producer Pool shall be
17 allocated pursuant to the criteria established in Section 5063.23 of
18 Title 74 of the Oklahoma Statutes according to a ratio of fifty
19 percent (50%) of the total amount allocated for the combined
20 purposes, not to exceed Two Million Seven Hundred Fifty Thousand
21 Dollars (\$2,750,000.00), the remainder to be allocated for a period
22 January 1 through September 1 of each calendar year to exempt

1 facility bonds issued by either state or local issuers. Allocations
2 will be available to issuers on a first-come, first-serve basis.

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

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

12 E. 1. Fourteen and seventy-five one-hundredths percent
13 (14.75%) of the state ceiling shall be reserved and placed in a pool
14 to be designated the Oklahoma Housing Finance Agency Pool.

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

20 b. Provided, ~~twenty-five percent (25%)~~ thirty-five
21 percent (35%) of the allocation from the Oklahoma
22 Housing Finance Agency Pool shall be set aside for at
23 least three (3) months for the origination of single

1 family loans in counties with populations of three
2 hundred thousand (300,000) or less.

3 F. 1. Six percent (6%) of the state ceiling shall be reserved
4 and placed in a pool to be designated the State Issuer Pool. For
5 the period commencing January 1 of each calendar year through
6 September 1 of the same year, the State Issuer Pool shall be
7 allocated to those qualified small issuer projects undertaken by
8 state issuers which have issued in excess of Seventy-five Million
9 Dollars (\$75,000,000.00) in qualified small issue bonds.

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

13 G. 1. The balance of the state ceiling shall be reserved and
14 placed in a pool to be designated the Local Issuer Single Family
15 Pool. For the period commencing January 1 of each calendar year
16 through September 1 of the same year, the Local Issuer Single Family
17 Pool shall be allocated first, Fifteen Million Dollars
18 (\$15,000,000.00) to any public trust created to provide single
19 family housing having a county with a population in excess of three
20 hundred thousand (300,000) as its sole beneficiary and which has
21 issued tax exempt single family housing revenue bonds in the amount
22 of at least Four Hundred Million Dollars (\$400,000,000.00). The
23 balance of this pool shall be allocated to single family projects

1 undertaken by other local issuers in counties with populations of
2 three hundred thousand (300,000) or less on a first-come, first-
3 serve basis with no single local issuer or project to receive an
4 allocation in excess of Seven Million Five Hundred Thousand Dollars
5 (\$7,500,000.00) from the Local Issuer Single Family Pool.

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

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

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

17 2. The State Bond Advisor shall issue confirmations in the
18 order in which fully and properly completed applications for state
19 ceiling allocation are received. The State Bond Advisor shall have
20 the limited authority to defer or deny confirmation on applications
21 for state ceiling allocation which appear to be incomplete or
22 premature based upon information submitted or which fail to show

1 demand for funds pursuant to subsections F and G of Section 695.25
2 of this title; and

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

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

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

16 2. All local issuers and state issuers shall be entitled to
17 obtain allocations from the Consolidated Pool for any private
18 activity bond or mortgage credit certificate program based on the
19 chronological order of completed applications received after January
20 1 of each calendar year which applications have not received an
21 allocation.

22 SECTION 3. This act shall become effective January 1, 2005.

23 COMMITTEE REPORT BY: COMMITTEE ON FINANCE, dated 3-30-04 - DO PASS,
24 As Amended and Coauthored.