

STATE OF OKLAHOMA

1st Session of the 49th Legislature (2003)

HOUSE BILL HB1561

By: Calvey

AS INTRODUCED

An Act relating to low-income housing tax credits; prescribing procedures related to elections for approval of allocations by the Oklahoma Housing Finance Agency; prohibiting use of certain proceeds from obligations issued by certain public trusts; providing exception; amending 27 O.S. 2001, Section 16, which relates to just compensation; providing method of determining just compensation for certain property; providing for codification; and declaring an emergency.

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 2401 of Title 62, unless there is created a duplication in numbering, reads as follows:

A. If low-income housing tax credits are proposed to be used for the construction or rehabilitation of a housing unit or housing development, the Oklahoma Housing Finance Agency shall require that notice of the proposed allocation of low-income housing tax credits by the Oklahoma Housing Finance Agency pursuant to its status as state housing credit administrator and pursuant to the qualified allocation plan required by Section 42 of the Internal Revenue Code of 1986, as amended, shall be given to the residents of a six-square-mile area surrounding the site of a proposed housing unit or housing development with the proposed or existing housing unit or housing development centered in the six-square-mile grid. The notice required by this section shall be sent via certified mail to the last-known resident and the notice shall be given by publication at least sixty (60) days prior to the date as of which the Oklahoma

Housing Finance Agency could make a final decision regarding such allocation with respect to the affected housing unit or housing development in a newspaper of general circulation within the county or counties in which the unit or development will be or is located.

B. At least thirty (30) days prior to the final decision by the Oklahoma Housing Finance Agency to allocate low-income housing tax credits pursuant to Section 42 of the Internal Revenue Code of 1986, as amended, with respect to any proposed or existing housing unit or housing development, there shall be an election on the question of such allocation to be conducted by the State Election Board. The persons eligible to vote in such election shall be those persons to whom notice is required to be given pursuant to subsection A of this section. If the majority of those persons voting on the question approve the allocation, then the Oklahoma Housing Finance Agency may proceed with the allocation procedures as otherwise established by law, including the requirements of the administrative rules applicable to the allocation of low-income housing tax credits. If a majority of those persons eligible to vote on the question do not approve of the allocation of low-income housing tax credits to an existing or proposed housing unit or housing development, the Oklahoma Housing Finance Agency shall not allocate any low-income housing tax credits to such unit or development.

SECTION 2. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 2402 of Title 62, unless there is created a duplication in numbering, reads as follows:

No proceeds from the sale of any obligation issued by a trust created pursuant to Section 176 et seq. of Title 60 of the Oklahoma Statutes shall be used to acquire or improve any housing units or developments that might be eligible for an allocation of low-income housing tax credits pursuant to Section 42 of the Internal Revenue Code of 1986, as amended, unless the allocation of such credits has first been approved pursuant to the provisions of Section 1 of this

act by election of a majority of the affected residents voting on such question.

SECTION 3. AMENDATORY 27 O.S. 2001, Section 16, is amended to read as follows:

Section 16. A. In every case wherein private property is taken or damaged for public use, the person whose property is taken or damaged shall be entitled to just compensation.

B. "Just compensation", as used in subsection A of this section, shall mean the value of the property taken, and in addition, any injury to any part of the property not taken. Any special and direct benefits to the part of the property not taken may be offset only against any injury to the property not taken. If only a part of a tract is taken, just compensation shall be ascertained by determining the difference between the fair market value of the whole tract immediately before the taking and the fair market value of that portion left remaining immediately after the taking.

C. For purposes of property taken or damaged and that is subject to a state or federal project involving tax credits or financed with proceeds from tax-exempt bonds, just compensation for that property shall be determined by the fair market value prior to any availability of tax credits as a result of the project and prior to availability of proceeds from tax-exempt bonds used to finance the project.

SECTION 4. 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.

49-1-5002 MAH 01/21/03