

EHB 2690

THE STATE SENATE
Monday, April 10, 2006

ENGROSSED
House Bill No. 2690
As Amended

ENGROSSED HOUSE BILL NO. 2690 - By: WALKER, HIETT, BLACKWELL,
DENNEY, GLENN, ELLIS, ROGGOW, BILLY, DeWITT, PRUETT, HICKMAN,
DORMAN, ROUSSELOT, ARMES and BRADDOCK of the House and CAPPS of the
Senate.

[economic development - amending 68 O.S., Section 1370.7 -
joint regional economic development authorities - tax levy -
effective date]

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

SECTION 1. AMENDATORY 68 O.S. 2001, Section 1370.7, as
amended by Section 2, Chapter 336, O.S.L. 2003 (68 O.S. Supp. 2005,
Section 1370.7), is amended to read as follows:

Section 1370.7 A. Any combination of cities, towns and
counties, by resolution of their governing boards, may jointly
create a transportation authority or regional economic development
authority pursuant to the provisions of Section 176 of Title 60 of
the Oklahoma Statutes for the purpose of planning, financing and
constructing ~~transportation-related~~ transportation or regional
economic development projects located within the boundaries of such
cities, towns or counties. An authority created pursuant to the
provisions of this subsection shall have the powers granted pursuant
to the provisions of Section 176 of Title 60 of the Oklahoma

1 Statutes in addition to the powers granted pursuant to the
2 provisions of this section. The combination of cities, towns and
3 counties creating the authority shall be designated the beneficiary
4 of the authority. The boundaries of the authority shall be
5 coterminous with the boundaries of the cities, towns or counties
6 creating the authority.

7 B. Any transportation authority or regional economic
8 development authority created pursuant to the provisions of
9 subsection A of this section may levy a sales tax of not to exceed
10 two percent (2%) upon the gross proceeds or gross receipts derived
11 from all sales or services in the cities, towns and counties
12 comprising the authority upon which a consumer's sales tax is levied
13 by this state. Before a sales tax may be levied by the authority,
14 the imposition of the tax shall first be approved by a majority of
15 the registered voters within the boundaries of each of the cities,
16 towns and counties comprising the authority voting thereon at a
17 special election jointly called by the governing boards of the
18 cities, towns and counties comprising the authority. Provided, if a
19 majority of the registered voters of an authority voting fail to
20 approve such a tax, the governing boards of such cities, towns and
21 counties shall not jointly call another special election for such
22 purpose for at least six (6) months. Any sales tax approved by the

1 registered voters of an authority shall be applicable only when the
2 point of sale is within the boundaries or limits of the authority.

3 C. All items that are exempt from the state sales tax shall be
4 exempt from any sales tax levied pursuant to the provisions of this
5 section.

6 D. Any sales tax which may be levied pursuant to the provisions
7 of this section shall be designated for the purposes of planning,
8 financing and constructing ~~transportation-related~~ transportation or
9 regional economic development projects within the boundaries of the
10 authority. The authority shall identify the purpose of the sales
11 tax when it is presented to the voters pursuant to the provisions of
12 this section. The proceeds of any sales tax levied by an authority
13 shall be used only for the purposes for which the sales tax was
14 designated.

15 E. The authority shall identify the duration of the tax when it
16 is presented to the voters pursuant to the provisions of this
17 section.

18 F. An authority created pursuant to the provisions of
19 subsection A of this section may utilize the provisions of the Local
20 Development Act, ~~Section 850 et seq. of Title 62 of the Oklahoma~~
21 ~~Statutes,~~ as it relates to the financing of such ~~transportation-~~
22 ~~related~~ transportation or regional economic development projects.

1 G. An authority created pursuant to the provisions of
2 subsection A of this section shall be dissolved:

3 1. At such time as the planning, financing and constructing of
4 the ~~transportation-related~~ transportation or regional economic
5 development project within the boundaries of the authority is
6 completed; and

7 2. At such time as the revenue collected from any taxes levied
8 by the authority is sufficient for payment of any and all expenses
9 incurred by the authority in the planning, financing and
10 constructing of a ~~transportation-related~~ transportation or regional
11 economic development project.

12 H. If the proceeds of any tax levied by an authority pursuant
13 to this section are pledged for the purpose of retiring indebtedness
14 incurred for the specific purpose for which the tax is imposed, the
15 tax shall not be repealed until such time as the indebtedness is
16 retired. In no event shall the life of the tax be extended beyond
17 the duration approved by the voters of the authority.

18 I. If the revenue collected from any taxes levied by the
19 authority exceeds the amount necessary for payment of any and all
20 expenses incurred by the authority in the planning, financing and
21 constructing of ~~transportation-related~~ transportation or regional
22 economic development projects, the excess funds shall be apportioned
23 to the general funds of the cities, towns and counties comprising

1 the authority in proportion to the population of each city, town and
2 county.

3 J. A transportation authority created pursuant to the
4 provisions of subsection A of this section may provide for the
5 financing of a toll bridge utilizing any revenue measures available
6 pursuant to subsections A through I of this section in combination
7 with revenue derived from toll charges. Such combination financing
8 shall be fully described in the resolution of the transportation
9 authority which authorizes the construction of such toll bridge.
10 The resolution shall set out minimum and maximum percentages of the
11 total debt which shall be retired utilizing revenue received from
12 toll charges.

13 SECTION 2. This act shall become effective November 1, 2006.

14 COMMITTEE REPORT BY: COMMITTEE ON FINANCE, dated 4-4-06 - DO PASS,
15 As Amended.