

3 **Senate Bill No. 7**  
4 **As Amended**

5 SENATE BILL NO. 7 - By: CAPPS and KERR of the Senate and WALKER of  
6 the House.

7 [ **economic development - levy of sales tax - effective**  
8 **date** ]

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

10 SECTION 1. AMENDATORY 68 O.S. 2001, Section 1370.7, as  
11 amended by Section 2, Chapter 336, O.S.L. 2003 (68 O.S. Supp. 2004,  
12 Section 1370.7), is amended to read as follows:

13 Section 1370.7 A. Any combination of cities, towns and  
14 counties, by resolution of their governing boards, may jointly  
15 create a transportation authority or regional economic development  
16 authority pursuant to the provisions of Section 176 of Title 60 of  
17 the Oklahoma Statutes for the purpose of planning, financing and  
18 constructing ~~transportation-related~~ transportation or regional  
19 economic development projects located within the boundaries of such  
20 cities, towns or counties. An authority created pursuant to the  
21 provisions of this subsection shall have the powers granted pursuant  
22 to the provisions of Section 176 of Title 60 of the Oklahoma  
23 Statutes in addition to the powers granted pursuant to the  
24 provisions of this section. The combination of cities, towns and

1 counties creating the authority shall be designated the beneficiary  
2 of the authority. The boundaries of the authority shall be  
3 coterminous with the boundaries of the cities, towns or counties  
4 creating the authority.

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

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

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

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

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

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

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

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

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

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

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

11 SECTION 2. This act shall become effective November 1, 2005.

12 COMMITTEE REPORT BY: COMMITTEE ON FINANCE, dated 2-15-05 - DO PASS,  
13 As Amended and Coauthored.