

1 ENGROSSED HOUSE AMENDMENT
TO
2 ENGROSSED SENATE BILL NO. 470

By: Wilson of the Senate

3 and

4 Piatt of the House

5
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7
8 (tourism and recreation - creating the Tourism Fund
9 for the Future Revolving Fund - effective date -
10 emergency)

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13 AUTHOR: Add the following House Coauthor: Hyman

14 AMENDMENT NO. 1. Strike the stricken title, enacting clause and
15 entire bill and insert

16 "An Act relating to tourism and recreation; amending
17 Section 32, Chapter 363, O.S.L. 2005 (74 O.S. Supp.
18 2006, Section 2231), which relates to confidential
19 lists and information; authorizing the Department to
20 make certain business and financial information
21 confidential; authorizing the Commission to transfer
22 certain real estate to the Oklahoma Historical
23 Society; requiring the transfer of certain
24 interests; exempting sale of property from certain
statutory requirements; providing for transfer by
certain instrument; amending Sections 2 and 4,
Chapter 67, O.S.L. 2006 (74 O.S. Supp. 2006,
Sections 2276.1 and 2276.2), which relate to the
Oklahoma State Park Trust Fund; deleting reference
to additional revenues; including royalty payments
as part of the Trust Fund principal; updating
statutory references; adding the State Treasurer as

1 a custodian for the Trust Fund; directing the State
2 Treasurer to use certain investment policy and
3 guidelines in certain circumstances; enacting the
4 Lake Murray Area Infrastructure Support Act; making
5 legislative findings; defining terms; imposing
6 duties upon the Oklahoma Tourism and Recreation
7 Department; imposing duties upon the Oklahoma Tax
8 Commission; requiring identification of certain
9 vendors conducting transactions within Lake Murray
10 Designated Area; authorizing forms and adoption of
11 administrative rules; prescribing effect of act upon
12 sales tax levies by political subdivisions; making
13 implementation of act contingent upon certain action
14 by the Oklahoma Tourism and Recreation Commission;
15 requiring remittance of certain incremental sales
16 tax revenue to Oklahoma Recreation and Development
17 Revolving Fund; authorizing use of incremental sales
18 tax revenues by Oklahoma Tourism and Recreation
19 Department; repealing Section 3, Chapter 67, O.S.L.
20 2006 (74 O.S. Supp. 2006, Section 2250.1), which
21 relates to limitation on use of royalty payment
22 revenues associated with oil and gas mineral
23 operations at state parks; repealing 74 O.S. 2001,
24 Section 5026, as amended by Section 6, Chapter 197,
O.S.L. 2002 (74 O.S. Supp. 2006, Section 5026),
which relates to the Office of the Oklahoma Film and
Music Commission; providing for codification;
providing for noncodification; providing an
effective date; and declaring an emergency.

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

19 SECTION 1. AMENDATORY Section 32, Chapter 363, O.S.L.
20 2005 (74 O.S. Supp. 2006, Section 2231), is amended to read as
21 follows:

22 Section 2231. The Department may keep confidential ~~prospect~~:

1 1. Prospect lists, booking lists, subscriber lists, permission
2 marketing lists, or personal information provided to the Department;
3 and

4 2. Business plans, feasibility studies, financing proposals,
5 marketing plans, financial statements, or trade secrets submitted by
6 a person or entity seeking economic advice from the Department and
7 any information compiled by the Department in response to the
8 submissions.

9 SECTION 2. NEW LAW A new section of law not to be
10 codified in the Oklahoma Statutes reads as follows:

11 A. The Commission may transfer to the Oklahoma Historical
12 Society any and all real and personal property owned by the State of
13 Oklahoma or the Department that is under the jurisdiction of the
14 Commission, located within Cherokee County, State of Oklahoma and
15 known as the Tsa La Gi property, which contains forty-four (44)
16 acres, more or less.

17 B. The transfer of real estate and personal property authorized
18 pursuant to this section shall be subject to all existing easements,
19 leases, subleases, and reservations of record.

20 C. The Commission and Department shall not be subject to the
21 provisions of Section 129.4 of Title 74 of the Oklahoma Statutes for
22 the transfer of real and personal property authorized by this
23 section. The transfer of real and personal property authorized by
24

1 this section shall not be subject to the provisions of Sections
2 456.7 and 2224 of Title 74 of the Oklahoma Statutes.

3 D. The transfer of the real and personal property to the
4 Oklahoma Historical Society by the Commission as authorized pursuant
5 to this section shall be by quit claim deed or other instrument as
6 may be appropriate.

7 SECTION 3. AMENDATORY Section 2, Chapter 67, O.S.L. 2006
8 (74 O.S. Supp. 2006, Section 2276.1), is amended to read as follows:

9 Section 2276.1 A. There is hereby created a trust fund to be
10 known as the "Oklahoma State Park Trust Fund". The Oklahoma Tourism
11 and Recreation Commission shall be the trustees of said Trust Fund.

12 B. ~~In addition to the revenues received from royalty payments~~
13 ~~as provided for in Section 3 of this act, the~~ The Commission shall
14 utilize ~~not more than~~ five percent (5%) of the principal of the
15 Trust Fund annually to:

16 1. Protect and conserve state park lands, but shall not include
17 routine maintenance expenses of the state parks;

18 2. Preserve historic properties under the jurisdiction of the
19 Commission;

20 3. Provide for one-time capital upgrades and improvements of
21 state park resources; and

22 4. Pay fees and expenses associated with the services of a
23 custodian of the Trust Fund.

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1 C. The Commission shall give priority for funding to the state
2 park from which the revenues were initially derived.

3 D. The Trust Fund principal shall consist of monies from any
4 and all mineral lease payments, seismograph fees, royalty payments,
5 or other payments associated with oil and gas mineral operations at
6 state parks that are managed by the Oklahoma Tourism and Recreation
7 Department, any funds appropriated or transferred to the Trust Fund
8 by the Legislature, and any monies or assets contributed to the
9 Trust Fund from any other source, public or private.

10 E. Notwithstanding other provisions of law, income and
11 investment return on Trust Fund principal shall accrue to the Trust
12 Fund for use as provided by authorization of the trustees for the
13 purposes listed in subsection B of this section. Except as provided
14 for in subsection B of this section, no income or investment return
15 or principal shall be used for administrative expenses of the
16 Oklahoma Tourism and Recreation Department or expenses incurred by
17 the Commission in the administration of the Trust Fund.

18 SECTION 4. AMENDATORY Section 4, Chapter 67, O.S.L. 2006
19 (74 O.S. Supp. 2006, Section 2276.2), is amended to read as follows:

20 Section 2276.2 A. The Oklahoma Tourism and Recreation
21 Commission shall discharge their duties as trustees of the Oklahoma
22 State Park Trust Fund created in Section ~~2~~ 2276.1 of this ~~act~~ title,
23 hereafter referred to as the "Trust Fund":
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1 1. With the care, skill, prudence, and diligence under the
2 circumstances then prevailing that a prudent person acting in a like
3 capacity and familiar with such matters would use in the conduct of
4 an enterprise of a like character and with like aims;

5 2. By diversifying the investments of the Trust Fund so as to
6 minimize the risk of large losses, unless under the circumstances it
7 is clearly prudent not to do so; and

8 3. In accordance with the laws, documents and instruments
9 governing the Trust Fund.

10 B. The Commission may procure insurance indemnifying the
11 members of the Commission from personal loss or accountability from
12 liability resulting from the action or inaction of a member as a
13 trustee.

14 C. The Commission ~~shall~~ may utilize the written investment
15 policy developed by the State Treasurer for the investment of public
16 funds for the investment and management of the Trust Fund. ~~All~~
17 ~~investments~~ Investments of the Trust Fund ~~shall~~ may be consistent
18 with the guidelines set forth in Section 89.2 of Title 62 of the
19 Oklahoma Statutes which establishes the investment requirements for
20 public funds by the State Treasurer.

21 D. Funds and revenues for investment by the Commission shall be
22 placed with a custodian selected by the Commission. Payment of ~~the~~
23 any fees for the services of a custodian may be paid from the income
24 and investment return on the Trust Fund. The custodian ~~shall~~ may be

1 the State Treasurer or a bank or trust company offering pension fund
2 master trustee and master custodial services. The If other than the
3 State Treasurer is utilized, the custodian shall be chosen by a
4 solicitation of proposals on a competitive bid basis pursuant to
5 standards set by the Commission. In compliance with the investment
6 policy guidelines of the Commission, the custodian bank or trust
7 company shall be contractually responsible for ensuring that all
8 monies of the Trust Fund are invested in income-producing investment
9 vehicles at all times. If a custodian bank or trust company has not
10 received direction from the Commission as to the investment of the
11 monies of the Trust Fund in specific investment vehicles, the
12 custodian bank or trust company shall be contractually responsible
13 to the Commission for investing the monies in appropriately
14 collateralized short-term interest-bearing investment vehicles. If
15 the State Treasurer is utilized as the custodian and has not
16 received direction from the Commission as to the investment of the
17 monies of the Trust Fund in specific investment vehicles, the State
18 Treasurer shall invest the monies in accordance with the investment
19 policy developed by the State Treasurer for investment of public
20 funds and in a manner consistent with the guidelines for the
21 investment of public funds set forth in Section 89.2 of Title 62 of
22 the Oklahoma Statutes.

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1 E. By November 1, 2006, and prior to August 1 of each year
2 thereafter, the Commission shall develop a written investment plan
3 for the Trust Fund.

4 F. The Commission shall compile quarterly financial reports of
5 all the funds and accounts of the Trust Fund on a fiscal year basis.
6 The reports shall include several relevant measures of investment
7 value, including acquisition cost and current fair market value with
8 appropriate summaries of total holdings and returns. The report
9 shall be distributed to the Director of the Legislative Service
10 Bureau.

11 G. After July 1 and before October 1 of each year, the
12 Commission shall publish an annual report presented in simple and
13 easily understood language. The report shall be submitted to the
14 Governor, the Speaker of the House of Representatives, the President
15 Pro Tempore of the Senate, and the Director of the Legislative
16 Service Bureau. The annual report shall cover the operation of the
17 Trust Fund during the past fiscal year, including income,
18 disbursements, and the financial condition of the Trust Fund at the
19 end of the fiscal year. The annual report shall also contain the
20 information issued in the quarterly reports required pursuant to
21 subsection F of this section as well as a summary of the results of
22 the most recent actuarial valuation to include total assets, total
23 liabilities, unfunded liability or over-funded status, contributions
24 and any other information deemed relevant by the Commission.

1 SECTION 5. NEW LAW A new section of law to be codified
2 in the Oklahoma Statutes as Section 4401 of Title 68, unless there
3 is created a duplication in numbering, reads as follows:

4 Sections 5 through 10 of this act shall be known and may be
5 cited as the "Lake Murray Area Infrastructure Support Act".

6 SECTION 6. NEW LAW A new section of law to be codified
7 in the Oklahoma Statutes as Section 4402 of Title 68, unless there
8 is created a duplication in numbering, reads as follows:

9 The Legislature finds that sales taxable transactions conducted
10 within the area designated by Section 7 of this act have a
11 significant economic impact. In order to assist the Oklahoma
12 Tourism and Recreation Department with the maintenance and
13 improvement of critical infrastructure for the Lake Murray area, the
14 Legislature finds that it is in furtherance of an essential
15 governmental function to provide a method by which the State of
16 Oklahoma may utilize a portion of certain incremental state sales
17 tax revenues derived from taxable transactions occurring within the
18 area designated by Section 7 of this act as the "Lake Murray
19 Designated Area" to ensure the proper maintenance and allow for the
20 continued development of critical infrastructure within the Lake
21 Murray area.

22 SECTION 7. NEW LAW A new section of law to be codified
23 in the Oklahoma Statutes as Section 4403 of Title 68, unless there
24 is created a duplication in numbering, reads as follows:

1 As used in this act:

2 1. "Base Year" or "Lake Murray Designated Area Base Year" means
3 the amount of state sales tax revenue remitted by vendors located
4 within the Lake Murray Designated Area during the fiscal year ending
5 June 30, 2007, or the amount of state sales tax revenue remitted by
6 vendors as a result of sales taxable transactions occurring within
7 the Lake Murray Designated Area during the fiscal year ending June
8 30, 2007, or the sum of both such amounts;

9 2. "Incremental sales tax revenues" means the amount of sales
10 tax revenue in excess of the amount of sales tax revenue collected
11 within the Lake Murray Designated Area during the Base Year for
12 purposes of the computation required by subsection A of Section 10
13 of this act;

14 3. "Lake Murray Designated Area" means the area of land
15 bordered on the north by State Highway 70, on the east by the
16 eastern side of Townships 5 and 6 South, Range 2 East, on the south
17 by the southern side of Township 6 South, Range 2 East and on the
18 west by Interstate 35;

19 4. "State sales tax revenue" means a portion of the proceeds
20 from the state sales tax levy imposed pursuant to Section 1354 of
21 Title 68 of the Oklahoma Statutes upon taxable transactions
22 occurring within the Lake Murray Designated Area; and

23 5. "Vendors" means those persons or business entities making
24 taxable sales of tangible personal property or services within the

1 Lake Murray Designated Area or which are required to remit sales tax
2 based upon transactions occurring within the Lake Murray Designated
3 Area and unless the context otherwise requires shall have the same
4 meaning as defined by Section 1352 of Title 68 of the Oklahoma
5 Statutes.

6 SECTION 8. NEW LAW A new section of law to be codified
7 in the Oklahoma Statutes as Section 4404 of Title 68, unless there
8 is created a duplication in numbering, reads as follows:

9 A. The Department of Tourism and Recreation shall notify the
10 Oklahoma Tax Commission on such form as the Tax Commission may
11 prescribe of the precise boundary of the Lake Murray Designated
12 Area.

13 B. The Oklahoma Tax Commission shall determine the amount of
14 state sales tax revenue collected within the Lake Murray Designated
15 Area during the Base Year in order to allow the computation of
16 incremental sales tax revenues pursuant to subsection A of Section
17 10 of this act.

18 C. The Tax Commission shall identify all vendors upon which the
19 duty to collect sales tax is imposed pursuant to the Oklahoma Sales
20 Tax Code located or doing business within the Lake Murray Designated
21 Area. The Tax Commission shall provide any required instructions to
22 affected vendors relevant to any duties that may be imposed upon the
23 vendors with respect to the collection and remittance of sales tax
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1 derived from transactions occurring within or attributable to
2 transactions occurring within the Lake Murray Designated Area.

3 D. The Oklahoma Tax Commission may prescribe special forms or
4 prescribe by rule special sales tax reporting procedures applicable
5 to vendors making taxable sales of tangible personal property or
6 services within the Lake Murray Designated Area in order to
7 implement the provisions of the Lake Murray Area Infrastructure
8 Support Act.

9 SECTION 9. NEW LAW A new section of law to be codified
10 in the Oklahoma Statutes as Section 4405 of Title 68, unless there
11 is created a duplication in numbering, reads as follows:

12 No proceeds from the levy of any sales tax imposed by a county
13 or a municipality shall be affected by the provisions of the Lake
14 Murray Area Infrastructure Support Act and the proceeds from any
15 such levy shall be collected and remitted as required by the
16 Oklahoma Sales Tax Code. The distribution of the revenues shall be
17 made in accordance with all applicable requirements of law with
18 respect to such sales tax levies. The provisions of the Lake Murray
19 Area Infrastructure Support Act shall not be applicable and shall
20 not have the force or effect of law unless the Oklahoma Tourism and
21 Recreation Commission approves an agreement for the leasing of
22 certain real property, including, but not limited to the existing
23 Lake Murray State Lodge facility to another entity for the purpose

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1 of operation and development of lodge facilities within the Lake
2 Murray resort area.

3 SECTION 10. NEW LAW A new section of law to be codified
4 in the Oklahoma Statutes as Section 4406 of Title 68, unless there
5 is created a duplication in numbering, reads as follows:

6 A. The Oklahoma Tax Commission shall remit to the Oklahoma
7 Tourism and Recreation Department Revolving Fund created pursuant to
8 Section 2251 of Title 74 of the Oklahoma Statutes, or to a
9 designated account established within such fund, twenty-five percent
10 (25%) of the incremental sales tax revenues derived from the levy of
11 the state sales tax imposed pursuant to Section 1354 of Title 68 of
12 the Oklahoma Statutes collected from vendors making taxable sales
13 within or attributable to transactions within the Lake Murray
14 Designated Area.

15 B. The Oklahoma Tourism and Recreation Department shall be able
16 to use the revenues apportioned to the Oklahoma Tourism and
17 Recreation Department Revolving Fund pursuant to subsection A of
18 this section to support the maintenance and development of assets
19 owned by the State of Oklahoma and located within the Lake Murray
20 Designated Area as determined by the Oklahoma Tourism and Recreation
21 Department to be necessary for sustaining the Lake Murray area and
22 related state park assets as a viable tourism destination.

23 SECTION 11. REPEALER Section 3, Chapter 67, O.S.L. 2006
24 (74 O.S. Supp. 2006, Section 2250.1), is hereby repealed.

1 SECTION 12. REPEALER 74 O.S. 2001, Section 5026, as
2 amended by Section 6, Chapter 197, O.S.L. 2002 (74 O.S. Supp. 2006,
3 Section 5026), is hereby repealed.

4 SECTION 13. This act shall become effective July 1, 2007.

5 SECTION 14. It being immediately necessary for the preservation
6 of the public peace, health and safety, an emergency is hereby
7 declared to exist, by reason whereof this act shall take effect and
8 be in full force from and after its passage and approval."

9 Passed the House of Representatives the 21st day of April, 2007.

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Presiding Officer of the House of
Representatives

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Passed the Senate the ____ day of _____, 2007.

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Presiding Officer of the Senate

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