

1 STATE OF OKLAHOMA

2 2nd Session of the 52nd Legislature (2010)

3 SUBCOMMITTEE RECOMMENDATION
4 FOR

5 HOUSE BILL NO. 2846

6 By: Joyner

7 SUBCOMMITTEE RECOMMENDATION

8 An Act relating to revenue and taxation; amending 68
9 O.S. 2001, Section 1370.7, as last amended by Section
10 1, Chapter 308, O.S.L. 2006 (68 O.S. Supp. 2009,
11 Section 1370.7), which relates to regional
12 transportation authorities; defining terms; expanding
13 eligibility to include certain agencies; limiting
14 permissible purposes to transportation; modifying
15 cessation provision; and providing an effective date.

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

17 SECTION 1. AMENDATORY 68 O.S. 2001, Section 1370.7, as
18 last amended by Section 1, Chapter 308, O.S.L. 2006 (68 O.S. Supp.
19 2009, Section 1370.7), is amended to read as follows:

20 Section 1370.7 A. As used in this section, the following terms
21 shall have the following meanings:

22 1. "Operation" includes but is not limited to leasing services,
23 contracting for services, planning, financing, construction and
24 maintenance of a transportation-related project regardless of the
source of funding;

1 2. "Transportation system" includes but is not limited to
2 transit, commuter and passenger rail; and

3 3. "User fees" means farebox revenues.

4 B. Any combination of cities, towns and counties, or their
5 agencies, by resolution of their governing boards, may jointly
6 create a transportation authority ~~or regional economic development~~
7 ~~authority~~ pursuant to the provisions of Section 176 of Title 60 of
8 the Oklahoma Statutes for the purpose of planning, financing ~~and~~
9 ~~constructing transportation or regional economic development,~~
10 construction, maintenance and operation of transportation-related
11 projects located within the boundaries of such cities, towns or
12 counties. An authority created pursuant to the provisions of this
13 subsection shall have the powers granted pursuant to the provisions
14 of Section 176 of Title 60 of the Oklahoma Statutes in addition to
15 the powers granted pursuant to the provisions of this section ~~except~~
16 ~~that no regional economic development authority created pursuant to~~
17 ~~the provisions of this subsection shall have any power or authority~~
18 ~~to exercise or to attempt to exercise any powers of eminent domain.~~
19 The combination of cities, towns and counties, or their agencies,
20 creating the authority shall be designated the beneficiary of the
21 authority. The boundaries of the authority shall be coterminous
22 with the boundaries of the cities, towns or counties creating the
23 authority.

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

19 ~~C.~~ D. All items that are exempt from the state sales tax shall
20 be exempt from any sales tax levied pursuant to the provisions of
21 this section.

22 ~~D.~~ E. Any sales tax which may be levied pursuant to the
23 provisions of this section shall be designated for the purposes of
24 planning, financing ~~and constructing transportation or regional~~

1 ~~economic development~~, construction, maintenance and operation of
2 transportation-related projects within the boundaries of the
3 authority. The authority shall identify the purpose of the sales
4 tax when it is presented to the voters pursuant to the provisions of
5 this section. The proceeds of any sales tax levied by an authority
6 shall be used only for the purposes for which the sales tax was
7 designated.

8 ~~E.~~ F. The authority shall identify the specific duration of the
9 tax when it is presented to the voters pursuant to the provisions of
10 this section and shall include specific language in the ballot title
11 disclosing the duration of the tax. A levy by a transportation
12 authority ~~or a regional economic development authority~~ shall have a
13 maximum duration of thirty (30) years if the proceeds from the tax
14 are pledged to the repayment of indebtedness and a maximum duration
15 of twenty (20) years if the proceeds from the tax are to be used for
16 expenditures other than the repayment of indebtedness.

17 ~~F.~~ G. An authority created pursuant to the provisions of
18 subsection ~~A~~ B of this section may utilize the provisions of the
19 Local Development Act as it relates to the financing of such
20 ~~transportation or regional economic development~~ transportation-
21 related projects.

22 ~~G.~~ ~~An~~ H. A transportation authority created pursuant to ~~the~~
23 ~~provisions of subsection A of this section shall be dissolved:~~

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

4 ~~2. At such time as the revenue collected from any taxes levied~~
5 ~~by the authority is sufficient for payment of any and all expenses~~
6 ~~incurred by the authority in the planning, financing and~~
7 ~~constructing of a transportation or regional economic development~~
8 ~~project this section shall exist for the duration of the operation~~
9 ~~and no longer than one (1) year after cessation of the operation.~~

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

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

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

12 SECTION 2. This act shall become effective November 1, 2010.

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