

THE HOUSE OF REPRESENTATIVES  
Monday, March 1, 2010

Committee Substitute for  
House Bill No. 2846

COMMITTEE SUBSTITUTE FOR HOUSE BILL NO. 2846 - By: JOYNER AND NATIONS of the House and BRANAN of the Senate.

An Act relating to revenue and taxation; amending 68 O.S. 2001, Section 1370.7, as last amended by Section 1, Chapter 308, O.S.L. 2006 (68 O.S. Supp. 2009, Section 1370.7), which relates to regional transportation authorities; defining terms; economic development and expanding eligibility to include certain agencies; modifying permissible authority purposes; clarifying voting provisions; modifying cessation provision; removing certain toll bridge references; removing funding description requirement; and providing an effective date.

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

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

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

6 1. "Agency" includes but is not limited to extant transportation operating systems;

7 2. "Operation" includes but is not limited to leasing services, contracting for

8 services, planning, financing, construction and maintenance of a transportation or

9 regional economic project regardless of the source of funding;

1           3. “Transportation project or system” includes but is not limited to transit,  
2 commuter and passenger rail service or operations; and

3           4. “User fees” means farebox revenues.

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

19           ~~B.~~ C. Any transportation authority or regional economic development authority  
20 created pursuant to the provisions of subsection A B of this section may levy a sales tax  
21 of not to exceed two percent (2%) upon the gross proceeds or gross receipts derived from  
22 all sales or services in the cities, towns and counties comprising the authority upon

1 which a consumer's sales tax is levied by this state. Before a sales tax may be levied by  
2 the authority, the imposition of the tax shall first be approved by a majority of votes cast  
3 by the registered voters within the boundaries of each of the cities, towns and counties  
4 comprising the authority voting thereon at a special election jointly called by the  
5 governing boards of the cities, towns and counties comprising the authority. Provided, if  
6 a majority of the votes cast by registered voters of an authority voting fail to approve  
7 such a tax, the governing boards of such cities, towns and counties shall not jointly call  
8 another special election for such purpose for at least six (6) months. Any sales tax  
9 approved by the registered voters of an authority shall be applicable only when the point  
10 of sale is within the boundaries or limits of the authority.

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

13 ~~D. E.~~ Any sales tax which may be levied pursuant to the provisions of this section  
14 shall be designated for the purposes of planning, financing ~~and constructing,~~  
15 construction, maintenance and operation of transportation or regional economic  
16 development projects within the boundaries of the authority. The authority shall  
17 identify the purpose of the sales tax when it is presented to the voters pursuant to the  
18 provisions of this section. The proceeds of any sales tax levied by an authority shall be  
19 used only for the purposes for which the sales tax was designated.

20 ~~E. F.~~ The authority shall identify the specific duration of the tax when it is  
21 presented to the voters pursuant to the provisions of this section and shall include  
22 specific language in the ballot title disclosing the duration of the tax. A levy by a

1 transportation authority or a regional economic development authority shall have a  
2 maximum duration of thirty (30) years if the proceeds from the tax are pledged to the  
3 repayment of indebtedness and a maximum duration of twenty (20) years if the proceeds  
4 from the tax are to be used for expenditures other than the repayment of indebtedness.

5 ~~F. G.~~ An authority created pursuant to the provisions of subsection ~~A B~~ of this  
6 section may utilize the provisions of the Local Development Act as it relates to the  
7 financing of such transportation or regional economic development projects.

8 ~~G. An~~ H. A transportation or regional economic development authority created  
9 pursuant to ~~the provisions of subsection A of this section shall be dissolved:~~

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

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

18 ~~H. If~~ I. Providing that at cessation of operations the proceeds of any tax levied by  
19 an authority pursuant to this section are pledged for the purpose of retiring indebtedness  
20 incurred for the specific purpose for which the tax is imposed, the tax shall not be  
21 repealed until such time as the indebtedness is retired. In no event shall the life of the  
22 tax be extended beyond the duration approved by the voters of the authority.

1        ~~I. J.~~ If the revenue collected from any taxes levied by the authority exceeds the  
2 amount necessary for payment of any and all expenses incurred by the authority in the  
3 planning, financing ~~and constructing of,~~ construction, maintenance and operation of  
4 transportation or regional economic development projects, the excess funds shall be  
5 apportioned to the general funds of the cities, towns and counties comprising the  
6 authority in proportion to the population of each city, town and county.

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

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

16        COMMITTEE REPORT BY: COMMITTEE ON APPROPRIATIONS AND BUDGET,  
17 dated 02-25-10 - DO PASS, As Amended and Coauthored.