

THE HOUSE OF REPRESENTATIVES
Monday, March 1, 2010

House Bill No. 3286

HOUSE BILL NO. 3286 - By: MCNIEL of the House.

An Act relating to public finance; amending Sections 7 and 8, Chapter 309, O.S.L. 2009 (62 O.S. Supp. 2009, Sections 891.7 and 891.8), which relate to the Oklahoma Community Economic Development Pooled Finance Act; modifying provisions related to the Economic Development Pool and the Infrastructure Pool; providing for renewal of issuing capacity based upon defeasance of previously issued obligations; providing an effective date; and declaring an emergency.

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

1 SECTION 1. AMENDATORY Section 7, Chapter 309, O.S.L. 2009 (62 O.S.
2 Supp. 2009, Section 891.7), is amended to read as follows:

3 Section 891.7 A. The Authority shall be authorized to act as a conduit issuer for
4 the benefit of two or more eligible local government entities for an authorized
5 infrastructure project using the Infrastructure Pool.

6 B. The Authority shall be authorized to issue its obligations in order to provide net
7 proceeds on a pooled basis not to exceed One Hundred Million Dollars (\$100,000,000.00)
8 for the Infrastructure Pool. The Authority shall be authorized to issue obligations within
9 the limit prescribed by this subsection based upon the defeasance of previously issued
10 obligations.

1 C. The proceeds from the Infrastructure Pool shall be for the purpose of providing
2 financing for two or more eligible local government entities for an authorized
3 infrastructure project located in this state involving a pooled financing.

4 D. Sixty-five percent (65%) of the net proceeds from the Infrastructure Pool shall be
5 used by the Authority for the benefit of eligible local government entities the population
6 of which, according to the most recent Federal Decennial Census, does not exceed three
7 hundred thousand (300,000) persons for any participating municipality.

8 E. Thirty-five percent (35%) of the net proceeds from the Infrastructure Pool may
9 be used by the Authority for the benefit of any and all eligible local government entities
10 regardless of population.

11 SECTION 2. AMENDATORY Section 8, Chapter 309, O.S.L. 2009 (62 O.S.
12 Supp. 2009, Section 891.8), is amended to read as follows:

13 Section 891.8 A. The Authority shall be authorized to act as a conduit issuer for
14 the benefit of one or more eligible local government entities or for the benefit of one or
15 more local government entities in conjunction with a for-profit business entity for an
16 authorized economic development project using the Economic Development Pool.

17 B. The Authority shall be authorized to issue its obligations in order to provide net
18 proceeds on a pooled basis not to exceed One Hundred Million Dollars (\$100,000,000.00)
19 for the Economic Development Pool. The Authority shall be authorized to issue
20 obligations within the limit prescribed by this subsection based upon the defeasance of
21 previously issued obligations.

1 C. The proceeds from the Economic Development Pool shall be for the purpose of
2 providing financing for an eligible local government entity or entities or for the benefit of
3 a business entity for an authorized economic development project located in this state.

4 D. Sixty-five percent (65%) of the net proceeds from the Economic Development
5 Pool shall be used by the Authority for the benefit of eligible local government entities
6 the population of which, according to the most recent Federal Decennial Census, does not
7 exceed three hundred thousand (300,000) persons for any participating municipality.

8 E. Thirty-five percent (35%) of the net proceeds from the Economic Development
9 Pool may be used by the Authority for the benefit of any and all eligible local government
10 entities regardless of population.

11 F. Obligations issued pursuant to the provisions of this section may be issued on a
12 tax-exempt basis if the applicable provisions of federal law governing private activity
13 bonds allow such issuance. Otherwise, the obligations issued pursuant to the provisions
14 of this section shall be issued on a taxable basis.

15 SECTION 3. This act shall become effective July 1, 2010.

16 SECTION 4. It being immediately necessary for the preservation of the public
17 peace, health and safety, an emergency is hereby declared to exist, by reason whereof
18 this act shall take effect and be in full force from and after its passage and approval.

19 COMMITTEE REPORT BY: COMMITTEE ON APPROPRIATIONS AND BUDGET,
20 dated 02-25-10 - DO PASS.