

EHB 2846

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THE STATE SENATE  
Monday, April 5, 2010

ENGROSSED

House Bill No. 2846

ENGROSSED HOUSE BILL NO. 2846 - By: Joyner and Nations of the House and Branam 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 economic development and transportation authorities; defining terms; 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:

SECTION 1. AMENDATORY 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), is amended to read as follows:

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

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

2. "Operation" includes but is not limited to leasing services, contracting for services, planning, financing, construction and maintenance of a transportation or regional economic project regardless of the source of funding;

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

4       4. "User fees" means farebox revenues.

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

1 be coterminous with the boundaries of the cities, towns or counties  
2 creating the authority.

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

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

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

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

22       ~~F.~~ G. An authority created pursuant to the provisions of  
23 subsection A B of this section may utilize the provisions of the

1 Local Development Act as it relates to the financing of such  
2 transportation or regional economic development projects.

3 ~~G.~~ H. A transportation or regional economic development  
4 authority created pursuant to the provisions of subsection A of this  
5 section shall be dissolved.

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

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

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

22 ~~F.~~ J. If the revenue collected from any taxes levied by the  
23 authority exceeds the amount necessary for payment of any and all

1 expenses incurred by the authority in the planning, financing ~~and~~  
2 ~~constructing of, construction, maintenance and operation of~~  
3 transportation or regional economic development projects, the excess  
4 funds shall be apportioned to the general funds of the cities, towns  
5 and counties comprising the authority in proportion to the  
6 population of each city, town and county.

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

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

18 COMMITTEE REPORT BY: COMMITTEE ON TRANSPORTATION, dated 3-30-10 - DO  
19 PASS.