

1 STATE OF OKLAHOMA

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

3 HOUSE BILL 3324

By: Pittman

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5  
6 AS INTRODUCED

7 An Act relating to state government; creating the  
8 Community Investment Corporation Development Act;  
9 providing definitions; creating the Community  
10 Investment Corporation Development Commission within  
11 the Oklahoma Department of Commerce; providing for  
12 membership of the Commission; providing terms of  
13 members; providing for conduct of business, adoption  
14 of bylaws and establishment of committees and  
15 officers; providing for a quorum; requiring  
16 compliance with certain laws; providing for public  
17 comment at meetings; providing for travel  
18 reimbursement; requiring the Commission to gather  
19 information and make certain reports; specifying  
20 contents of the reports; stating duty to seek funding  
21 for certain sources; directing the Department to  
22 assist in securing funding; requiring funds to be  
23 deposited in the Community Investment Corporation  
24 Revolving Fund; authorizing the Department to adopt  
certain rules; creating the Community Investment  
Corporation Revolving Fund; making the fund a  
continuing fund; stating source of funding; stating  
purposes of funds; requiring expenditures to be made  
upon warrants; providing for codification; providing  
an effective date; and declaring an emergency.

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

1 SECTION 1. NEW LAW A new section of law to be codified  
2 in the Oklahoma Statutes as Section 5087.1 of Title 74, unless there  
3 is created a duplication in numbering, reads as follows:

4 This act shall be known and may be cited as the "Community  
5 Investment Corporation Development Act".

6 SECTION 2. NEW LAW A new section of law to be codified  
7 in the Oklahoma Statutes as Section 5087.2 of Title 74, unless there  
8 is created a duplication in numbering, reads as follows:

9 As used in the Community Investment Corporation Development Act:

10 1. "Community investment corporation" means a for-profit,  
11 citizen-owned, professionally managed real estate planning and  
12 development corporation or land cooperative that is located in  
13 Oklahoma and that may:

14 a. receive title to land, natural resources, physical  
15 infrastructure or facilities donated by a not-for-  
16 profit organization or government entity,

17 b. borrow money on behalf of its shareholders to purchase  
18 land, plan its use, and develop the land and natural  
19 resources for productive and ecologically suitable  
20 purposes, and

21 c. enable each citizen whose principal residence is  
22 situated in a local or regional area in which its  
23 future development will be controlled by a community  
24 investment corporation to acquire free as a right of

1 citizenship an equal, lifetime, non-transferable,  
2 private property ownership stake in local land use and  
3 infrastructural development, share profits from land  
4 rentals, natural resource use or extraction revenues,  
5 and infrastructure user fees, and have a voice as an  
6 owner in the governance of future land development in  
7 the community;

8 2. "Commission" means the Community Investment Corporation  
9 Development Commission established in Section 3 of this act; and

10 3. "Department" means the Oklahoma Department of Commerce.

11 SECTION 3. NEW LAW A new section of law to be codified  
12 in the Oklahoma Statutes as Section 5087.3 of Title 74, unless there  
13 is created a duplication in numbering, reads as follows:

14 A. The Community Investment Corporation Development Commission  
15 is created within the Oklahoma Department of Commerce.

16 B. The Commission shall consist of eleven (11) members  
17 appointed by the Governor, with the advice and consent of the  
18 Senate, one of whom shall be designated as chair of the Commission  
19 at the time of appointment.

20 C. Of the members initially appointed, three members shall  
21 serve a term of one (1) year, three members shall serve a term of  
22 two (2) years, three members shall serve a term of three (3) years,  
23 and two members, one of whom must be the chair, shall serve a term  
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1 of four (4) years. Thereafter, all terms shall be for four (4)  
2 years.

3 D. The Commission may begin to conduct business upon the  
4 appointment of a majority of the voting members, including the  
5 chair.

6 E. The Commission may adopt rules pursuant to the  
7 Administrative Procedures Act, and it may establish committees and  
8 officers as it deems necessary.

9 F. For purposes of Commission meetings, a quorum shall be six  
10 members. The Commission shall act in accordance with the provisions  
11 of the Oklahoma Open Meetings Act and the Oklahoma Open Records Act.  
12 The Commission shall afford an opportunity for public comment at  
13 each meeting.

14 G. Commission members shall serve without compensation, but may  
15 be reimbursed for their reasonable travel expenses in accordance  
16 with the State Travel Reimbursement Act. The Department shall  
17 provide staff and administrative support services to the Commission.

18 SECTION 4. NEW LAW A new section of law to be codified  
19 in the Oklahoma Statutes as Section 5087.4 of Title 74, unless there  
20 is created a duplication in numbering, reads as follows:

21 A. The Community Investment Corporation Development Commission  
22 shall gather information and make annual reports of recommendations  
23 to the Governor and to the Oklahoma Legislature regarding the  
24 establishment and operation of community investment corporations.

1 The reports shall include recommendations concerning, without  
2 limitation:

3 1. Establishing policies regarding community investment  
4 corporations;

5 2. Approving community investment corporations in the State or  
6 regionally;

7 3. Establishing guidelines for citizens of localities to  
8 petition for local referenda to create community investment  
9 corporations and to determine the participation plan for allocation,  
10 shareholder governance and ownership rights, the issuance and  
11 cancellation of shares of community investment corporations, and the  
12 disposition of assets in the event of their dissolution;

13 4. Make recommendations for tax reforms that encourage the use  
14 and effectiveness of community investment corporations through their  
15 exemption from all State and local taxes on their holdings of land,  
16 natural resources, improvements, other tangible and intangible  
17 assets, undistributed capital gains and undistributed profits,  
18 provided that at least ninety percent (90%) of their annual profits  
19 are distributed as taxable dividends, other forms of taxable  
20 distributions to its shareholders and workers, and debt service  
21 payments on its loans;

22 5. Encouraging local or regional pilot projects involving the  
23 delegation of eminent domain powers over land, natural resources,  
24 and infrastructural and other improvements in the community to the

1 citizens residing in pilot project areas through community  
2 investment corporations;

3 6. Rendering assistance to localities on problems, concerns,  
4 and issues related to the development of community investment  
5 corporations;

6 7. Undertaking studies and gathering information and data to  
7 accomplish its purposes as set forth in Community Investment  
8 Corporation Development Act and to formulate and present its  
9 recommendations to the Governor and the Legislature;

10 8. Applying for, accepting, and expending gifts, grants, loans,  
11 or donations from public, quasi-public, or private sources,  
12 including any matching funds as may be designated in an  
13 appropriation to the Oklahoma Department of Commerce, to enable the  
14 Commission to carry out its purpose; and

15 9. Accounting annually on its fiscal activities, including any  
16 matching funds received or expended by the Commission.

17 B. Contingent upon the appropriation of funds, the Department  
18 shall develop and maintain a program to make grants to communities  
19 seeking to establish community investment corporations and encourage  
20 them to become self-sustaining from land rentals and other fees  
21 within the first five (5) years of their formation. The Department  
22 shall promulgate rules establishing the procedures for grant  
23 applications.

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1 C. The Commission, as a vital part of its function, shall seek  
2 funding from local, state, federal and private sources to make  
3 grants and loans and otherwise enhance the development of community  
4 investment corporations. The Department shall advise the Commission  
5 of all available sources of funding for economic development that it  
6 is aware of and shall assist the Commission and community investment  
7 corporations in securing funding.

8 D. Funds received under pursuant to this Section shall be  
9 deposited into the Community Investment Corporation Revolving Fund  
10 as created in Section 5 of this act. Contingent upon the  
11 appropriation of funds, monies in the Fund shall be expended for the  
12 purposes of the Community Investment Corporation Development Act.

13 E. The Department and the Commission may adopt rules necessary  
14 to implement and administer the Community Investment Corporation  
15 Development Act.

16 SECTION 5. NEW LAW A new section of law to be codified  
17 in the Oklahoma Statutes as Section 5087.5 of Title 74, unless there  
18 is created a duplication in numbering, reads as follows:

19 There is hereby created in the State Treasury a revolving fund  
20 for the Oklahoma Department of Commerce to be designated the  
21 "Community Investment Corporation Revolving Fund". The fund shall  
22 be a continuing fund, not subject to fiscal year limitations, and  
23 shall consist of all monies received by the Oklahoma Department of  
24 Commerce from state or federal funds, grants and private donations.

1 All monies accruing to the credit of said fund are hereby  
2 appropriated and may be budgeted and expended by the Oklahoma  
3 Department of Commerce for the purpose of implementing and  
4 administering the Community Investment Corporation Development Act.  
5 Expenditures from said fund shall be made upon warrants issued by  
6 the State Treasurer against claims filed as prescribed by law with  
7 the Director of State Finance for approval and payment.

8 SECTION 6. This act shall become effective July 1, 2010.

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

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