SENATE FLOOR VERSION
April 9, 2012

ENGROSSED HOUSE
JOINT
RESOLUTION NO. 1085

By: Richardson, Hickman and Roan of the House

and

Crain of the Senate

A Joint Resolution directing the Secretary of State to refer to the people for their approval or rejection a proposed amendment to the Constitution of the State of Oklahoma by adding a new Section 39A to Article X; creating the Water Infrastructure Credit Enhancement Reserve Fund; specifying use of the credit enhancement reserve fund; requiring use of certain other monies, funds and sources for repayment prior to issuance of bonds; authorizing the Oklahoma Water Resources Board to issue general obligation bonds for a credit enhancement reserve fund; stating purpose; limiting the amount of bonds issued; directing certain appropriations; providing for establishment of method for issuance of bonds; providing for administration of reserve fund; providing ballot title; and directing filing.

BE IT RESOLVED BY THE HOUSE OF REPRESENTATIVES AND THE SENATE OF THE 2ND SESSION OF THE 53RD OKLAHOMA LEGISLATURE:

SECTION 1. The Secretary of State shall refer to the people for their approval or rejection, as and in the manner provided by law, the following proposed amendment to the Constitution of the State of

Oklahoma by adding a new Section 39A to Article X thereof, to read as follows:

Section 39A. A. There is hereby created within the Oklahoma Water Resources Board the Water Infrastructure Credit Enhancement Reserve Fund to be used by the Oklahoma Water Resources Board solely to secure the payment of principal, interest and premiums, if any, on bonds and other financial obligations issued or incurred to provide for the financial assistance programs as authorized in Section 39 of Article X of the Oklahoma Constitution.

B. The Oklahoma Water Resources Board shall issue bonds as authorized in subsection C of this section to provide for the Water Infrastructure Credit Enhancement Reserve Fund only after the following have been used, to the extent allowed by law, to repay the bonds and other financial obligations:

1. All other pledged monies;

2. Any reserved funds required of borrowers;

3. Any reserved funds required of the Oklahoma Water Resources Board; and

4. Any surety bond payments.

C. The Oklahoma Water Resources Board is hereby authorized to issue general obligation bonds, in an amount not to exceed a cumulative total of Three Hundred Million Dollars ($300,000,000.00), for the purpose of providing for the Water Infrastructure Credit Enhancement Reserve Fund for the water resource and sewage treatment

financial assistance programs for municipalities, political subdivisions and other public entities of the state provided by the Board as authorized in Section 39 of Article X of the Oklahoma Constitution.

D. The Legislature shall provide sufficient appropriations from any monies of the state not otherwise obligated, committed or appropriated to pay the principal and interest of any general obligation bond issued pursuant to this section.

E. The Legislature shall establish a method by law to provide for the issuance of the general obligation bonds authorized pursuant to this section and to provide for the administration of the Water Infrastructure Credit Enhancement Reserve Fund.

SECTION 2. The Ballot Title for the proposed Constitutional amendment as set forth in SECTION 1 of this act shall be in the following form:

BALLOT TITLE

Legislative Referendum No. ____ State Question No. ____

THE GIST OF THE PROPOSITION IS AS FOLLOWS:

This measure amends the Oklahoma Constitution. It adds a new Section 39A to Article 10. It would allow the Oklahoma Water Resources Board to issue bonds. Any bonds issued would be used to provide a reserve fund for the Board. The fund would be a reserve fund for certain water resource and sewage treatment funding programs. The fund could only be used to pay other

bonds and obligations for the funding programs. The bonds could only be issued after other monies and sources are used for repayment. The bonds would be general obligation bonds. Not more than Three Hundred Million Dollars worth of bonds could be issued. The Legislature would provide the monies to pay for the bonds. The Legislature would provide for methods for issuing the bonds. The Legislature would provide for how the fund is administered.

SHALL THE PROPOSAL BE APPROVED?

FOR THE PROPOSAL — YES _____

AGAINST THE PROPOSAL — NO _____

SECTION 3. The Chief Clerk of the House of Representatives, immediately after the passage of this act, shall prepare and file one copy thereof, including the Ballot Title set forth in SECTION 2 hereof, with the Secretary of State and one copy with the Attorney General.

COMMITTEE REPORT BY: COMMITTEE ON RULES, dated 4-4-12 - DO PASS.