STATE OF OKLAHOMA

1st Session of the 54th Legislature (2013)

COMMITTEE SUBSTITUTE
FOR
HOUSE BILL NO. 2195 By: Shannon

COMMITTEE SUBSTITUTE

An Act relating to public finance; prohibiting use of certain revenue sources for repayment of obligations issued by state governmental entities; providing for maximum principal amount by reference to State Board of Equalization certification amount; specifying prohibition inapplicable to certain obligations; providing certain obligations excluded from restrictions; prohibiting use of certain apportionment from state-imposed tax sources; providing for codification; and providing an effective date.

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

SECTION 1. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 695.11B of Title 62, unless there is created a duplication in numbering, reads as follows:

A. The Legislature shall not authorize any state governmental entity to incur any type of obligation the repayment of which relies upon annual appropriations that would cause the total principal amount for all such obligations to exceed twenty-eight percent (28%) of the certification made by the State Board of Equalization in

February each year, for revenues to accrue to the General Revenue Fund.

B. The provisions of this section shall not be applicable with respect to obligations incurred by a state governmental entity that has the authority to impose a fee or other charge which is used to repay any obligations incurred by the entity if the obligations are not repaid or authorized to be repaid using annually appropriated monies.

C. The provisions of this section shall not be applicable to the Master Lease Program as authorized by Section 3206.6 or Section 3206.6a of Title 70 of the Oklahoma Statutes, or to obligations issued by a state governmental entity if the primary source for repayment of the obligations is not dependent upon the annual appropriations process.

D. The Legislature shall not modify the apportionment of any state-imposed tax levy in order to pay, directly or indirectly, as a primary or secondary source of funding, the principal, interest or any other cost associated with an obligation issued by a state governmental entity.

SECTION 2. This act shall become effective November 1, 2013.

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