

1 **HOUSE OF REPRESENTATIVES - FLOOR VERSION**

2 STATE OF OKLAHOMA

3 1st Session of the 56th Legislature (2017)

4 ENGROSSED SENATE
5 BILL NO. 214

By: Griffin of the Senate

and

Pfeiffer of the House

6
7
8
9 [public finance - the Oklahoma Private Activity Bond
10 Allocation Act - Oklahoma Housing Finance Agency Pool
 - effective date]

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12
13 ~~BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:~~

14 SECTION 1. AMENDATORY 62 O.S. 2011, Section 695.23, is
15 amended to read as follows:

16 Section 695.23. As used in the Oklahoma Private Activity Bond
17 Allocation Act:

18 1. "Application for state ceiling allocation" means the written
19 application form provided by the State Bond Advisor which shall be
20 filed by or on behalf of the issuer in compliance with the
21 requirements of ~~this act~~ the Oklahoma Private Activity Bond
22 Allocation Act;

1 2. "Beginning Agricultural Producer Pool" means the portion of
2 the state ceiling reserved for bonds relating to the Oklahoma
3 Beginning Agricultural Producer Pool Act;

4 3. "Carryforward" shall have the same meaning as in Section
5 146(f) of the Internal Revenue Code;

6 4. "Confirmation" means a written confirmation of allocation
7 issued by the State Bond Advisor;

8 5. "Consolidated Pool" means an aggregation of unallocated sums
9 of the state ceiling derived from pools as set forth in subsection ~~M~~
10 J of Section 695.24 of this title;

11 6. "Economic Development Pool" means that portion of the state
12 ceiling reserved for projects specifically authorized by the Council
13 of Bond Oversight, as provided for in subsection B of Section 695.24
14 of this title;

15 7. "Exempt facility bonds" means exempt facility bonds as
16 defined in Section 142(a) of the Internal Revenue Code;

17 8. "Exempt Facility Pool" means the portion of the state
18 ceiling reserved for exempt facility bonds;

19 9. "Final certification" or "final certificate" means a
20 certification or certificate filed with the State Bond Advisor by or
21 on behalf of the issuer specifying the exact amount of indebtedness
22 issued by an issuer, or, in the case of mortgage credit
23 certificates, a copy of the document or election filed with the
24

1 Internal Revenue Service exchanging bond issuance authority for
2 mortgage credit certificate issuance authority;

3 10. "Internal Revenue Code" means the Internal Revenue Code of
4 1986 (26 U.S.C., Section 1 et seq.), as amended;

5 11. "Issued" means any issue of bonds which have been delivered
6 and the purchase price therefor remitted to or for the account of
7 the issuer, or a copy of the document or election filed with the
8 Internal Revenue Service exchanging bond issuance authority for
9 mortgage credit certificate issuance authority;

10 12. "Issuer" or "issuing authority" means any public trust or
11 other entity which is authorized to issue tax-exempt bonds, notes
12 and other like obligations, or has the authority to exchange single-
13 family mortgage bond authority for mortgage credit certificate
14 authority, under the Constitution or laws of the state;

15 13. "Local issuer" means any municipality, county or public
16 trust having counties or municipalities or combinations thereof as
17 beneficiary, or a public trust having the state as beneficiary with
18 jurisdiction limited to one county of the state;

19 ~~14. "Local Issuer Single Family Pool" means the portion of the~~
20 ~~state ceiling reserved for local issuers of single-family, mortgage~~
21 ~~revenue bonds and mortgage credit certificates;~~

22 ~~15. "Metropolitan Area Housing Pool" means the portion of the~~
23 ~~state ceiling reserved pursuant to subsection I of Section 695.24 of~~
24 ~~this title;~~

1 ~~16.~~ "Mortgage credit certificate election" means a document or
2 election filed by an issuer with the Internal Revenue Service
3 exchanging single-family mortgage bond issuance authority for
4 mortgage credit certificate issuance authority;

5 ~~17.~~ 15. "Mortgage credit certificates" shall have the same
6 meaning as in Section 25(c) of the Internal Revenue Code;

7 ~~18.~~ 16. "Oklahoma Housing Finance Agency Pool" means that
8 portion of the state ceiling reserved for single-family bonds,
9 multifamily bonds, and mortgage credit certificates issued by the
10 Oklahoma Housing Finance Agency;

11 ~~19.~~ 17. "Private activity bonds" or "bonds" means any bonds or
12 notes or other evidence of indebtedness, the interest on which is
13 exempt from tax pursuant to the Internal Revenue Code, and mortgage
14 credit certificates, except those bonds or certificates specifically
15 excluded from the state ceiling under the terms of federal
16 legislation;

17 ~~20.~~ 18. "Qualified small issue" used in the context of "bond"
18 or "bonds" or the "Qualified Small Issue Pool" shall have the
19 meaning as in Section 144(a) of the Internal Revenue Code;

20 ~~21.~~ 19. "Qualified Small Issue Pool" means the portion of the
21 state ceiling reserved for qualified small issue bonds;

22 ~~22.~~ 20. "Qualified student loan bonds" shall have the same
23 meaning as in Section 144(b) of the Internal Revenue Code;

1 ~~23. "Rural Area Housing Pool" means the portion of the state~~
2 ~~ceiling reserved pursuant to subsection J of Section 695.24 of this~~
3 ~~title;~~

4 ~~24.~~ 21. "State" means the State of Oklahoma;

5 ~~25.~~ 22. "State Bond Advisor" means the Oklahoma State Bond
6 Advisor or his or her designee;

7 ~~26.~~ 23. "State ceiling" means the limit which is prescribed by
8 the Internal Revenue Code in Section 146 and in such other
9 applicable sections of the Internal Revenue Code on the amount of
10 private activity bonds which may be issued collectively by all of
11 the issuers of the state during a calendar year;

12 ~~27.~~ 24. "State issuer" means any public trust having the state
13 as beneficiary or any state agency or other entity with powers to
14 issue private activity bonds, provided that the term shall not
15 include a public trust or any local issuer with the state as
16 beneficiary whose jurisdiction is limited to one county;

17 ~~28.~~ 25. "State Issuer Pool" means the portion of the state
18 ceiling reserved for state issuers of qualified small issuer
19 projects; and

20 ~~29.~~ 26. "Student Loan Pool" means the portion of the state
21 ceiling reserved for qualified student loan bonds.

22 SECTION 2. AMENDATORY 62 O.S. 2011, Section 695.24, is
23 amended to read as follows:

1 Section 695.24. A. 1. Fifteen and five-tenths percent (15.5%)
2 of the state ceiling shall be reserved and placed in the Student
3 Loan Pool.

4 2. For the period January 1 through September 1 of each
5 calendar year, the Student Loan Pool shall be allocated to qualified
6 student loan bonds issued by eligible state issuers. Allocations
7 will be available to issuers on a first-come, first-serve basis.

8 B. Twelve percent (12%) of the state ceiling shall be reserved
9 and placed in a pool designated as the Economic Development Pool.
10 For the period January 1 through September 1 of each calendar year,
11 allocations from this pool may be made only upon the recommendation
12 of the Director of the Oklahoma Department of Commerce and following
13 review and approval by the Council of Bond Oversight. In order to
14 approve the recommendation, the Council of Bond Oversight must find
15 that the project seeking an allocation from this pool will result in
16 the creation of manufacturing jobs in this state or will in some
17 other way contribute to an economic development objective of this
18 state. For purposes of this subsection, "manufacturing jobs" means
19 jobs created by manufacturing facilities as that term is defined in
20 subparagraphs a, b, and c of paragraph 1 of subsection B of Section
21 2902 of Title 68 of the Oklahoma Statutes.

22 C. 1. Twelve percent (12%) of the state ceiling shall be
23 reserved and placed in a pool to be designated the Qualified Small
24 Issue Pool.

1 2. For the period January 1 through September 1 of each
2 calendar year, the Qualified Small Issue Pool shall be allocated to
3 qualified small issue bond projects undertaken by either state or
4 local issuers. Allocations will be available to issuers on a first-
5 come, first-serve basis.

6 D. 1. One percent (1%) of the state ceiling shall be reserved
7 and placed in a pool to be designated the Beginning Agricultural
8 Producer Pool.

9 2. For the period January 1 through September 1 of each
10 calendar year, the Beginning Agricultural Producer Pool shall be
11 allocated pursuant to the criteria established in Section 5063.23 of
12 Title 74 of the Oklahoma Statutes.

13 E. 1. Two and five-tenths percent (2.5%) of the state ceiling
14 shall be reserved and placed in a pool to be designated the Exempt
15 Facility Pool.

16 2. For the period January 1 through September 1 of each
17 calendar year, the Exempt Facility Pool shall be allocated to exempt
18 facility bonds issued by either state or local issuers. Allocations
19 will be available to issuers on a first-come, first-serve basis.

20 F. 1. Except as otherwise provided by this subsection, ~~fifteen~~
21 ~~percent (15%)~~ fifty-three percent (53%) of the state ceiling shall
22 be reserved and placed in a pool to be designated the Oklahoma
23 Housing Finance Agency Pool. Provided, however, that the allocation
24 of the state ceiling to the Oklahoma Housing Finance Agency as

otherwise authorized pursuant to this subsection shall be increased up to ten percent (10%) of the state ceiling amount for any calendar year subsequent to a certification by the Oklahoma Strategic Military Planning Commission that the available housing stock in an area located on or near a military installation at risk for closure or adverse realignment pursuant to federal law is inadequate and an increase in available funds for construction or rehabilitation of such housing would make closure or an adverse realignment of the military installation less likely. The certification by the Oklahoma Strategic Military Planning Commission shall be made and communicated to the State Bond Advisor not later than November 15 each year. The Oklahoma Strategic Military Planning Commission shall make a specific recommendation to the State Bond Advisor regarding the percentage increase to be adopted for the Oklahoma Housing Finance Agency pool for the ensuing year. The State Bond Advisor shall make the final determination regarding the amount of such increase. Any certification made by the Oklahoma Strategic Military Planning Commission shall be valid only for the calendar year immediately following such certification.

2. a. For the period January 1 through September 1 of each year, the Oklahoma Housing Finance Agency Pool shall be allocated to qualified single family bonds, multifamily bonds, or mortgage credit certificates issued by the Oklahoma Housing Finance Agency.

1 b. Provided, thirty-five percent (35%) of the allocation
2 from the Oklahoma Housing Finance Agency Pool shall be
3 set aside for at least three (3) months for the
4 origination of single-family loans in counties with
5 populations of three hundred thousand (300,000) or
6 less.

7 G. 1. Four percent (4%) of the state ceiling shall be reserved
8 and placed in a pool to be designated the State Issuer Pool. For
9 the period commencing January 1 of each calendar year through
10 September 1 of the same year, the State Issuer Pool shall be
11 allocated to those qualified small issuer projects undertaken by
12 state issuers which have issued in excess of Seventy-five Million
13 Dollars (\$75,000,000.00) in qualified small issue bonds.

14 2. Notwithstanding the provisions of this section, a state
15 issuer specifically limited in jurisdiction to one county shall be
16 treated as a local issuer for the purposes of allocation.

17 H. ~~Seventeen and five tenths percent (17.5%) of the state~~
18 ~~ceiling shall be reserved and placed in a pool to be designated the~~
19 ~~Local Issuer Single Family Pool. For the period commencing January~~
20 ~~1 of each calendar year through September 1 of the same year, the~~
21 ~~Local Issuer Single Family Pool shall be allocated to single-family~~
22 ~~projects undertaken by local issuers in counties with populations of~~
23 ~~three hundred thousand (300,000) or less on a first come, first-~~
24 ~~serve basis with no single local issuer or project to receive an~~

1 ~~allocation in excess of Ten Million Dollars (\$10,000,000.00) from~~
2 ~~the Local Issuer Single Family Pool. An issuer which has not~~
3 ~~received any allocation from the State Issuer Pool and having a~~
4 ~~single-family project limited in jurisdiction to twenty counties or~~
5 ~~less, each of which has a population of three hundred thousand~~
6 ~~(300,000) or less, shall be considered a local issuer for the~~
7 ~~purposes of this subsection.~~

8 ~~I. Twelve and five-tenths percent (12.5%) of the state ceiling~~
9 ~~shall be reserved and placed in a pool to be designated the~~
10 ~~Metropolitan Area Housing Pool. Allocations from the Metropolitan~~
11 ~~Area Housing Pool may only be made to any public trust created to~~
12 ~~provide single-family housing having a county with a population in~~
13 ~~excess of three hundred thousand (300,000) as its sole beneficiary~~
14 ~~and which has issued tax exempt single-family housing revenue bonds~~
15 ~~in the amount of at least Four Hundred Million Dollars~~
16 ~~(\$400,000,000.00). Provided, no more than fifty percent (50%) of~~
17 ~~the amount allocated pursuant to this subsection shall be awarded to~~
18 ~~any single county.~~

19 ~~J. Eight percent (8%) of the state ceiling shall be~~
20 ~~reserved and placed in a pool to be designated the Rural Area~~
21 ~~Housing Pool which shall be allocated to single-family~~
22 ~~projects undertaken by other local issuers in counties with~~
23 ~~populations of three hundred thousand (300,000) persons or~~
24 ~~less on a first-come, first-serve basis with no single local~~

1 ~~issuer or project to receive an allocation in excess of four~~
2 ~~percent (4%) of the state ceiling.~~

3 ~~K.~~ Provided, however, that the percentage otherwise authorized
4 by subsections A, B, C, D, E, F, ~~G, H, I~~ and J of this section shall
5 be proportionately reduced by the amount of increase in the
6 percentage authorized to the Oklahoma Housing Finance Agency as a
7 result of a recommendation by the Oklahoma Strategic Military
8 Planning Commission pursuant to paragraph 1 of subsection F of this
9 section.

10 ~~I.~~ I. The state ceiling for each calendar year shall be
11 allocated within the categories set forth in subsections A, B, C, D,
12 E, F, ~~G, H, I~~ and J of this section to all private activity bonds,
13 as follows:

14 1. Except as provided in Section 695.21 et seq. of this title,
15 the state ceiling shall be allocated in the order in which
16 confirmations are issued;

17 2. The State Bond Advisor shall issue confirmations in the
18 order in which fully and properly completed applications for state
19 ceiling allocation are received. The State Bond Advisor shall have
20 the limited authority to defer or deny confirmation on applications
21 for state ceiling allocation which appear to be incomplete or
22 premature based upon information submitted or which fail to show
23 demand for funds pursuant to subsections F and G of Section 695.25
24 of this title; and

1 3. The State Bond Advisor shall have no discretionary control
2 regarding the issuance of confirmations, except as specifically
3 provided in the Oklahoma Private Activity Bond Allocation Act.

4 In the event a confirmation or application is denied, the State
5 Bond Advisor, within five (5) business days following such denial,
6 shall send written notice of such denial to the applicant together
7 with a brief recital of the reason therefor.

8 ~~M. J.~~ 1. On September 2 of each calendar year, nonallocated
9 sums remaining in the Economic Development Pool, Qualified Small
10 Issue Pool, the Beginning Agricultural Producer Pool, the Exempt
11 Facility Pool, the Student Loan Pool, and the Oklahoma Housing
12 Finance Agency Pool, ~~the State Issuer Pool, the Local Issuer Single~~
13 ~~Family Pool, the Metropolitan Area Housing Pool and the Rural Area~~
14 ~~Housing Pool~~ shall be consolidated into the Consolidated Pool.

15 2. All local issuers and state issuers shall be entitled to
16 obtain allocations from the Consolidated Pool for any private
17 activity bond or mortgage credit certificate program based on the
18 chronological order of completed applications received after January
19 1 of each calendar year which applications have not received an
20 allocation.

21 SECTION 3. AMENDATORY 62 O.S. 2011, Section 695.25, is
22 amended to read as follows:

23 Section 695.25. A. On January 1 of each calendar year or the
24 first business day thereafter, the State Bond Advisor shall

1 determine the maximum total volume of private activity bonds that
2 may be issued pursuant to federal law by the state during that year.

3 B. On or before February 15 of each calendar year, the State
4 Bond Advisor shall cause to be published in The Oklahoma Register,
5 or any successor publication, a notice specifying the amount of the
6 state ceiling for the calendar year.

7 C. Allocations from the pools set forth in Section 695.24 of
8 this title will be processed on the basis of the chronological order
9 of receipt of completed applications for state ceiling allocation
10 unless otherwise provided in ~~said~~ the section, and on the basis of
11 the information and provisions set forth in subsections D, E, F, G
12 and H of this section. Allocations from the Consolidated Pool will
13 be processed on the basis of the system set out in subsection ~~M~~ J of
14 Section 695.24 of this title and on the basis of information and
15 provisions set forth in subsections D, E, F, G and H of this
16 section.

17 D. An issuer which proposes to issue private activity bonds for
18 a specific project or purpose shall make application for an
19 allocation of a portion of the state ceiling for the particular
20 project or purpose by submitting to the State Bond Advisor an
21 application for state ceiling allocation together with copies of the
22 following:

23 1. A certified copy of the resolution or other action adopted
24 by the issuer for the purpose of taking "official action" as

1 required by the Treasury Regulations relating to Section 103 of the
2 Internal Revenue Code, if the issuer of private activity bonds for
3 which the allocation is requested requires "official action" under
4 applicable Treasury Regulations and the Internal Revenue Code; and

5 2. A final resolution of the beneficiary of the issuer
6 evidencing its approval of the issuance of the issuer's obligations,
7 if the issuer is a municipal or county public trust, or a
8 certificate signed by the Governor of the state evidencing his
9 approval of the issuance of the issuer's obligations, to the extent
10 required under the Internal Revenue Code, if the issuer is a public
11 trust having the state as its beneficiary.

12 E. The application for state ceiling allocation shall contain
13 the following information:

14 1. The name and mailing address of the issuer, the beneficiary
15 and jurisdiction thereof, the name of the presiding officer of the
16 issuer and the respective pool from which an allocation is
17 requested;

18 2. The name and mailing address or other definitive description
19 of the location of the project or bonds and the purpose for which an
20 allocation of the state ceiling is requested, the name and mailing
21 address of both the initial owner or operator of the project, where
22 applicable, and an appropriate person from whom information
23 regarding the project or bonds can be obtained, and the name and
24 address of the person to whom the confirmation should be sent;

1 3. The amount of the state ceiling which the Issuer is
2 requesting;

3 4. A statement of bond counsel for the issuer that the proposed
4 issue requires, pursuant to Section 103, Section 146 or such other
5 applicable sections of the Internal Revenue Code, an allocation of a
6 portion of the state ceiling; and

7 5. Where applicable, the intention to exchange single-family
8 mortgage bond authority for mortgage credit certificates.

9 F. 1. Applications for single-family mortgage bonds or
10 mortgage credit certificate programs shall also include the
11 submission of information demonstrating a reasonable expectation to
12 use an allocation of the state ceiling for its intended purpose.
13 This information shall include historical usage of mortgage revenue
14 bond proceeds or mortgage credit certificates ~~in the geographic area~~
15 ~~subject to an application over the previous twenty-four-month period~~
16 ~~and the impact of known or possible competing programs that would~~
17 ~~act to reduce demand. This information may also include demand~~
18 ~~surveys. Provided, in cases where historical usage cannot be~~
19 ~~documented, demand surveys shall be included with an application.~~

20 2. Applications for qualified student loan bonds shall also
21 include the submission of information showing a reasonable
22 expectation to use the state ceiling for its intended purpose. This
23 information shall include historical lending activity over the
24 previous twenty-four-month period as well as a demonstration of need

1 based upon such factors as increased enrollment costs, enrollment
2 increases, or new federal regulations that act to increase demand by
3 making changes to eligibility requirements to certain federally
4 guaranteed or subsidized student loan programs. This information
5 may also include demand surveys. Provided, in cases where
6 historical usage cannot be documented, demand surveys shall be
7 included with an application.

8 3. Applications shall also include evidence of a structure to
9 deliver the financing derived from single-family mortgage bond
10 proceeds or mortgage credit certificates or from qualified student
11 loan bond proceeds to ultimate users, particularly the extent of
12 lender participation in the case of mortgage revenue bonds or
13 mortgage credit certificate programs.

14 G. 1. Upon receipt of the completed application for state
15 ceiling allocation, copies of the official action and final
16 resolutions or certificates as required by subsection D of this
17 section and the information required by subsections E and F of this
18 section and assuming availability of the sum requested and
19 compliance with the Oklahoma Private Activity Bond Allocation Act,
20 the State Bond Advisor shall send, within five (5) business days of
21 the receipt thereof, a confirmation of the allocation of the state
22 ceiling for the subject project or purpose to the person designated
23 in the application for state ceiling allocation. Provided, the
24

1 State Bond Advisor may reject an application or deny a confirmation
2 pursuant to the provisions of this subsection.

3 2. The State Bond Advisor may reject any application which is
4 incomplete or filed with insufficient information. The State Bond
5 Advisor may reject any application where, in the State Bond
6 Advisor's judgment, a reasonable likelihood has not been shown that
7 single-family mortgage and student loan bond proceeds or mortgage
8 credit certificates will be used for their intended public purposes.
9 In the event an application or confirmation is denied, within five
10 (5) business days following such denial, the State Bond Advisor
11 shall send the applicant written notice of the denial of an
12 application or confirmation together with the reason or reasons
13 therefor. In the case of disapprovals of applications or
14 confirmations, an applicant may appeal the disapproval by submitting
15 a new application to the Council of Bond Oversight, along with an
16 explanation addressing the reasons for disapproval cited in the
17 State Bond Advisor's letter. The Council of Bond Oversight, through
18 affirmative action of the Council, may accept an application
19 rejected by the State Bond Advisor, or order the State Bond Advisor
20 to issue a confirmation of allocation, subject to provisions of the
21 Oklahoma Private Activity Bond Allocation Act. Applicants may
22 submit only one new application based on an appeal of any specific
23 application previously submitted.

1 3. Only complete applications, as determined by the State Bond
2 Advisor, shall be used to establish the chronological order of
3 applications. In the case of a new application submitted based on
4 an appeal, chronological order shall be established at the time the
5 new application is submitted.

6 H. An original confirmation shall cease to be effective to
7 assure allocation of any portion of the state ceiling unless the
8 bonds, notes, other evidences of indebtedness, or the appropriate
9 election filed with the Internal Revenue Service exchanging mortgage
10 bond authority for mortgage credit certificate authority have been
11 issued or filed within one hundred twenty (120) days after the date
12 of such confirmation. No extensions shall be granted. Such
13 issuance shall be evidenced by the mailing, transmittal or delivery
14 of a final certification to the State Bond Advisor within the time
15 specified by this subsection. Receipt by an issuer of a
16 confirmation as contemplated by this section shall entitle the
17 issuer to rely conclusively upon the accuracy of the State Bond
18 Advisor's mathematical calculation and the allocation for purposes
19 of closing.

20 I. The confirmation given in advance of bond issuance or
21 mortgage credit certificate election will assure allocation for only
22 the amount of such bonds or mortgage credit certificate authority as
23 is therein set forth, unless a supplementary application for state
24 ceiling allocation for an increase in amount is filed with and a

1 supplementary confirmation is issued by the State Bond Advisor for
2 such requested allocation prior to such bond issuance or such
3 election, pursuant to the Oklahoma Private Activity Bond Allocation
4 Act. The supplementary confirmation shall be effective for the same
5 period as the prior confirmation which it supplements. Provided,
6 however, no supplementary confirmation shall be effective to preempt
7 any intervening confirmation as to allocation of a portion of the
8 state ceiling.

9 J. Notwithstanding the provisions of this section, all
10 confirmation dates for an issue of private activity bonds or
11 mortgage credit certificate programs expire on December 20 of each
12 calendar year. Final certification of issuance shall be delivered
13 to the State Bond Advisor by 9:00 a.m. on December 20 of each
14 calendar year.

15 K. On or after 9:00 a.m. on December 20 of each calendar year,
16 issuing authorities may apply to the State Bond Advisor to carry
17 forward a portion of the state ceiling for such calendar year
18 allocated to any qualified carryforward project, as ~~said~~ the term is
19 used in Section 103(n)(10) and 146(f) of the Internal Revenue Code
20 and which shall be evidenced by the issuance of confirmations for
21 all carryforward projects within the limitations of the state
22 ceiling. Provided, issuers or projects with more than Twenty
23 Million Dollars (\$20,000,000.00) of carryforward outstanding as of
24 the date of the application for carryforward shall only be eligible

1 for carryforward allocations to the extent other issuers with less
2 than Twenty Million Dollars (\$20,000,000.00) of outstanding
3 carryforward authority do not fully commit the state ceiling.
4 Allocations on carryforward projects shall be processed on the basis
5 of the chronological receipt of applications. No portion of the
6 state ceiling carried forward for any given year may be carried
7 forward for a period in excess of three (3) calendar years following
8 the calendar year in which the carryforward arose, except as
9 otherwise permitted under federal law.

10 L. The State Bond Advisor shall maintain continuous and
11 cumulative records which shall include a list and cumulative dollar
12 total of the private activity bonds for which:

13 1. Private activity bonds have been issued or state ceiling
14 exchanged for mortgage credit certificate authority and final
15 certifications have been received by the State Bond Advisor;

16 2. Confirmations of carryforward have been issued; and

17 3. Confirmations in effect and outstanding for which no private
18 activity bonds or mortgage credit certificate elections have been
19 issued or filed.

20 The State Bond Advisor shall keep continuous and cumulative records
21 and totals for each of the categories specified in paragraphs 1, 2
22 and 3 of this subsection as well as the aggregate total of all
23 categories. The State Bond Advisor shall not give further
24 confirmations at such time as the aggregate amount of bonds, other

1 indebtedness, carryforward or mortgage credit certificate elections
2 specified by paragraphs 1, 2 and 3 of this subsection equals the
3 state ceiling authorized for the applicable year. The State Bond
4 Advisor shall not award a confirmation if such award would cause
5 indebtedness, carryforward or elections as specified by paragraphs
6 1, 2 and 3 of this subsection to exceed the state ceiling.
7 Confirmation records shall be compiled and furnished to any local
8 issuer and state issuer upon written request and payment of a fee of
9 Fifteen Dollars (\$15.00) which shall be apportioned to the General
10 Revenue Fund. Upon issuance of a confirmation, the amounts of the
11 proposed bond issue, mortgage credit certificate election and
12 carryforward confirmation shall be included in the continuing,
13 mathematical calculation, until the same shall have been terminated
14 in accordance with this section.

15 M. The person signing any confirmation for any allocations
16 granted pursuant to the Oklahoma Private Activity Bond Allocation
17 Act shall certify under penalty of perjury that such allocation was
18 not made in consideration of any bribe, gift, gratuity or direct or
19 indirect contribution to any political campaign.

20 N. A state or local issuer, who intentionally overissues
21 mortgage credit certificates or bonds, shall be prohibited from
22 making application for an allocation of the state ceiling for any
23 purpose for a period of three (3) years following discovery of such
24 over issuance.

SECTION 4. This act shall become effective January 1, 2018.

COMMITTEE REPORT BY: COMMITTEE ON APPROPRIATIONS AND BUDGET, dated
04/17/2017 - DO PASS, As Amended.