

1 STATE OF OKLAHOMA

2 1st Session of the 56th Legislature (2017)

3 SENATE BILL 629

By: Smalley

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5
6 AS INTRODUCED

7 An Act relating to Oklahoma Bond Oversight and Reform
8 Act; amending 62 O.S. 2011, Section 695.9, as amended
9 by Section 8, Chapter 275, O.S.L. 2012 (62 O.S. Supp.
10 2016, Section 695.9), which relates to approval for
11 issuance of certain obligations; deleting requirement
12 for filing by local government entities; and
13 providing an effective date.

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

15 SECTION 1. AMENDATORY 62 O.S. 2011, Section 695.9, as
16 amended by Section 8, Chapter 275, O.S.L. 2012 (62 O.S. Supp. 2016,
17 Section 695.9), is amended to read as follows:

18 Section 695.9. A. No State Governmental Entity or Local
19 Governmental Entity shall issue any State Governmental Entity
20 Financing obligations unless such obligations have been approved by
21 the Council of Bond Oversight as provided for in Section 695.8 of
22 this title; provided, however, that in no event shall the Council's
23 approval be required for the issuance of any obligations pursuant to
24 a remarketing or a change in interest rate or maturity under the
terms of indentures or agreements securing obligations heretofore

1 issued prior to July 1, 1987, or pursuant to the provisions of the
2 Oklahoma Bond Oversight and Reform Act.

3 B. 1. With respect to any State Governmental Entity Financing
4 proposed to be obtained through the issuance of its obligations, any
5 State Governmental Entity or Local Governmental Entity shall file
6 with the Council a written description of the nature, need and
7 purpose of such proposed financing. The Council shall review the
8 description of the proposed financing in order to either approve or
9 disapprove the purpose to be served by the issuance of said State
10 Governmental Entity obligations and for compliance with any
11 applicable provisions of federal, state or other laws.

12 2. With respect to bonds or indebtedness proposed to be issued
13 by the Oklahoma Development Finance Authority which will be enhanced
14 or supported pursuant to the Credit Enhancement Reserve Fund Act,
15 the Council shall review the description of such proposed financing
16 in accordance with paragraph 1 of this subsection and additionally
17 shall approve or disapprove the proposed financing on a
18 determination of sufficient compliance with the Rules Regarding the
19 Administration of the Credit Enhancement Reserve Fund as implemented
20 by the Oklahoma Development Finance Authority. Such determinations
21 by the Council shall be based on a written report prepared for and
22 provided to the Council by the Program Development and Credit Review
23 Committee as provided in Section 5062.6a of Title 74 of the Oklahoma
24 Statutes, provided the Council shall not be bound to follow the

1 conclusions reached by the committee in such reports. All orders
2 issued by the Council approving or disapproving bonds or
3 indebtedness enhanced or supported pursuant to the Credit
4 Enhancement Reserve Fund Act shall be final and shall not be subject
5 to any type of appeal.

6 3. Except as provided in paragraph 4 of this subsection,
7 approval provided for in paragraph 1 of this subsection shall expire
8 one hundred eighty (180) days after such approval. Provided, if
9 such approval expires, nothing shall prevent the State Governmental
10 Entity from refileing with the Council for approval of such financing
11 and, if granted, any one subsequent approval of such financing shall
12 be valid for a period, not to exceed one hundred eighty (180) days,
13 as determined by the Council.

14 4. Applicants having received approval, as provided for in
15 paragraph 1 of this subsection, may request and the Oklahoma State
16 Bond Advisor may grant, at the Oklahoma State Bond Advisor's
17 discretion, a single one-hundred-eighty-day extension. Any request
18 for an extension must be made at least five (5) business days prior
19 to the expiration of the original approval. Applicants failing to
20 request an extension in this manner may refile with the Council as
21 provided for in paragraph 3 of this subsection.

22 5. In the event there is a substantial change in the nature or
23 purpose of a proposed financing after approval by the Council, the
24 prior approval shall be void and the State Governmental Entity shall

1 be required to seek approval from the Council in the manner provided
2 in paragraph 1 of this subsection.

3 ~~C. Local Governmental Entities, within ten (10) days following~~
4 ~~the date funds become available to the issuer from the sale of any~~
5 ~~obligation, shall file with the Council a copy of the official~~
6 ~~statement or notice of sale and any other information concerning the~~
7 ~~proposed financing required by the Council.~~

8 ~~D.~~ Upon the request of a Local Governmental Entity, the
9 Oklahoma State Bond Advisor may provide advice and assistance to the
10 Local Governmental Entity with respect to the issuance of
11 obligations. The Oklahoma State Bond Advisor may assess reasonable
12 fees for such services.

13 SECTION 2. This act shall become effective November 1, 2017.

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