

**BILL SUMMARY**  
1<sup>st</sup> Session of the 56<sup>th</sup> Legislature

<b>Bill No.:</b>	<b>HB 2132</b>
<b>Version:</b>	<b>FULLPCS1</b>
<b>Request Number:</b>	<b>7112</b>
<b>Author:</b>	<b>Mr. Speaker</b>
<b>Date:</b>	<b>3/1/2017</b>
<b>Impact:</b>	<b>Cannot be Reliably Determined at Present: Analysis Continues</b>

**Research Analysis**

The Proposed Committee Substitute for HB 2132 enacts and adopts the Prosperity States Compact. This compact allows creation of a Prosperity District by petition of all landowners within the district's proposed boundaries. A Prosperity District would be the sole governing authority within its borders, and would replace all state laws except the state constitution, criminal law, common law and existing state compacts. The measure describes the method for petitioning to form a Prosperity District, as well as its powers and limitations.

Prepared By: Sean Webster

**Fiscal Analysis**

The measure provides The Prosperity States Compact, an interstate agreement for the creation of political subdivisions ("districts"), municipal corporations in the form of a special district that can form enforcement contracts, sue, be sued and exercise exclusively the jurisdiction, power and authority specified in the measure under the law of the state in which it is formed. According to materials available from [compactforamerica.org](http://compactforamerica.org), districts have no power of eminent domain, taxing power or subsidization of private enterprise. Formation of a prosperity district replaces, within its boundaries, all state laws above the baseline of the Oklahoma Constitution, Common Law, criminal law and existing compacts.

Prosperity districts would possess mechanisms for setting and collecting fees for public services used by residents, exclusively through independent contractors, intergovernmental agreements, and public-private partnerships. Provision is made for for annual performance audits for contracted goods and services and an independent audit every two years to evaluate the district's operations and performance audits.

The fiscal affects associated with the creation of prosperity districts presently cannot be reliably determined. Review and analysis will continue to address the fiscal issues related to the measure.

Prepared By: Mark Tygret

**Other Considerations**

None.

