

OKLAHOMA STATE SENATE
GENERAL CONFERENCE COMMITTEE ON APPROPRIATIONS

Mr. President:

Date: 5-23-2017

Mr. Speaker:

The Conference Committee, to which was referred

SB 214

By: Griffin of the Senate and Pfeiffer of the House

Title: Public finance; state ceiling pool designations and reservation amounts; application requirements.
Effective date.

together with Engrossed House Amendments thereto, beg leave to report that we have had the same under consideration and herewith return the same with the following recommendations:

1. That the House recede from all Amendments.
2. That the attached Conference Committee Substitute be adopted.

SENATE CONFEREES:

Allen _____
Bass _____
Bergstrom Michael Bergstrom
Bice Stephanie Bice
Boggs Boggs
Brecheen _____
Brown _____
Dahm _____
Daniels John Daniels
David David
Dossett _____
Dugger John Dugger
Fields E. Fields
Floyd _____
Fry _____
Griffin Griffin
Holt Holt
Jech Jech
Kidd Chris Kidd
Leewright Leewright
Marlatt _____
Matthews _____
McCortney McCortney

Newberry _____
Newhouse _____
Paxton _____
Pederson Pederson
Pemberton Pemberton
Pittman Pittman
Pugh Pugh
Quinn Quinn
Rader Rader
Scott _____
Sharp Sharp
Shaw Wayne Shaw
Silk _____
Simpson Simpson
Smalley _____
Sparks _____
Standridge _____
Stanislowski Stanislowski
Sykes _____
Thompson Thompson
Yen Yen

HOUSE CONFEREES:

General Conference Committee on Appropriations

Senate Action _____ Date _____ House Action _____ Date _____

STATE OF OKLAHOMA

1st Session of the 56th Legislature (2017)

CONFERENCE COMMITTEE SUBSTITUTE
FOR ENGROSSED

SENATE BILL NO. 214

By: Griffin of the Senate

and

Pfeiffer of the House

CONFERENCE COMMITTEE SUBSTITUTE

An Act relating to public finance; amending 62 O.S. 2004, Sections 695.23, 695.24 and 695.25, which relate to the Oklahoma Private Activity Bond Allocation Act; modifying definitions; increasing state ceiling pool reservation amounts for Oklahoma Housing Finance Agency Pool; modifying state ceiling pool designations; conforming language; modifying certain application requirements; and providing an effective date.

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

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

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

1. "Application for state ceiling allocation" means the written application form provided by the State Bond Advisor which shall be filed by or on behalf of the issuer in compliance with the

1 requirements of ~~this act~~ the Oklahoma Private Activity Bond
2 Allocation Act;

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

6 3. "Carryforward" shall have the same meaning as in Section
7 146(f) of the Internal Revenue Code;

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

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

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

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

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

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

1 certificates, a copy of the document or election filed with the
2 Internal Revenue Service exchanging bond issuance authority for
3 mortgage credit certificate issuance authority;

4 10. "Internal Revenue Code" means the Internal Revenue Code of
5 1986 (26 U.S.C., Section 1 et seq.), as amended;

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

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

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

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

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

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

8 ~~17.~~ 16. "Mortgage credit certificates" shall have the same
9 meaning as in Section 25(c) of the Internal Revenue Code;

10 ~~18.~~ 17. "Oklahoma Housing Finance Agency Pool" means that
11 portion of the state ceiling reserved for ~~single-family bonds,~~
12 multifamily bonds, and mortgage credit certificates issued by the
13 Oklahoma Housing Finance Agency;

14 ~~19.~~ 18. "Private activity bonds" or "bonds" means any bonds or
15 notes or other evidence of indebtedness, the interest on which is
16 exempt from tax pursuant to the Internal Revenue Code, and mortgage
17 credit certificates, except those bonds or certificates specifically
18 excluded from the state ceiling under the terms of federal
19 legislation;

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

23 ~~21.~~ 20. "Qualified Small Issue Pool" means the portion of the
24 state ceiling reserved for qualified small issue bonds;

1 ~~22.~~ 21. "Qualified student loan bonds" shall have the same
2 meaning as in Section 144(b) of the Internal Revenue Code;

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

6 ~~24.~~ 22. "State" means the State of Oklahoma;

7 ~~25.~~ 23. "State Bond Advisor" means the Oklahoma State Bond
8 Advisor or his or her designee;

9 ~~26.~~ 24. "State ceiling" means the limit which is prescribed by
10 the Internal Revenue Code in Section 146 and in such other
11 applicable sections of the Internal Revenue Code on the amount of
12 private activity bonds which may be issued collectively by all of
13 the issuers of the state during a calendar year;

14 ~~27.~~ 25. "State issuer" means any public trust having the state
15 as beneficiary or any state agency or other entity with powers to
16 issue private activity bonds, provided that the term shall not
17 include a public trust or any local issuer with the state as
18 beneficiary whose jurisdiction is limited to one county;

19 ~~28.~~ 26. "State Issuer Pool" means the portion of the state
20 ceiling reserved for state issuers of qualified small issuer
21 projects; and

22 ~~29.~~ 27. "Student Loan Pool" means the portion of the state
23 ceiling reserved for qualified student loan bonds.

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

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

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

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

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

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

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

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

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

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

23 F. 1. Except as otherwise provided by this subsection, ~~fifteen~~
24 ~~percent (15%)~~ forty percent (40%) of the state ceiling shall be

1 reserved and placed in a pool to be designated the Oklahoma Housing
2 Finance Agency Pool. Provided, however, that the allocation of the
3 state ceiling to the Oklahoma Housing Finance Agency as otherwise
4 authorized pursuant to this subsection shall be increased up to ten
5 percent (10%) of the state ceiling amount for any calendar year
6 subsequent to a certification by the Oklahoma Strategic Military
7 Planning Commission that the available housing stock in an area
8 located on or near a military installation at risk for closure or
9 adverse realignment pursuant to federal law is inadequate and an
10 increase in available funds for construction or rehabilitation of
11 such housing would make closure or an adverse realignment of the
12 military installation less likely. The certification by the
13 Oklahoma Strategic Military Planning Commission shall be made and
14 communicated to the State Bond Advisor not later than November 15
15 each year. The Oklahoma Strategic Military Planning Commission
16 shall make a specific recommendation to the State Bond Advisor
17 regarding the percentage increase to be adopted for the Oklahoma
18 Housing Finance Agency pool for the ensuing year. The State Bond
19 Advisor shall make the final determination regarding the amount of
20 such increase. Any certification made by the Oklahoma Strategic
21 Military Planning Commission shall be valid only for the calendar
22 year immediately following such certification.

23 2. ~~a.~~ For the period January 1 through September 1 of each
24 year, the Oklahoma Housing Finance Agency Pool shall

1 be allocated to qualified ~~single family bonds,~~
2 multifamily bonds, or mortgage credit certificates
3 issued by the Oklahoma Housing Finance Agency.

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

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

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

20 H. ~~Seventeen and five-tenths percent (17.5%)~~ Thirteen percent
21 (13%) of the state ceiling shall be reserved and placed in a pool to
22 be designated the Local Issuer ~~Single Family~~ Pool. For the period
23 commencing January 1 of each calendar year through September 1 of
24 the same year, the Local Issuer ~~Single Family~~ Pool shall be

1 allocated to ~~single-family~~ projects undertaken by local issuers in
2 counties with populations of three hundred thousand (300,000) or
3 less on a first-come, first-serve basis with no single local issuer
4 or project to receive an allocation in excess of Ten Million Dollars
5 (\$10,000,000.00) from the Local Issuer ~~Single-Family~~ Pool. An
6 issuer which has not received any allocation from the State Issuer
7 Pool and having a ~~single-family~~ project limited in jurisdiction to
8 twenty counties or less, each of which has a population of three
9 hundred thousand (300,000) or less, shall be considered a local
10 issuer for the purposes of this subsection.

11 I. ~~Twelve and five-tenths percent (12.5%) of the state ceiling~~
12 ~~shall be reserved and placed in a pool to be designated the~~
13 ~~Metropolitan Area Housing Pool. Allocations from the Metropolitan~~
14 ~~Area Housing Pool may only be made to any public trust created to~~
15 ~~provide single-family housing having a county with a population in~~
16 ~~excess of three hundred thousand (300,000) as its sole beneficiary~~
17 ~~and which has issued tax exempt single-family housing revenue bonds~~
18 ~~in the amount of at least Four Hundred Million Dollars~~
19 ~~(\$400,000,000.00). Provided, no more than fifty percent (50%) of~~
20 ~~the amount allocated pursuant to this subsection shall be awarded to~~
21 ~~any single county.~~

22 J. ~~Eight percent (8%) of the state ceiling shall be~~
23 ~~reserved and placed in a pool to be designated the Rural Area~~
24 ~~Housing Pool which shall be allocated to single-family~~

1 ~~projects undertaken by other local issuers in counties with~~
2 ~~populations of three hundred thousand (300,000) persons or~~
3 ~~less on a first come, first serve basis with no single local~~
4 ~~issuer or project to receive an allocation in excess of four~~
5 ~~percent (4%) of the state ceiling.~~

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

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

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

20 2. The State Bond Advisor shall issue confirmations in the
21 order in which fully and properly completed applications for state
22 ceiling allocation are received. The State Bond Advisor shall have
23 the limited authority to defer or deny confirmation on applications
24 for state ceiling allocation which appear to be incomplete or

1 premature based upon information submitted or which fail to show
2 demand for funds pursuant to subsections F and G of Section 695.25
3 of this title; and

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

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

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

18 2. All local issuers and state issuers shall be entitled to
19 obtain allocations from the Consolidated Pool for any private
20 activity bond or mortgage credit certificate program based on the
21 chronological order of completed applications received after January
22 1 of each calendar year which applications have not received an
23 allocation.
24

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

3 Section 695.25. A. On January 1 of each calendar year or the
4 first business day thereafter, the State Bond Advisor shall
5 determine the maximum total volume of private activity bonds that
6 may be issued pursuant to federal law by the state during that year.

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

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

21 D. An issuer which proposes to issue private activity bonds for
22 a specific project or purpose shall make application for an
23 allocation of a portion of the state ceiling for the particular
24 project or purpose by submitting to the State Bond Advisor an

1 application for state ceiling allocation together with copies of the
2 following:

3 1. A certified copy of the resolution or other action adopted
4 by the issuer for the purpose of taking "official action" as
5 required by the Treasury Regulations relating to Section 103 of the
6 Internal Revenue Code, if the issuer of private activity bonds for
7 which the allocation is requested requires "official action" under
8 applicable Treasury Regulations and the Internal Revenue Code; and

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

16 E. The application for state ceiling allocation shall contain
17 the following information:

18 1. The name and mailing address of the issuer, the beneficiary
19 and jurisdiction thereof, the name of the presiding officer of the
20 issuer and the respective pool from which an allocation is
21 requested;

22 2. The name and mailing address or other definitive description
23 of the location of the project or bonds and the purpose for which an
24 allocation of the state ceiling is requested, the name and mailing

1 address of both the initial owner or operator of the project, where
2 applicable, and an appropriate person from whom information
3 regarding the project or bonds can be obtained, and the name and
4 address of the person to whom the confirmation should be sent;

5 3. The amount of the state ceiling which the Issuer is
6 requesting;

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

11 5. Where applicable, the intention to exchange ~~single-family~~
12 mortgage bond authority for mortgage credit certificates.

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

1 2. Applications for qualified student loan bonds shall also
2 include the submission of information showing a reasonable
3 expectation to use the state ceiling for its intended purpose. This
4 information shall include historical lending activity over the
5 previous twenty-four-month period as well as a demonstration of need
6 based upon such factors as increased enrollment costs, enrollment
7 increases, or new federal regulations that act to increase demand by
8 making changes to eligibility requirements to certain federally
9 guaranteed or subsidized student loan programs. This information
10 may also include demand surveys. Provided, in cases where
11 historical usage cannot be documented, demand surveys shall be
12 included with an application.

13 3. Applications shall also include evidence of a structure to
14 deliver the financing derived from ~~single-family~~ mortgage bond
15 proceeds or mortgage credit certificates or from qualified student
16 loan bond proceeds to ultimate users, particularly the extent of
17 lender participation in the case of mortgage revenue bonds or
18 mortgage credit certificate programs.

19 G. 1. Upon receipt of the completed application for state
20 ceiling allocation, copies of the official action and final
21 resolutions or certificates as required by subsection D of this
22 section and the information required by subsections E and F of this
23 section and assuming availability of the sum requested and
24 compliance with the Oklahoma Private Activity Bond Allocation Act,

1 the State Bond Advisor shall send, within five (5) business days of
2 the receipt thereof, a confirmation of the allocation of the state
3 ceiling for the subject project or purpose to the person designated
4 in the application for state ceiling allocation. Provided, the
5 State Bond Advisor may reject an application or deny a confirmation
6 pursuant to the provisions of this subsection.

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

1 Oklahoma Private Activity Bond Allocation Act. Applicants may
2 submit only one new application based on an appeal of any specific
3 application previously submitted.

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

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

23 I. The confirmation given in advance of bond issuance or
24 mortgage credit certificate election will assure allocation for only

1 the amount of such bonds or mortgage credit certificate authority as
2 is therein set forth, unless a supplementary application for state
3 ceiling allocation for an increase in amount is filed with and a
4 supplementary confirmation is issued by the State Bond Advisor for
5 such requested allocation prior to such bond issuance or such
6 election, pursuant to the Oklahoma Private Activity Bond Allocation
7 Act. The supplementary confirmation shall be effective for the same
8 period as the prior confirmation which it supplements. Provided,
9 however, no supplementary confirmation shall be effective to preempt
10 any intervening confirmation as to allocation of a portion of the
11 state ceiling.

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

18 K. On or after 9:00 a.m. on December 20 of each calendar year,
19 issuing authorities may apply to the State Bond Advisor to carry
20 forward a portion of the state ceiling for such calendar year
21 allocated to any qualified carryforward project, as ~~said~~ the term is
22 used in Section 103(n)(10) and 146(f) of the Internal Revenue Code
23 and which shall be evidenced by the issuance of confirmations for
24 all carryforward projects within the limitations of the state

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

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

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

19 2. Confirmations of carryforward have been issued; and

20 3. Confirmations in effect and outstanding for which no private
21 activity bonds or mortgage credit certificate elections have been
22 issued or filed.

23 The State Bond Advisor shall keep continuous and cumulative records
24 and totals for each of the categories specified in paragraphs 1, 2

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

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

23 N. A state or local issuer, who intentionally overissues
24 mortgage credit certificates or bonds, shall be prohibited from

1 making application for an allocation of the state ceiling for any
2 purpose for a period of three (3) years following discovery of such
3 over issuance.

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

5
6 56-1-1858 CP 5/24/2017 8:58:45 AM

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24