

An Act

ENROLLED SENATE
BILL NO. 587

By: Howard and Hall of the
Senate

and

Boles of the House

An Act relating to the Oklahoma Community Economic Development Pooled Finance Act; amending 62 O.S. 2011, Section 891.3, as last amended by Section 1, Chapter 260, O.S.L. 2019 (62 O.S. Supp. 2020, Section 891.3), which relates to definitions; modifying definitions; updating statutory references; and providing an effective date.

SUBJECT: Oklahoma Community Economic Development Pooled Finance Act

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

SECTION 1. AMENDATORY 62 O.S. 2011, Section 891.3, as last amended by Section 1, Chapter 260, O.S.L. 2019 (62 O.S. Supp. 2020, Section 891.3), is amended to read as follows:

Section 891.3. 1. "Authority" means the Oklahoma Development Finance Authority;

2. "Bonds" means any form of obligation issued by the Oklahoma Development Finance Authority pursuant to ~~this act~~ the Oklahoma Community Economic Development Pooled Finance Act;

3. "Business entity" means a corporation, limited liability company, general partnership, limited partnership, or such other entity conducting a lawful activity which is organized pursuant to

the laws of the state or which is authorized to do business in the state if organized under the law of another jurisdiction;

4. "Community Economic Development Pooled Finance Revolving Fund" means the fund created pursuant to Section 891.15 of this title;

5. "Conduit issuer" means the Oklahoma Development Finance Authority acting for the benefit of either a combination of local government entities or a local government entity or entities in conjunction with a for-profit business entity pursuant to the provisions of ~~this act~~ the Oklahoma Community Economic Development Pooled Finance Act;

6. "Credit Enhancement Reserve Fund" means that fund created pursuant to Section 5063.3 of Title 74 of the Oklahoma Statutes;

7. "Debt" means bonds, notes, or other evidence of indebtedness issued by the Oklahoma Development Finance Authority;

8. "Department" means the Oklahoma Department of Commerce;

9. "Economic Development Pool" means proceeds of obligations sold by the Authority to provide resources for eligible local government entities or a local government entity in conjunction with a for-profit business entity to finance an eligible economic development project or other purposes authorized by ~~this act~~ the Oklahoma Community Economic Development Pooled Finance Act;

10. "Eligible local government entity" means:

- a. a city,
- b. a town,
- c. a county,
- d. any combination of cities, towns, or counties, ~~or~~
- e. a public trust with a beneficiary or beneficiary which is a city, town, county or some combination of such

entities as authorized by Section 176 of Title 60 of the Oklahoma Statutes, or

f. an entity subject to the jurisdiction of the State Board of Career and Technology Education or the Oklahoma State Regents for Higher Education;

11. "Federal government defense entities" means U.S. Department of Defense installations in the State of Oklahoma including Fort Sill, Tinker Air Force Base, Altus Air Force Base, Vance Air Force Base and McAlester Army Ammunition Plant;

12. "For-profit business" means any lawful activity conducted by a business entity with the goal or expectation of selling goods, services or other property at a price greater than the actual costs incurred by the business;

13. "Infrastructure" means:

- a. county roads,
- b. county bridges,
- c. municipal streets,
- d. municipal bridges,
- e. any railway or utility system owned by an eligible local government entity,
- f. water treatment facilities,
- g. solid waste management facilities,
- h. water treatment and distribution systems, ~~or~~
- i. any asset or project identified by the eligible local government entities necessary for essential government functions if the asset is owned by a local government entity or entities, or

j. any asset or project that is owned or operated by an eligible local government entity that provides a specific industry focused training program that:

(1) is collaboratively developed with major industry employers in this state to meet the occupational and skill demands in its workforce, and

(2) the delivery of instruction may be a collaboration between or among entities under the jurisdiction of the State Department of Education, the State Board of Career and Technology Education and the Oklahoma State Regents for Higher Education;

14. "Infrastructure Pool" means proceeds of obligations sold by the Authority to provide resources for eligible local government entities to provide financing for infrastructure or other purposes authorized by ~~this act~~ the Oklahoma Community Economic Development Pooled Finance Act;

15. "Pooled financing" means an agreement, pursuant to the provisions of ~~this act~~ the Oklahoma Community Economic Development Pooled Finance Act or pursuant to the Interlocal Cooperation Act, among two or more eligible local governmental entities or involving a local government entity or entities in conjunction with a for-profit business entity to use proceeds from a tax levy or other authorized source of revenue to make payments of principal, interest, and other related costs in connection with an obligation issued by the Oklahoma Development Finance Authority for the benefit of the entities entering into such agreement according to the terms of the agreement and according to the requirements of any ballot submitted to the voters of the respective eligible local governmental entities. Pooled financing does not mean or include the use of any ad valorem tax revenues derived from a levy imposed pursuant to Section 26 of Article X of the Oklahoma Constitution;

16. "Private activity bonds" means those obligations the interest income from which may be exempt from federal income tax pursuant to the provisions of the Internal Revenue Code of 1986, as amended; and

17. "Public-Private Partner Development Pool" means proceeds of obligations sold by the Oklahoma Development Finance Authority to provide resources for eligible local government entities to provide financing for infrastructure in conjunction with for-profit business entities and federal government defense entities or any other purpose authorized by ~~this act~~ the Oklahoma Community Economic Development Pooled Finance Act.

SECTION 2. This act shall become effective November 1, 2021.

Passed the Senate the 10th day of March, 2021.

Presiding Officer of the Senate

Passed the House of Representatives the 22nd day of April, 2021.

Presiding Officer of the House
of Representatives

OFFICE OF THE GOVERNOR

Received by the Office of the Governor this _____

day of _____, 20_____, at _____ o'clock _____ M.

By: _____

Approved by the Governor of the State of Oklahoma this _____

day of _____, 20_____, at _____ o'clock _____ M.

Governor of the State of Oklahoma

OFFICE OF THE SECRETARY OF STATE

Received by the Office of the Secretary of State this _____

day of _____, 20_____, at _____ o'clock _____ M.

By: _____