

STATE OF OKLAHOMA

2nd Session of the 59th Legislature (2024)

SENATE BILL 2020

By: Bergstrom

AS INTRODUCED

An Act relating to economic development; amending 62 O.S. 2021, Section 891.8, which relates to the Oklahoma Community Economic Development Pooled Finance Act; requiring minimum amount of proceeds to be used for certain projects; providing exception; limiting certain eligibility requirements; and providing an effective date.

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

SECTION 1. AMENDATORY 62 O.S. 2021, Section 891.8, is amended to read as follows:

Section 891.8. A. The Authority shall be authorized to act as a conduit issuer for the benefit of one or more eligible local government entities or for the benefit of one or more local government entities in conjunction with a for-profit business entity for an authorized economic development project using the Economic Development Pool.

B. The Authority shall be authorized to issue its obligations in order to provide net proceeds on a pooled basis not to exceed One Hundred Million Dollars (\$100,000,000.00) for the Economic

1 Development Pool. The Authority shall be authorized to issue
2 obligations within the limit prescribed by this subsection based
3 upon the defeasance of previously issued obligations.

4 C. Except as otherwise provided by subsection 6 I of this
5 section, proceeds from the Economic Development Pool shall be for
6 the purpose of providing financing for an eligible local government
7 entity or entities or for the benefit of a business entity for an
8 authorized economic development project located in this state.

9 D. Sixty-five percent (65%) of the net proceeds from the
10 Economic Development Pool shall be used by the Authority for the
11 benefit of eligible local government entities the population of
12 which, according to the most recent Federal Decennial Census, does
13 not exceed three hundred thousand (300,000) persons for any
14 participating municipality.

15 E. Thirty-five percent (35%) of the net proceeds from the
16 Economic Development Pool may be used by the Authority for the
17 benefit of any and all eligible local government entities regardless
18 of population.

19 F. For every three-year period beginning on the effective date
20 of this act, at least ten percent (10%) of the net proceeds from the
21 Economic Development Pool shall be used by the Authority for the
22 benefit of eligible business entities with less than fifty full-time
23 employees or eligible business entities with less than fifty full-
24 time employees in conjunction with an eligible local government

1 entity or entities. If the amount of financing applied for by
2 qualifying eligible business entities with less than fifty full-time
3 employees from the Economic Development Pool in any three-year
4 period is less than the minimum threshold required by this
5 subsection, the threshold shall be reduced to equal the total amount
6 of financing applied for by those qualifying eligible entities.

7 G. Eligibility requirements to receive financing from the
8 Economic Development Pool for business entities with less than fifty
9 full-time employees shall not exceed:

10 1. Five Hundred Thousand Dollars (\$500,000.00) in capital
11 investment; and

12 2. Three Hundred Thousand Dollars (\$300,000.00) in total annual
13 existing payroll.

14 H. Obligations issued pursuant to the provisions of this
15 section may be issued on a tax-exempt basis if the applicable
16 provisions of federal law governing private activity bonds allow
17 such issuance. Otherwise, the obligations issued pursuant to the
18 provisions of this section shall be issued on a taxable basis.

19 ~~G.~~ I. The proceeds from the Economic Development Pool may also
20 be used for the purposes authorized by Section 891.7 of this title.

21 SECTION 2. This act shall become effective January 1, 2025.

22
23 59-2-2482 QD 1/18/2024 3:38:49 PM
24
25