

STATE OF OKLAHOMA

2nd Session of the 60th Legislature (2026)

SENATE BILL 1332

By: Kirt

AS INTRODUCED

An Act relating to the Oklahoma Water Resources Board; creating the Targeted Housing and Responsible Infrastructure for Vital Economies (THRIVE) Act; providing short title; establishing certain program; stating purpose of program; requiring certain application rating; providing criteria; providing for clawback of funds; defining terms; requiring certain report; requiring certain prioritization of vendors; requiring promulgation of rules; creating the THRIVE Communities Program Revolving Fund; stating purpose of fund; establishing fund source; providing for allocation of certain funds; making an appropriation; providing for noncodification; providing for codification; and providing an effective date.

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

SECTION 1. NEW LAW A new section of law not to be codified in the Oklahoma Statutes reads as follows:

This act shall be known and may be cited as the "Targeted Housing and Responsible Infrastructure for Vital Economies (THRIVE) Act".

SECTION 2. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 1085.66 of Title 82, unless there is created a duplication in numbering, reads as follows:

1       A. 1. The Oklahoma Water Resources Board shall establish and  
2 administer the Targeted Housing and Responsible Infrastructure for  
3 Vital Economies (THRIVE) Communities Program. The purpose of the  
4 program shall be to develop competitive zero-interest loans for  
5 eligible entities seeking to implement housing plans that need  
6 water, wastewater, or stormwater projects for housing development  
7 completion.

8       2. The Board shall develop an application preference rating  
9 system for approval based on the following criteria including, but  
10 not limited to:

- 11           a. project alignment with long-term vision and goals for  
12           housing in the community,
- 13           b. expansion of housing stock options and fulfilling  
14           identified housing needs in the area of the proposed  
15           project,
- 16           c. defined opportunity for economic development with  
17           additional housing units developed,
- 18           d. opportunity to expand workforce housing availability,
- 19           e. available financing for the housing development,
- 20           f. conservation and fiscal sustainability efforts for the  
21           infrastructure, and
- 22           g. pledge of matching funds, either through the entity or  
23           a third-party source.

1       3. For the purposes of this section, "eligible entity" shall  
2 have the same meaning as provided in Section 1085.32 of Title 82 of  
3 the Oklahoma Statutes.

4       B. All loans authorized pursuant to the provisions of this act  
5 shall include a clawback provision in the funding agreement with an  
6 eligible entity. For purposes of this subsection, a "clawback  
7 provision" means a condition precedent to participate in the program  
8 whereby a loan recipient agrees in writing, signed by all parties,  
9 to reimburse the program all or any part of the loan disbursed to  
10 the recipient upon the failure of the recipient to fulfill loan  
11 contract terms.

12       C. The Board shall publish an annual report on the Board's  
13 website regarding the projects completed pursuant to the provisions  
14 of this act. The report shall also display the status of proposed  
15 and approved projects, estimated completion dates, resulting housing  
16 units completed, unused or misaligned funds recaptured, and any  
17 other information deemed necessary by the Board.

18       D. Any eligible entity receiving monies pursuant to the THRIVE  
19 Communities Program shall prioritize the utilization of contractors,  
20 businesses, and other vendors that are based in this state pursuant  
21 to Section 85.17A of Title 74 of the Oklahoma Statutes.

22       E. The Board shall promulgate rules to effectuate the  
23 provisions of this act and loan criteria for the program.  
24

1           SECTION 3.           NEW LAW           A new section of law to be codified

2 in the Oklahoma Statutes as Section 1085.67 of Title 82, unless  
3 there is created a duplication in numbering, reads as follows:

4           A.   1.   There is hereby created in the State Treasury a  
5 revolving fund for the Oklahoma Water Resources Board to be  
6 designated the "THRIVE Communities Program Revolving Fund". The  
7 fund shall be a continuing fund, not subject to fiscal year  
8 limitations, and shall consist of all monies appropriated pursuant  
9 to Section 4 of this act. All monies accruing to the credit of the  
10 fund are hereby appropriated and may be budgeted and expended by the  
11 Board for the purposes provided in this act. The Board may enter  
12 into contracts with financial institutions and execute such  
13 instruments as may be necessary to hold and disseminate loan funds  
14 in accordance with applicable regulations and Board policies.

15           2.   Notwithstanding any other provisions of law, income and  
16 investment return on fund principal and interest income and  
17 repayment of principal on loans made from the balance of the fund  
18 shall accrue to the fund.

19           B.   1.   The Board may have full discretion of all monies within  
20 the fund for enhancements, leveraging, and reserve capacities for  
21 the Board loan and grant programs, system evaluation and risk  
22 assessment assistance, and long-range infrastructure planning.

23           2.   The Board may reserve up to two percent (2%) per year from  
24 the fund for the purpose of administering the THRIVE Communities  
25

1 Program. Any remaining funds may be allocated to satisfy the  
2 purposes of paragraph 1 of this subsection.

3 C. The funds remaining following reserves and allocations made  
4 pursuant to subsection B of this section shall be loaned to eligible  
5 entities as prescribed by the program. Loan monies shall be  
6 allocated based on the most current census data available from the  
7 Federal Decennial Census or American Community Survey and shall be  
8 as follows:

9 1. Thirty-three percent (33%) of the allocated funds shall be  
10 for approved projects located within a municipality or county with a  
11 population of more than four hundred thousand (400,000), or the  
12 equivalent thereof for other eligible entities as prescribed by the  
13 Board;

14 2. Thirty-three percent (33%) of the allocated funds shall be  
15 for approved projects located within a municipality or county with a  
16 population that is greater than thirty thousand (30,000) but less  
17 than four hundred thousand (400,000), or the equivalent thereof for  
18 other eligible entities as prescribed by the Board; and

19 3. Thirty-four percent (34%) of the allocated funds shall be  
20 for approved projects located within a municipality or county with a  
21 population of less than thirty thousand (30,000), or the equivalent  
22 thereof for other eligible entities as prescribed by the Board.

23 After fiscal year 2027, remaining reserves may be accessed by  
24 any eligible entities. The Oklahoma Water Resources Board shall

1 establish rules to update allocations to ensure geographic  
2 representation while maximizing the number and scale of projects  
3 completed.

4 SECTION 4. There is hereby appropriated to the THRIVE  
5 Communities Program Revolving Fund from any monies not otherwise  
6 appropriated from the General Revenue Fund of the State Treasury for  
7 the fiscal year ending June 30, 2027, the sum of One Hundred Million  
8 Dollars (\$100,000,000.00) or so much thereof as may be necessary to  
9 perform the duties imposed upon the Oklahoma Water Resources Board  
10 by law.

11 SECTION 5. This act shall become effective November 1, 2026.  
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