

1 STATE OF OKLAHOMA

2 2nd Session of the 55th Legislature (2016)

3 HOUSE BILL 2596

By: Morrissette

4
5
6 AS INTRODUCED

7 An Act relating to transportation; ordering a
8 legislative referendum pursuant to the Oklahoma
9 Constitution; creating the Oklahoma Mutual Transit
10 Authority Act of 2016; creating the Oklahoma Mutual
11 Transit Authority; authorizing and empowering the
12 Transit Authority to perform certain acts; granting
13 powers and duties; requiring certain liability
14 insurance; making subject to workers' compensation
15 laws; providing for ex officio and appointed members;
16 providing for appointment; providing duties and
17 limitations on Transit Authority members; providing
18 surety bond requirements; making membership
19 noncompensatory; providing for expense reimbursement;
20 prohibiting certain expenses and liabilities;
21 defining terms; requiring certain partnerships when
22 possible; creating felony; providing penalties;
23 limiting expenses; requiring the utilization of
24 certain legal counsel; requiring certain report;
allowing for certain direct allocations for certain
purposes; providing authority and limitations related
to real property acquisition, disposal and
condemnation; providing bonding authority; limiting
authority; providing that certain debt is not a debt
of the state or political subdivisions; requiring
certain notice appear on face of bonds; restricting
the use of bond proceeds; authorizing certain
investment transactions; requiring certain approvals
prior to investments; authorizing certain trust
agreements; deeming monies to be trust funds;
authorizing the enforcement of certain legal rights;
exempting Transit Authority and Transit Authority
bonds from taxes and assessments; limiting power to
acquire property; authorizing investment in Transit
Authority bonds; requiring certain maintenance;
requiring policing; allowing certain transactions

1 with political subdivisions; authorizing bond issue
2 preapproval by Supreme Court; requiring
3 prioritization by Supreme Court; providing process;
4 exempting certain bonds from legal requirements;
5 authorizing and limiting refunding bonds; requiring
6 certain periodic report; providing responsibility and
7 process for removal and relocation of certain
8 structures; providing exemptions; clarifying the
9 status of applicable rights-of-way; making certain
10 construction unlawful; providing for removal of
11 structures; providing for codification; providing
12 ballot title; and directing filing.

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

14 SECTION 1. Pursuant to Section 3 of Article V of the Oklahoma
15 Constitution, there is hereby ordered the following legislative
16 referendum which shall be filed with the Secretary of State and
17 addressed to the Governor of the state, who shall submit the same to
18 the people for their approval or rejection at the next General
19 Election, to be held on November 8, 2016.

20 SECTION 2. NEW LAW A new section of law to be codified
21 in the Oklahoma Statutes as Section 4100 of Title 69, unless there
22 is created a duplication in numbering, reads as follows:

23 Sections 2 through 23 of this act shall be known and may be
24 cited as the "Oklahoma Mutual Transit Authority Act of 2016".

SECTION 3. NEW LAW A new section of law to be codified
in the Oklahoma Statutes as Section 4101 of Title 69, unless there
is created a duplication in numbering, reads as follows:

1 In order to facilitate mass transportation including passenger
2 rail services in the state, the Oklahoma Mutual Transit Authority,
3 as created in Section 4 of this act, is hereby authorized and
4 empowered to construct, maintain, repair and operate, either
5 directly or in conjunction with a partner authority or combination
6 of partner authorities, mass transportation projects, at such
7 locations as may be approved by the Transportation Commission, and
8 to issue mass transportation revenue bonds of the Transit Authority
9 payable solely from revenues or revenue streams provided by partner
10 authorities to pay the costs of such projects. The Transit
11 Authority is further authorized and empowered to construct,
12 maintain, repair and operate, either directly or in conjunction with
13 a partner authority or combination of partner authorities,
14 intermodal transportation transfer facilities and infrastructure
15 related thereto, including, without limitation, warehouses and
16 utility facilities as the Transit Authority shall determine to be
17 feasible and economically sound.

18 SECTION 4. NEW LAW A new section of law to be codified
19 in the Oklahoma Statutes as Section 4102 of Title 69, unless there
20 is created a duplication in numbering, reads as follows:

21 A. There is hereby created a body corporate and politic to be
22 known as the Oklahoma Mutual Transit Authority and by that name the
23 Transit Authority may sue and be sued, and plead and be impleaded.
24 The Transit Authority is hereby constituted an instrumentality of

1 the state, and the exercise by the Transit Authority of the powers
2 conferred by this act in the construction, maintenance, repair and
3 operation, either directly or in conjunction with a partner
4 authority or combination of partner authorities, of mass
5 transportation projects shall be deemed and held to be an essential
6 governmental function of the state with all the attributes thereof.
7 Provided, however, the Transit Authority is authorized to carry and
8 shall carry liability insurance to the same extent and in the same
9 manner as the Transportation Commission, and in addition thereto it
10 shall be subject to the workers' compensation laws of the state the
11 same as a private construction project.

12 B. The Oklahoma Mutual Transit Authority shall consist of the
13 Governor, who shall be a member ex officio, and six (6) members to
14 be appointed by the Governor, by and with the consent of the Senate.
15 The appointive members shall be residents of the state.

16 C. The Transit Authority shall elect one of the appointed
17 members as chairperson and another as vice-chairperson, and shall
18 also elect a secretary and treasurer. A majority of the members of
19 the Transit Authority shall constitute a quorum and the vote of a
20 majority of the members shall be necessary for any action taken by
21 the Transit Authority. No vacancy in the membership of the Transit
22 Authority shall impair the right of a quorum to exercise all the
23 rights and perform all the duties of the Transit Authority.

24

1 D. Before the issuance of any mass transit revenue bonds under
2 the provisions of this act, each appointed member of the Transit
3 Authority shall execute a surety bond in the penal sum of Twenty-
4 five Thousand Dollars (\$25,000.00) and the secretary and treasurer
5 shall execute a surety bond in the penal sum of One Hundred Thousand
6 Dollars (\$100,000.00), each such surety bond to be conditioned upon
7 the faithful performance of the duties of the office, to be executed
8 by a surety company authorized to transact business in the State of
9 Oklahoma as surety and to be approved by the Governor and filed in
10 the office of the Secretary of State.

11 E. The members of the Transit Authority shall not be entitled
12 to compensation for their services, but each member shall be
13 reimbursed for actual expenses necessarily incurred in the
14 performance of the duties of such member pursuant to the State
15 Travel Reimbursement Act. All expenses incurred in carrying out the
16 provisions of this act shall be payable solely from funds provided
17 under the authority of this act and no liability or obligation shall
18 be incurred by the Transit Authority hereunder beyond the extent to
19 which monies shall have been provided under the authority of this
20 act.

21 SECTION 5. NEW LAW A new section of law to be codified
22 in the Oklahoma Statutes as Section 4103 of Title 69, unless there
23 is created a duplication in numbering, reads as follows:

24 As used in the Oklahoma Mutual Transit Authority Act of 2016:

1 1. "Partner authority" means a transportation authority,
2 regional economic development authority or regional district, as
3 provided for in Section 1370.7 of Title 68 of the Oklahoma Statutes,
4 or a federally recognized Indian tribal government;

5 2. "Transit Authority" means the Oklahoma Mutual Transit
6 Authority;

7 3. "Mass transportation project" includes but is not limited to
8 transit, commuter and passenger rail service or operations or
9 intermodal facilities, the components of which contribute to a
10 system that incorporates transportation modes of highway, air, rail
11 and waterway together in order to facilitate the movements of
12 commerce and individuals; and

13 4. "Mass transit revenue bond" means a bond authorized under
14 the provisions of this act, issued by the Oklahoma Mutual Transit
15 Authority.

16 SECTION 6. NEW LAW A new section of law to be codified
17 in the Oklahoma Statutes as Section 4104 of Title 69, unless there
18 is created a duplication in numbering, reads as follows:

19 In an effort to maximize the ability to construct, maintain,
20 repair and operate mass transit projects in the State of Oklahoma,
21 the Transit Authority shall partner when possible with partner
22 authorities. Such partnerships may include but not be limited to
23 the operation and financing of mass transit projects. Nothing in
24 this act shall be interpreted to prevent a partner agency from

1 directly allocating monies to the Transit Authority for the purpose
2 of constructing, maintaining, repairing or operating a mass transit
3 project.

4 SECTION 7. NEW LAW A new section of law to be codified
5 in the Oklahoma Statutes as Section 4105 of Title 69, unless there
6 is created a duplication in numbering, reads as follows:

7 A. The Oklahoma Mutual Transit Authority is hereby authorized
8 and empowered:

- 9 1. To adopt bylaws for the regulation of its affairs and
10 conduct of its business;
- 11 2. To adopt an official seal and alter the same at pleasure;
- 12 3. To maintain an office at such place or places within the
13 state as it may designate;
- 14 4. To sue and be sued in contract, reverse condemnation,
15 equity, mandamus and similar actions in its own name, plead and be
16 impleaded; provided, that any and all actions at law or in equity
17 against the Transit Authority shall be brought in the county in
18 which the principal office of the Transit Authority shall be
19 located, or in the county of the residence of the plaintiff, or the
20 county where the cause of action arose. All privileges granted to
21 the Transit Authority and duties enjoined upon the Transit Authority
22 by the provisions of this act may be enforced in a court of
23 competent jurisdiction in an action in mandamus;

24

1 5. To construct, maintain, repair and operate, either directly
2 or in conjunction with a partner authority or combination of partner
3 authorities, mass transportation projects at such locations and on
4 such routes as it shall determine to be feasible and economically
5 sound;

6 6. To enter agreements with partner authorities for the
7 operation of mass transportation projects;

8 7. To enter agreements with partner authorities for the
9 financing of mass transportation projects;

10 8. To acquire, hold and dispose of real and personal property
11 in the exercise of its powers and performance of its duties;

12 9. To acquire in the name of the Transit Authority by purchase
13 or otherwise on such terms and conditions and in such manner as it
14 may deem proper, or by exercise of the right of condemnation in the
15 manner hereinafter provided, such public or private lands, including
16 public parks, playgrounds, or reservations, or parts thereof or
17 rights therein, rights-of-way, property, rights, easements and
18 interests, as it may deem necessary for carrying out the provisions
19 this act; provided, that all public property damaged in carrying out
20 the powers granted by this act shall be restored or repaired and
21 placed in its original condition as nearly as practicable;

22 10. To make and enter into all contracts and agreements
23 necessary or incidental to the performance of its duties and the
24 execution of its powers, and to employ consulting engineers,

1 attorneys, accountants, construction and financial experts,
2 superintendents, managers and such other employees and agents as may
3 be necessary in its judgment, and to fix their compensation;
4 provided, that all such expenses shall be payable solely from the
5 proceeds of mass transit revenue bonds issued under the provisions
6 of this act or from revenues; provided further, no attorney employed
7 by the Transit Authority, nor any member of any law firm of which
8 the attorney may be connected, shall ever be paid any fee or
9 compensation for any special or extraordinary services;

10 11. To receive and accept from any federal agency grants for or
11 in aid of the construction of any mass transit project and to
12 receive and accept aid or contributions from any source of either
13 money, property, labor, or other things of value, to be held, used,
14 and applied only for the purposes for which such grants and
15 contributions may be made; and

16 12. To do all things necessary or convenient to carry out the
17 powers expressly granted by this act. All contracts for
18 construction work on mass transit projects shall be let to the
19 lowest responsible bidder, or bidders, after notice by publication
20 in a newspaper published in the county where the work is to be done
21 in two consecutive weekly issues of the newspaper.

22 B. It shall be unlawful for any member, officer or employee of
23 the Transit Authority to transact with the Transit Authority, either
24 directly or indirectly, any business for profit of such member,

1 officer or employee; and any person, firm or corporation knowingly
2 participating therein shall be equally liable for violation of this
3 provision.

4 The term "business for profit" shall include, but not be limited
5 to, the acceptance or payment of any fee, commission, gift or
6 consideration to such member, officer or employee.

7 Violation of this provision shall constitute a felony punishable
8 by incarceration in the State Penitentiary for a term not to exceed
9 five (5) years or a fine of not less than Five Hundred Dollars
10 (\$500.00) and not more than Five Thousand Dollars (\$5,000.00), or
11 both such imprisonment and fine.

12 C. In the event of a national emergency, the Transit Authority,
13 subject to any vested rights or claims, may enter into contracts
14 with the federal government or any authorized agency thereof to
15 allow the federal government or agency thereof to use a mass transit
16 project partly or exclusively during the existence of such
17 emergency; provided, that the federal government shall agree in such
18 contract to pay, during the term of such contract, an amount
19 sufficient to meet all operating and maintenance expenses, interest
20 payments, and the minimum sinking fund and reserve requirements of
21 the trust agreement for the mass transit project covered by the
22 contract.

23
24

1 D. All meetings of the Transit Authority shall be open public
2 meetings, and all records shall be public records, except when
3 considering personnel or litigation.

4 SECTION 8. NEW LAW A new section of law to be codified
5 in the Oklahoma Statutes as Section 4106 of Title 69, unless there
6 is created a duplication in numbering, reads as follows:

7 The Transit Authority shall hold payments for engineering and
8 legal services to the barest minimum, and the Attorney General shall
9 be utilized as legal counsel for the Transit Authority. The Transit
10 Authority shall submit to the Governor and the Legislature a
11 complete detailed and itemized annual report of all sums expended
12 for engineering and legal services, showing the amounts and to whom
13 paid. Such report shall be submitted within thirty (30) days after
14 the convening of the Legislature for each general session.

15 SECTION 9. NEW LAW A new section of law to be codified
16 in the Oklahoma Statutes as Section 4107 of Title 69, unless there
17 is created a duplication in numbering, reads as follows:

18 The Transit Authority is hereby authorized and empowered to
19 acquire by purchase, or condemnation, land or such interest therein
20 as in its discretion may be necessary for the purpose of
21 establishing, constructing, maintaining and operating mass transit
22 projects or relocation thereof and facilities necessary and incident
23 thereto, or necessary in the restoration of public or private
24 property damaged or destroyed, including borrow areas, detours and

1 deposits of rock, gravel, sand and other building material for use
2 in mass transit project construction and maintenance, upon such
3 terms and at such price as may be considered by it to be reasonable
4 and can be agreed upon between the Transit Authority and the owner
5 thereof, and to take title thereto in the name of the Transit
6 Authority; provided, that such right and title shall be limited to
7 the surface rights only and shall not include oil or other mineral
8 rights.

9 SECTION 10. NEW LAW A new section of law to be codified
10 in the Oklahoma Statutes as Section 4108 of Title 69, unless there
11 is created a duplication in numbering, reads as follows:

12 Mass transit revenue bonds issued under the provisions of this
13 act shall not at any time be deemed to constitute a debt of the
14 state or of any political subdivision thereof or a pledge of the
15 faith and credit of the state or of any such political subdivision,
16 but such bonds shall be payable solely from revenues as provided in
17 this act. Such mass transit revenue bonds shall contain on the face
18 thereof a statement to the effect that neither the state nor the
19 Transit Authority shall be obligated to pay the same or the interest
20 thereon except from the revenue of the project or projects for which
21 they are issued and that neither the faith and credit nor the taxing
22 power of the state or any political subdivision thereof is pledged,
23 or may hereafter be pledged, to the payment of the principal of or
24 the interest on such bonds.

1 SECTION 11. NEW LAW A new section of law to be codified
2 in the Oklahoma Statutes as Section 4109 of Title 69, unless there
3 is created a duplication in numbering, reads as follows:

4 A. The Transit Authority may provide by resolution, at one time
5 or from time to time, for the issuance of mass transit revenue bonds
6 of the Transit Authority for the purpose of paying all or any part
7 of the cost of any one or more mass transit projects. The Transit
8 Authority, when it finds that it would be economical and beneficial
9 to do so, may combine two or more, or any part thereof, or all of
10 its proposed projects into one unit and consider the same as one
11 project to the same extent and with like effect as if the same were
12 a single project. The principal of and the interest on the bonds
13 shall be payable solely from the funds provided for such payment.
14 The bonds of each issue shall be dated, shall bear interest at such
15 rate or rates not exceeding the limitations pertaining to public
16 trust indebtedness from time to time expressed in subsection E of
17 Section 176 of Title 60 of the Oklahoma Statutes, shall mature at
18 such time or times not exceeding forty (40) years from their date or
19 dates, as may be determined by the Transit Authority, and may be
20 made redeemable before maturity at the option of the Transit
21 Authority at such price or prices and pursuant to such terms and
22 conditions as may be fixed by the Transit Authority prior to the
23 issuance of the bonds. The Transit Authority shall determine the
24 form of the bonds, including any interest coupons to be attached

1 thereto, and the manner of execution of the bonds, and shall fix the
2 denomination or denominations of the bonds and the place or places
3 of payment of principal and interest, which may be at any bank or
4 trust company within or without the state. If any officer whose
5 signature or facsimile of whose signature appears on any bonds or
6 coupons shall cease to be said officer before the delivery of the
7 bonds, the signature or the facsimile shall nevertheless be valid
8 and sufficient for all purposes the same as if the person had
9 remained in office until such delivery. All bonds issued pursuant
10 to the provisions of this act shall have all the qualities and
11 incidents of negotiable instruments subject to the negotiable
12 instruments law of this state. The bonds may be issued in coupon or
13 in registered form, or both, as the Transit Authority may determine,
14 and provisions may be made for the registration of any coupon bonds
15 as to principal alone and also as to both principal and interest,
16 and for the reconversion into coupon bonds of any bonds registered
17 as to both principal and interest. The Transit Authority may sell
18 the bonds in such amounts and in such manner, either at public or
19 private sale, and for such price, as it may determine to be in the
20 best interest of this state, but in no event at a discount in excess
21 of that provided for by Section 176 of Title 60 of the Oklahoma
22 Statutes.

23 B. The proceeds of the bonds of each issue shall be used solely
24 for the payment of the cost of the mass transit project for which

1 such bonds have been issued, and shall be disbursed in such manner
2 and pursuant to such restrictions, if any, as the Transit Authority
3 may provide in the resolution authorizing the issuance of such bonds
4 or in the trust agreement securing the same. If the proceeds of the
5 bonds of any issue, by error of estimates or otherwise, shall be
6 less than such cost, additional bonds may in like manner be issued
7 to provide the amount of such deficit and, unless otherwise provided
8 for in the resolution authorizing the issuance of such bonds or in
9 the trust agreement securing the same, shall be deemed to be of the
10 same issue and shall be entitled to payment from the same funds
11 without preference or priority of the bonds first issued. If the
12 proceeds of the bonds of any issue shall exceed such cost, the
13 surplus shall be deposited to the credit of the sinking fund for
14 such bonds, or shall be used by the Transit Authority in
15 implementing any other power expressly granted to the Transit
16 Authority in this act.

17 C. Prior to the preparation of definitive bonds, the Transit
18 Authority, subject to restrictions provided in this act, may issue
19 interim receipts or temporary bonds, with or without coupons,
20 exchangeable for definitive bonds when such bonds have been executed
21 and are available for delivery. The Transit Authority may also
22 provide for the replacement of any bonds which have become mutilated
23 or were destroyed or lost. Bonds may be issued pursuant to the
24 provisions of this act without obtaining the consent of any

1 department, division, commission, board, bureau or agency of this
2 state, and without any other proceedings or the occurrence of any
3 other conditions or things than those proceedings, conditions or
4 things that are specifically required by this act.

5 D. The Transit Authority is hereby authorized to provide that
6 the bonds:

7 1. Be made payable from time to time on demand or tender for
8 purchase by the owner provided a credit facility supports such
9 bonds, unless the Transit Authority specifically determines that a
10 credit facility is not required;

11 2. Be additionally supported by a credit facility;

12 3. Be made subject to redemption prior to maturity, with or
13 without premium, on such notice and at such time or times and with
14 such redemption provisions as may be determined by the Transit
15 Authority or with such variations as may be permitted in connection
16 with a par formula;

17 4. Bear interest at a rate or rates that may vary as permitted
18 pursuant to a par formula and for such period or periods of time,
19 all as may be determined by the Transit Authority; and

20 5. Be made the subject of a remarketing agreement whereby an
21 attempt is made to remarket the bonds to new purchasers prior to
22 their presentment for payment to the provider of the credit facility
23 or to the Transit Authority.

24

1 No credit facility, repayment agreement, par formula or
2 remarketing agreement shall become effective without the approval of
3 the Transit Authority.

4 E. As used in this section, the following terms shall have the
5 following meanings:

6 1. "Credit facility" means an agreement entered into by the
7 Transit Authority with any bank, savings and loan association or
8 other banking institution; an insurance company, reinsurance
9 company, surety company or other insurance institution; a
10 corporation, investment banker or other investment institution; or
11 any other financial institution providing for prompt payment of all
12 or any part of the principal, whether at maturity, presentment for
13 purchase, redemption or acceleration, redemption premium, if any,
14 and interest on any bonds payable on demand or tender by the owner
15 issued in accordance with this section, in consideration of the
16 Transit Authority's agreeing to repay the provider of such credit
17 facility in accordance with the terms and provisions of such
18 repayment agreement; provided, that any such repayment agreement
19 shall provide that the obligation of the Transit Authority
20 thereunder shall have only such sources of payment as are permitted
21 for the payment of the bonds issued under this act; and

22 2. "Par formula" means any provision or formula adopted by the
23 Transit Authority to provide for the adjustment, from time to time,
24 of the interest rate or rates borne by any such bonds so that the

1 purchase price of such bonds in the open market would be as close to
2 par as possible.

3 F. The Transit Authority may enter into transactions utilizing
4 derivative products, and other financial products intended to hedge
5 interest rate risk, including any option to enter into or terminate
6 any of them, that the Transit Authority deems to be necessary or
7 desirable in connection with any bonds issued prior to, at the same
8 time as, or after entering into such arrangement and containing
9 terms and provisions, and may be with such parties, as determined by
10 the Transit Authority. Provided, any action taken by the Transit
11 Authority pursuant to this subsection must first be approved by the
12 Oklahoma State Bond Advisor and the Council of Bond Oversight
13 pursuant to the provisions of the Oklahoma Bond Oversight and Reform
14 Act.

15 SECTION 12. NEW LAW A new section of law to be codified
16 in the Oklahoma Statutes as Section 4110 of Title 69, unless there
17 is created a duplication in numbering, reads as follows:

18 In the discretion of the Transit Authority any bonds issued
19 under the provisions of this act may be secured by a trust agreement
20 by and between the Transit Authority and a corporate trustee, which
21 may be any trust company or bank having the powers of a trust
22 company within or without the state. Such trust agreement may
23 pledge or assign the revenues to be received from the project
24 constructed by the use of the proceeds of the bonds, but shall not

1 convey or mortgage any mass transit project or any part thereof.
2 Such trust agreement or resolution providing for the issuance of
3 such bonds may contain such provisions for protecting and enforcing
4 the rights and remedies of the bondholders as may be reasonable and
5 proper and not in violation of law, including covenants setting
6 forth the duties of the Transit Authority in relation to the
7 acquisition of property and the construction, improvement,
8 maintenance, repair, operation and insurance of the mass transit
9 project in connection with which such bonds shall have been
10 authorized, and the custody, safeguarding and application of all
11 monies, and provisions for the employment of consulting engineers in
12 connection with the construction or operation of such mass transit
13 project or projects. It shall be lawful for any bank or trust
14 company incorporated under the laws of the state which may act as
15 depository of the proceeds of bonds or of revenues to furnish such
16 indemnifying bonds or to pledge such securities as may be required
17 by the Transit Authority. Any such trust agreement may set forth
18 the rights and remedies of the bondholders and of the trustee, and
19 may restrict the individual right of action by bondholders as is
20 customary in trust agreements or trust indentures securing bonds and
21 debentures of corporations. In addition to the foregoing any such
22 trust agreement may contain such other provisions as the Transit
23 Authority may deem reasonable and proper for the security of the
24 bondholders. All expenses incurred in carrying out the provisions

1 of such trust agreement may be treated as a part of the cost of the
2 operation of the mass transit project or projects.

3 SECTION 13. NEW LAW A new section of law to be codified
4 in the Oklahoma Statutes as Section 4111 of Title 69, unless there
5 is created a duplication in numbering, reads as follows:

6 All monies received pursuant to the authority of this act,
7 whether as proceeds from the sale of bonds or as revenues, shall be
8 deemed to be trust funds, to be held and applied solely as provided
9 in this act. The resolution authorizing the bonds of any issue or
10 the trust agreement securing such bonds shall provide that any
11 officer to whom, or any bank or trust company to which, such money
12 shall be paid shall act as trustee of such monies and shall hold and
13 apply the same for the purposes hereof, subject to such regulations
14 as this act and such resolution or trust agreement may provide.

15 SECTION 14. NEW LAW A new section of law to be codified
16 in the Oklahoma Statutes as Section 4112 of Title 69, unless there
17 is created a duplication in numbering, reads as follows:

18 Any holder of bonds issued under the provisions of this act or
19 any of the coupons appertaining thereto, and the trustee under the
20 trust agreement, except to the extent the rights herein given may be
21 restricted by such trust agreement, may, either at law or in equity,
22 by suit, action, mandamus or other proceeding protect and enforce
23 any and all rights under the laws of the state or granted hereunder
24 or under such trust agreement or the resolution authorizing the

1 issuance of such bonds, and may enforce and compel the performance
2 of all duties required by this act or by such trust agreement or
3 resolution to be performed by the Transit Authority or by any
4 officer thereof.

5 SECTION 15. NEW LAW A new section of law to be codified
6 in the Oklahoma Statutes as Section 4113 of Title 69, unless there
7 is created a duplication in numbering, reads as follows:

8 The exercise of the powers granted by this act shall be in all
9 respects for the benefit of the people of the state, for the
10 increase of their commerce and prosperity, and for the improvement
11 of their health and living conditions, and as the operation and
12 maintenance of mass transit projects by the Transit Authority will
13 constitute the performance of essential governmental functions, the
14 Transit Authority shall not be required to pay any taxes or
15 assessments upon any mass transit project or any property acquired
16 or used by the Transit Authority under the provisions of this act or
17 upon the income therefrom, and the bonds issued under the provisions
18 of this act, their transfer and the income therefrom, including any
19 profit made on the sale thereof, shall at all times be free from
20 taxation within the state. The Transit Authority is hereby limited
21 in its power to acquire property to the acquisition of property
22 which is necessary to the construction and operation of mass transit
23 projects.

24

1 SECTION 16. NEW LAW A new section of law to be codified
2 in the Oklahoma Statutes as Section 4114 of Title 69, unless there
3 is created a duplication in numbering, reads as follows:

4 Bonds issued under the provisions of this act are hereby made
5 securities in which all public officers and public bodies, agencies
6 and instrumentalities of the state and its political subdivisions,
7 all banks, trust companies, trust and loan associations, investment
8 companies and others carrying on a banking business, and all
9 insurance companies and insurance associations, and others carrying
10 on an insurance business, may legally and properly invest funds
11 including capital in their control or belonging to them.

12 SECTION 17. NEW LAW A new section of law to be codified
13 in the Oklahoma Statutes as Section 4115 of Title 69, unless there
14 is created a duplication in numbering, reads as follows:

15 A. Each mass transit project when constructed and opened to the
16 public shall be maintained and kept in good condition and repair by
17 the Transit Authority or a partner authority. Each such mass
18 transit project shall also be policed and operated by such force of
19 police and other operating employees as the Transit Authority may in
20 its discretion employ.

21 B. All counties, municipalities, political subdivisions, public
22 agencies and commissions, and partner authorities, notwithstanding
23 any contrary provision of law, are hereby authorized and empowered
24 to lease, lend, grant or convey to the Transit Authority at its

1 request upon such terms and conditions as the proper authorities of
2 such counties, municipalities, political subdivisions, public
3 agencies and commissions, and partner authorities may deem
4 reasonable and fair and without the necessity for any advertisement,
5 order of court or other action or formality, other than the regular
6 and formal action of the authorities concerned, any real property or
7 financial assistance which may be necessary or convenient to the
8 effectuation of the authorized purposes of the Transit Authority,
9 including transportation systems already devoted to public use.

10 SECTION 18. NEW LAW A new section of law to be codified
11 in the Oklahoma Statutes as Section 4116 of Title 69, unless there
12 is created a duplication in numbering, reads as follows:

13 The Transit Authority is authorized in its discretion to file an
14 application with the Supreme Court of Oklahoma for the approval of
15 any bonds to be issued hereunder, and exclusive original
16 jurisdiction is hereby conferred upon the Supreme Court to hear and
17 determine each such application. It shall be the duty of the Court
18 to give such applications precedence over the other business of the
19 Court and to consider and pass upon the applications and any
20 protests which may be filed thereto as speedily as possible. Notice
21 of the hearing on each application shall be given by a notice
22 published in a newspaper of general circulation in the state that on
23 a day named the Transit Authority will ask the Court to hear its
24 application and approve the bonds. Such notice shall inform all

1 persons interested that they may file protests against the issuance
2 of the bonds and be present at the hearing and contest the legality
3 thereof. Such notice shall be published one time not less than ten
4 (10) days prior to the date named for the hearing and the hearing
5 may be adjourned from time to time in the discretion of the Court.
6 If the Court shall be satisfied that the bonds have been properly
7 authorized in accordance with this act and that when issued, they
8 will constitute valid obligations in accordance with their terms,
9 the Court shall render its written opinion approving the bonds and
10 shall fix the time within which a petition for rehearing may be
11 filed. The decision of the Court shall be a judicial determination
12 of the validity of the bonds, shall be conclusive as to the Transit
13 Authority, its officers and agents, and thereafter the bonds so
14 approved and the revenues pledged to their payment shall be
15 incontestable in any court in the State of Oklahoma.

16 SECTION 19. NEW LAW A new section of law to be codified
17 in the Oklahoma Statutes as Section 4117 of Title 69, unless there
18 is created a duplication in numbering, reads as follows:

19 A. The Transit Authority is hereby authorized to provide by
20 resolution for the issuance of mass transit revenue refunding bonds
21 of the Transit Authority for the purpose of refunding any bonds then
22 outstanding which shall have been issued under the provisions of
23 this act including the payment of any redemption premium thereon and
24 any interest accrued or to accrue to the date of redemption of such

1 bonds, and, if the Transit Authority shall so determine, for the
2 additional purpose of constructing improvements, extensions or
3 enlargements of the mass transit project or projects in connection
4 with which the bonds to be refunded shall have been issued. The
5 Transit Authority is further authorized to provide for the issuance
6 of its mass transit revenue bonds for the combined purpose of:

7 1. Refunding any bonds then outstanding which shall have been
8 issued under the provisions of this act, including the payment of
9 any redemption premium thereon and any interest accrued, or to
10 accrue to the date of redemption of such bonds; and

11 2. Paying all or any part of the cost of any additional mass
12 transit project or projects as authorized by this act.

13 The issuance of such bonds, the maturities and other details
14 thereof, the rights of the holders thereof, and the rights, duties
15 and obligations of the Transit Authority in respect of the same,
16 shall be governed by the provisions of this act insofar as the same
17 may be applicable.

18 B. Bonds may be issued by the Transit Authority under the
19 provisions of this section at any time prior to the maturity or
20 maturities or the date selected for the redemption of the bonds
21 being refunded thereby. Pending the application of the proceeds of
22 such refunding bonds, with any other available funds, to the payment
23 of the principal, accrued interest, and any redemption premium of
24 the bonds being refunded, and if so provided or permitted in the

1 resolution authorizing the issuance of such refunding bonds or in
2 the trust agreement securing the same, to the payment of any
3 interest on such refunding bonds, and any expenses in connection
4 with such refunding, such proceeds may be invested in direct
5 obligations of, or obligations the principal of and the interest on
6 which are unconditionally guaranteed by, the United States of
7 America which shall mature or which shall be subject to redemption
8 by the holder thereof at the option of such holder, not later than
9 the respective dates when the proceeds, together with the interest
10 accruing thereon, will be required for the purposes intended, or, in
11 lieu of such investments, all or any part of such proceeds may be
12 placed in interest-bearing time deposits, or other similar
13 arrangements may be made with regard thereto which will assure that
14 such proceeds, together with the interest accruing thereon, will be
15 available when required for the purposes intended.

16 SECTION 20. NEW LAW A new section of law to be codified
17 in the Oklahoma Statutes as Section 4118 of Title 69, unless there
18 is created a duplication in numbering, reads as follows:

19 The issuance of mass transit revenue bonds or mass transit
20 revenue refunding bonds under the provisions of this act need not
21 comply with the requirements of any other law applicable to the
22 issuance of bonds.

23
24

1 SECTION 21. NEW LAW A new section of law to be codified
2 in the Oklahoma Statutes as Section 4119 of Title 69, unless there
3 is created a duplication in numbering, reads as follows:

4 The Transit Authority shall make and submit to the Governor,
5 within ninety (90) days of the close of the Transit Authority's
6 fiscal year, a full report showing anticipated projects, projects
7 under construction and projects in operation, and the financial
8 condition of the Transit Authority and the sinking fund of each
9 separate project, and such other information as the Governor shall
10 require. The annual financial statements must be audited and filed
11 in accordance with the requirements set forth for financial
12 statement audits in Section 212A of Title 74 of the Oklahoma
13 Statutes.

14 SECTION 22. NEW LAW A new section of law to be codified
15 in the Oklahoma Statutes as Section 4120 of Title 69, unless there
16 is created a duplication in numbering, reads as follows:

17 A. The location and removal of all telephone, telegraph, fiber
18 optic, electric light and power transmission lines, poles, cables,
19 wires and conduits, sewers and all pipelines erected, constructed or
20 in place upon, across or under any mass transit project shall be
21 under the control and supervision of the Transit Authority, insofar
22 as same affects the public travel or interferes with the
23 construction and maintenance of such mass transit project. Whenever
24 the Transit Authority plans a mass transit project or improvement or

1 construction or reconstruction thereof, and before such work is
2 started, it shall serve a written notice upon the person, firm or
3 corporation owning or maintaining any such facility, which notice
4 shall contain a plan or chart indicating the places on the right-of-
5 way where such facilities may be maintained. The notice shall state
6 the time when the work of constructing or improving such mass
7 transit project is proposed to commence, and a reasonable time shall
8 be allowed to the owner of the facility to remove and relocate its
9 property; provided, however, that the effect of any change ordered
10 by the Transit Authority shall not be to exclude the facilities from
11 the mass transit project right-of-way. The removal and relocation
12 of all such facilities shall be made at the cost and expense of the
13 owners thereof, unless otherwise provided by law or the Transit
14 Authority, and in no event shall such relocation result in a taking
15 of the owner's property rights without just compensation as provided
16 in this act. The removal and relocation of all such facilities
17 shall be made at the cost and expense of the owners thereof, unless
18 otherwise provided by law or the Transit Authority, and in the event
19 of the failure of such owners to remove the same at the time set out
20 in the notice, the facilities may be removed by the Transit
21 Authority and the cost thereof collected from such owners, and the
22 Transit Authority shall not be liable in any way to any person for
23 the locating or relocating of such facilities at the places
24 prescribed. Any corporation or association, or the officers or

1 agents of such corporation or association, or any other person who
2 shall erect or maintain any such lines, poles, cables, wires and
3 conduits, sewers, pipelines, equipment or other facilities within
4 the right-of-way of any mass transit project in a manner not in
5 complete accord with the requirements of the Transit Authority
6 shall be deemed guilty of a misdemeanor.

7 B. With respect to any railroad property or right-of-way, any
8 powers of condemnation may be exercised to acquire only an easement
9 interest therein which shall be located either sufficiently far
10 above or sufficiently far below the grade of any railroad track or
11 tracks upon such railroad property so that neither the proposed mass
12 transit project nor any part thereof, including any bridges,
13 abutments, columns, supporting structures and appurtenances, nor any
14 traffic upon it shall interfere in any manner with the use,
15 operation or maintenance of the trains, tracks, works or
16 appurtenances or other property of the railroad nor endanger the
17 movement of the trains or traffic upon the tracks of the railroad.
18 Prior to the institution of condemnation proceedings for such
19 easement over or under such railroad property or right-of-way, plans
20 and specifications of the proposed project showing compliance with
21 the above-mentioned above-or-below-grade requirements and showing
22 sufficient and safe plans and specifications for such overhead or
23 undergrade structure and appurtenance shall be submitted to the
24 railroad for examination and approval. If the railroad fails or

1 refuses within thirty (30) days to approve the plans and
2 specifications so submitted, the matter shall be submitted to the
3 Corporation Commission whose decision, arrived at after due
4 consideration in accordance with its usual procedure, shall be final
5 as to the sufficiency and safety of such plans and specifications
6 and as to such elevations or distances above or below the grade.
7 Such overhead or undergrade structure and appurtenances shall be
8 constructed only in accordance with such plans and specifications
9 and in accordance with such elevations or distances above or below
10 the tracks so approved by the railroad or the Corporation Commission
11 as the case may be. A copy of the plans and specifications approved
12 by the railroad or the Corporation Commission shall be filed as an
13 exhibit with the petition for condemnation.

14 C. Rural water districts, nonprofit water corporations and
15 municipal public water systems in municipalities with a population
16 of ten thousand (10,000) or less, according to the latest Federal
17 Decennial Census, or their beneficial trusts shall be exempt from
18 the payment of the costs and expenses for the removal and relocation
19 of water and sewer pipelines and all such facilities constructed or
20 in place in the public right-of-way when the removal and relocation
21 of such facilities is necessary for the improvement, construction or
22 reconstruction of any mass transit project.

23
24

1 SECTION 23. NEW LAW A new section of law to be codified
2 in the Oklahoma Statutes as Section 4121 of Title 69, unless there
3 is created a duplication in numbering, reads as follows:

4 A. The rights-of-way acquired by the Transit Authority shall be
5 held inviolate for mass transit and Transit Authority purposes, and
6 no physical or functional encroachments or uses shall be permitted
7 within such rights-of-way.

8 B. It shall be unlawful for any person to construct, maintain
9 or operate any gasoline pump, oil, gas or water drilling rig, line
10 or structure, tank battery or other equipment or structure used in
11 the collection, processing or transportation of hydrocarbons or
12 other minerals, driveway canopy, building, sign, fence, post or any
13 thing or structure on or overhanging any right-of-way, or upon or
14 overhanging any mass transit project, and the construction or
15 maintaining of any such thing or structure on or overhanging any
16 mass transit project shall constitute a public nuisance, which may
17 be summarily abated by the Transit Authority or its trustees,
18 officers, agents, servants and employees in the manner provided in
19 subsection D of this section.

20 C. This section shall not apply to the lawful use of such
21 right-of-way for the erection and operation of facilities of a
22 public utility as provided in Section 1722 of Title 69 of the
23 Oklahoma Statutes nor to the use of such rights-of-way with the
24 express consent of the Transit Authority.

1 D. The Transit Authority, its trustees, officers, agents,
2 servants and employees shall have authority to physically remove any
3 such gasoline pump, oil, gas or water drilling rig, line or
4 structure, tank battery or other equipment or structure used in the
5 collection, processing or transportation of hydrocarbons or other
6 minerals, driveway canopy, building, sign, fence, post, thing or
7 structure. If the owner of any such gasoline pump, oil, gas or
8 water drilling rig, line or structure, tank battery or other
9 equipment or structure used in the collection, processing or
10 transportation of hydrocarbons or other minerals, driveway canopy,
11 building, sign, fence, post, thing or structure fails to remove the
12 same within a reasonable time after written demand for the removal
13 thereof has been made upon such owner by registered mail or personal
14 service, the Transit Authority, its trustees, its officers, agents,
15 servants and employees may physically tear down and remove such
16 gasoline pump, oil, gas or water drilling rig, line or structure,
17 tank battery or other equipment or structure used in the collection,
18 processing or transportation of hydrocarbons or other minerals,
19 driveway canopy, building, sign, fence, post, thing or structure.

20 SECTION 24. The Ballot Title for the proposed act shall be in
21 the following form:

22 BALLOT TITLE
23 Legislative Referendum No. _____ State Question No. _____

24 THE GIST OF THE PROPOSITION IS AS FOLLOWS:

1 This measure adds to the Oklahoma Statutes. It would create a
2 new state agency that would construct and operate mass transit
3 including rail service in the state. It provides details as to
4 how the agency would be administered including the appointment
5 of board members and the powers, duties and limitations of the
6 agency. The agency could partner with political subdivisions
7 and Indian tribes to finance the construction, expansion, repair
8 and operation of mass transit systems in Oklahoma. The agency
9 would be able to use debt such as bonds to finance the
10 construction, repair and expansion of mass transit systems.
11 These bonds would be repaid by revenue from the mass transit
12 systems and would not be a debt of the state or political
13 subdivisions.

14 SHALL THE PROPOSAL BE APPROVED?

15 FOR THE PROPOSAL - YES _____

16 AGAINST THE PROPOSAL - NO _____

17 SECTION 25. The Chief Clerk of the House of Representatives,
18 immediately after the passage of this act, shall prepare and file
19 one copy thereof, including the Ballot Title set forth in SECTION 24
20 hereof, with the Secretary of State and one copy with the Attorney
21 General.

22
23 55-2-7689 JM 01/19/16
24