

1 ENGROSSED HOUSE AMENDMENT  
TO  
2 ENGROSSED SENATE BILL NO. 214 By: Griffin of the Senate  
3 and  
4 Pfeiffer of the House  
5  
6

7 [ public finance - the Oklahoma Private Activity Bond  
8 Allocation Act - Oklahoma Housing Finance Agency Pool  
- effective date ]  
9

10 AMENDMENT NO. 1. Page 1, line 9, strike the enacting clause

11 Passed the House of Representatives the 27th day of April, 2017.  
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14 \_\_\_\_\_  
Presiding Officer of the House of  
15 Representatives

16 Passed the Senate the \_\_\_\_ day of \_\_\_\_\_, 2017.  
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19 \_\_\_\_\_  
Presiding Officer of the Senate  
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1 ENGROSSED SENATE  
2 BILL NO. 214

By: Griffin of the Senate

3 and

4 Pfeiffer of the House

5  
6 [ public finance - the Oklahoma Private Activity Bond  
7 Allocation Act - Oklahoma Housing Finance Agency Pool  
8 - effective date ]

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

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

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

14 1. "Application for state ceiling allocation" means the written  
15 application form provided by the State Bond Advisor which shall be  
16 filed by or on behalf of the issuer in compliance with the  
17 requirements of ~~this act~~ the Oklahoma Private Activity Bond  
18 Allocation Act;

19 2. "Beginning Agricultural Producer Pool" means the portion of  
20 the state ceiling reserved for bonds relating to the Oklahoma  
21 Beginning Agricultural Producer Pool Act;

22 3. "Carryforward" shall have the same meaning as in Section  
23 146(f) of the Internal Revenue Code;

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- 1       4. "Confirmation" means a written confirmation of allocation  
2 issued by the State Bond Advisor;
- 3       5. "Consolidated Pool" means an aggregation of unallocated sums  
4 of the state ceiling derived from pools as set forth in subsection ~~M~~  
5 J of Section 695.24 of this title;
- 6       6. "Economic Development Pool" means that portion of the state  
7 ceiling reserved for projects specifically authorized by the Council  
8 of Bond Oversight, as provided for in subsection B of Section 695.24  
9 of this title;
- 10       7. "Exempt facility bonds" means exempt facility bonds as  
11 defined in Section 142(a) of the Internal Revenue Code;
- 12       8. "Exempt Facility Pool" means the portion of the state  
13 ceiling reserved for exempt facility bonds;
- 14       9. "Final certification" or "final certificate" means a  
15 certification or certificate filed with the State Bond Advisor by or  
16 on behalf of the issuer specifying the exact amount of indebtedness  
17 issued by an issuer, or, in the case of mortgage credit  
18 certificates, a copy of the document or election filed with the  
19 Internal Revenue Service exchanging bond issuance authority for  
20 mortgage credit certificate issuance authority;
- 21       10. "Internal Revenue Code" means the Internal Revenue Code of  
22 1986 (26 U.S.C., Section 1 et seq.), as amended;
- 23       11. "Issued" means any issue of bonds which have been delivered  
24 and the purchase price therefor remitted to or for the account of

1 the issuer, or 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 12. "Issuer" or "issuing authority" means any public trust or  
5 other entity which is authorized to issue tax-exempt bonds, notes  
6 and other like obligations, or has the authority to exchange single-  
7 family mortgage bond authority for mortgage credit certificate  
8 authority, under the Constitution or laws of the state;

9 13. "Local issuer" means any municipality, county or public  
10 trust having counties or municipalities or combinations thereof as  
11 beneficiary, or a public trust having the state as beneficiary with  
12 jurisdiction limited to one county of the state;

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

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

19 ~~16.~~ "Mortgage credit certificate election" means a document or  
20 election filed by an issuer with the Internal Revenue Service  
21 exchanging single-family mortgage bond issuance authority for  
22 mortgage credit certificate issuance authority;

23 ~~17.~~ 15. "Mortgage credit certificates" shall have the same  
24 meaning as in Section 25(c) of the Internal Revenue Code;

1       ~~18.~~ 16. "Oklahoma Housing Finance Agency Pool" means that  
2 portion of the state ceiling reserved for single-family bonds,  
3 multifamily bonds, and mortgage credit certificates issued by the  
4 Oklahoma Housing Finance Agency;

5       ~~19.~~ 17. "Private activity bonds" or "bonds" means any bonds or  
6 notes or other evidence of indebtedness, the interest on which is  
7 exempt from tax pursuant to the Internal Revenue Code, and mortgage  
8 credit certificates, except those bonds or certificates specifically  
9 excluded from the state ceiling under the terms of federal  
10 legislation;

11       ~~20.~~ 18. "Qualified small issue" used in the context of "bond"  
12 or "bonds" or the "Qualified Small Issue Pool" shall have the  
13 meaning as in Section 144(a) of the Internal Revenue Code;

14       ~~21.~~ 19. "Qualified Small Issue Pool" means the portion of the  
15 state ceiling reserved for qualified small issue bonds;

16       ~~22.~~ 20. "Qualified student loan bonds" shall have the same  
17 meaning as in Section 144(b) of the Internal Revenue Code;

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

21       ~~24.~~ 21. "State" means the State of Oklahoma;

22       ~~25.~~ 22. "State Bond Advisor" means the Oklahoma State Bond  
23 Advisor or his or her designee;

1       ~~26.~~ 23. "State ceiling" means the limit which is prescribed by  
2 the Internal Revenue Code in Section 146 and in such other  
3 applicable sections of the Internal Revenue Code on the amount of  
4 private activity bonds which may be issued collectively by all of  
5 the issuers of the state during a calendar year;

6       ~~27.~~ 24. "State issuer" means any public trust having the state  
7 as beneficiary or any state agency or other entity with powers to  
8 issue private activity bonds, provided that the term shall not  
9 include a public trust or any local issuer with the state as  
10 beneficiary whose jurisdiction is limited to one county;

11       ~~28.~~ 25. "State Issuer Pool" means the portion of the state  
12 ceiling reserved for state issuers of qualified small issuer  
13 projects; and

14       ~~29.~~ 26. "Student Loan Pool" means the portion of the state  
15 ceiling reserved for qualified student loan bonds.

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

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

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

1 B. Twelve percent (12%) of the state ceiling shall be reserved  
2 and placed in a pool designated as the Economic Development Pool.  
3 For the period January 1 through September 1 of each calendar year,  
4 allocations from this pool may be made only upon the recommendation  
5 of the Director of the Oklahoma Department of Commerce and following  
6 review and approval by the Council of Bond Oversight. In order to  
7 approve the recommendation, the Council of Bond Oversight must find  
8 that the project seeking an allocation from this pool will result in  
9 the creation of manufacturing jobs in this state or will in some  
10 other way contribute to an economic development objective of this  
11 state. For purposes of this subsection, "manufacturing jobs" means  
12 jobs created by manufacturing facilities as that term is defined in  
13 subparagraphs a, b, and c of paragraph 1 of subsection B of Section  
14 2902 of Title 68 of the Oklahoma Statutes.

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

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

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

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

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

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

15 F. 1. Except as otherwise provided by this subsection, ~~fifteen~~  
16 ~~percent (15%)~~ fifty-three percent (53%) of the state ceiling shall  
17 be reserved and placed in a pool to be designated the Oklahoma  
18 Housing Finance Agency Pool. Provided, however, that the allocation  
19 of the state ceiling to the Oklahoma Housing Finance Agency as  
20 otherwise authorized pursuant to this subsection shall be increased  
21 up to ten percent (10%) of the state ceiling amount for any calendar  
22 year subsequent to a certification by the Oklahoma Strategic  
23 Military Planning Commission that the available housing stock in an  
24 area located on or near a military installation at risk for closure



1 or adverse realignment pursuant to federal law is inadequate and an  
2 increase in available funds for construction or rehabilitation of  
3 such housing would make closure or an adverse realignment of the  
4 military installation less likely. The certification by the  
5 Oklahoma Strategic Military Planning Commission shall be made and  
6 communicated to the State Bond Advisor not later than November 15  
7 each year. The Oklahoma Strategic Military Planning Commission  
8 shall make a specific recommendation to the State Bond Advisor  
9 regarding the percentage increase to be adopted for the Oklahoma  
10 Housing Finance Agency pool for the ensuing year. The State Bond  
11 Advisor shall make the final determination regarding the amount of  
12 such increase. Any certification made by the Oklahoma Strategic  
13 Military Planning Commission shall be valid only for the calendar  
14 year immediately following such certification.

15 2. a. For the period January 1 through September 1 of each  
16 year, the Oklahoma Housing Finance Agency Pool shall  
17 be allocated to qualified single family bonds,  
18 multifamily bonds, or mortgage credit certificates  
19 issued by the Oklahoma Housing Finance Agency.

20 b. Provided, thirty-five percent (35%) of the allocation  
21 from the Oklahoma Housing Finance Agency Pool shall be  
22 set aside for at least three (3) months for the  
23 origination of single-family loans in counties with  
24

1 populations of three hundred thousand (300,000) or  
2 less.

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

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

13 ~~H. Seventeen and five tenths percent (17.5%) of the state~~  
14 ~~ceiling shall be reserved and placed in a pool to be designated the~~  
15 ~~Local Issuer Single Family Pool. For the period commencing January~~  
16 ~~1 of each calendar year through September 1 of the same year, the~~  
17 ~~Local Issuer Single Family Pool shall be allocated to single family~~  
18 ~~projects undertaken by local issuers in counties with populations of~~  
19 ~~three hundred thousand (300,000) or less on a first come, first-~~  
20 ~~serve basis with no single local issuer or project to receive an~~  
21 ~~allocation in excess of Ten Million Dollars (\$10,000,000.00) from~~  
22 ~~the Local Issuer Single Family Pool. An issuer which has not~~  
23 ~~received any allocation from the State Issuer Pool and having a~~  
24 ~~single family project limited in jurisdiction to twenty counties or~~

1 ~~less, each of which has a population of three hundred thousand~~  
2 ~~(300,000) or less, shall be considered a local issuer for the~~  
3 ~~purposes of this subsection.~~

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

15 ~~J. Eight percent (8%) of the state ceiling shall be~~  
16 ~~reserved and placed in a pool to be designated the Rural Area~~  
17 ~~Housing Pool which shall be allocated to single-family~~  
18 ~~projects undertaken by other local issuers in counties with~~  
19 ~~populations of three hundred thousand (300,000) persons or~~  
20 ~~less on a first-come, first-serve basis with no single local~~  
21 ~~issuer or project to receive an allocation in excess of four~~  
22 ~~percent (4%) of the state ceiling.~~

23 ~~K. Provided, however, that the percentage otherwise authorized~~  
24 ~~by subsections A, B, C, D, E, F, G, H, I and J of this section shall~~

1 be proportionately reduced by the amount of increase in the  
2 percentage authorized to the Oklahoma Housing Finance Agency as a  
3 result of a recommendation by the Oklahoma Strategic Military  
4 Planning Commission pursuant to paragraph 1 of subsection F of this  
5 section.

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

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

13 2. The State Bond Advisor shall issue confirmations in the  
14 order in which fully and properly completed applications for state  
15 ceiling allocation are received. The State Bond Advisor shall have  
16 the limited authority to defer or deny confirmation on applications  
17 for state ceiling allocation which appear to be incomplete or  
18 premature based upon information submitted or which fail to show  
19 demand for funds pursuant to subsections F and G of Section 695.25  
20 of this title; and

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

24

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

5 ~~M. J.~~ 1. On September 2 of each calendar year, nonallocated  
6 sums remaining in the Economic Development Pool, Qualified Small  
7 Issue Pool, the Beginning Agricultural Producer Pool, the Exempt  
8 Facility Pool, the Student Loan Pool, and the Oklahoma Housing  
9 Finance Agency Pool, ~~the State Issuer Pool, the Local Issuer Single~~  
10 ~~Family Pool, the Metropolitan Area Housing Pool and the Rural Area~~  
11 ~~Housing Pool~~ shall be consolidated into the Consolidated Pool.

12 2. All local issuers and state issuers shall be entitled to  
13 obtain allocations from the Consolidated Pool for any private  
14 activity bond or mortgage credit certificate program based on the  
15 chronological order of completed applications received after January  
16 1 of each calendar year which applications have not received an  
17 allocation.

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

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

24

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

5 C. Allocations from the pools set forth in Section 695.24 of  
6 this title will be processed on the basis of the chronological order  
7 of receipt of completed applications for state ceiling allocation  
8 unless otherwise provided in ~~said~~ the section, and on the basis of  
9 the information and provisions set forth in subsections D, E, F, G  
10 and H of this section. Allocations from the Consolidated Pool will  
11 be processed on the basis of the system set out in subsection ~~M~~ J of  
12 Section 695.24 of this title and on the basis of information and  
13 provisions set forth in subsections D, E, F, G and H of this  
14 section.

15 D. An issuer which proposes to issue private activity bonds for  
16 a specific project or purpose shall make application for an  
17 allocation of a portion of the state ceiling for the particular  
18 project or purpose by submitting to the State Bond Advisor an  
19 application for state ceiling allocation together with copies of the  
20 following:

21 1. A certified copy of the resolution or other action adopted  
22 by the issuer for the purpose of taking "official action" as  
23 required by the Treasury Regulations relating to Section 103 of the  
24 Internal Revenue Code, if the issuer of private activity bonds for

1 which the allocation is requested requires "official action" under  
2 applicable Treasury Regulations and the Internal Revenue Code; and

3 2. A final resolution of the beneficiary of the issuer  
4 evidencing its approval of the issuance of the issuer's obligations,  
5 if the issuer is a municipal or county public trust, or a  
6 certificate signed by the Governor of the state evidencing his  
7 approval of the issuance of the issuer's obligations, to the extent  
8 required under the Internal Revenue Code, if the issuer is a public  
9 trust having the state as its beneficiary.

10 E. The application for state ceiling allocation shall contain  
11 the following information:

12 1. The name and mailing address of the issuer, the beneficiary  
13 and jurisdiction thereof, the name of the presiding officer of the  
14 issuer and the respective pool from which an allocation is  
15 requested;

16 2. The name and mailing address or other definitive description  
17 of the location of the project or bonds and the purpose for which an  
18 allocation of the state ceiling is requested, the name and mailing  
19 address of both the initial owner or operator of the project, where  
20 applicable, and an appropriate person from whom information  
21 regarding the project or bonds can be obtained, and the name and  
22 address of the person to whom the confirmation should be sent;

23 3. The amount of the state ceiling which the Issuer is  
24 requesting;

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

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

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

18 2. Applications for qualified student loan bonds shall also  
19 include the submission of information showing a reasonable  
20 expectation to use the state ceiling for its intended purpose. This  
21 information shall include historical lending activity over the  
22 previous twenty-four-month period as well as a demonstration of need  
23 based upon such factors as increased enrollment costs, enrollment  
24 increases, or new federal regulations that act to increase demand by



1 making changes to eligibility requirements to certain federally  
2 guaranteed or subsidized student loan programs. This information  
3 may also include demand surveys. Provided, in cases where  
4 historical usage cannot be documented, demand surveys shall be  
5 included with an application.

6 3. Applications shall also include evidence of a structure to  
7 deliver the financing derived from single-family mortgage bond  
8 proceeds or mortgage credit certificates or from qualified student  
9 loan bond proceeds to ultimate users, particularly the extent of  
10 lender participation in the case of mortgage revenue bonds or  
11 mortgage credit certificate programs.

12 G. 1. Upon receipt of the completed application for state  
13 ceiling allocation, copies of the official action and final  
14 resolutions or certificates as required by subsection D of this  
15 section and the information required by subsections E and F of this  
16 section and assuming availability of the sum requested and  
17 compliance with the Oklahoma Private Activity Bond Allocation Act,  
18 the State Bond Advisor shall send, within five (5) business days of  
19 the receipt thereof, a confirmation of the allocation of the state  
20 ceiling for the subject project or purpose to the person designated  
21 in the application for state ceiling allocation. Provided, the  
22 State Bond Advisor may reject an application or deny a confirmation  
23 pursuant to the provisions of this subsection.

24

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

22           3. Only complete applications, as determined by the State Bond  
23 Advisor, shall be used to establish the chronological order of  
24 applications. In the case of a new application submitted based on

1 an appeal, chronological order shall be established at the time the  
2 new application is submitted.

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

17 I. The confirmation given in advance of bond issuance or  
18 mortgage credit certificate election will assure allocation for only  
19 the amount of such bonds or mortgage credit certificate authority as  
20 is therein set forth, unless a supplementary application for state  
21 ceiling allocation for an increase in amount is filed with and a  
22 supplementary confirmation is issued by the State Bond Advisor for  
23 such requested allocation prior to such bond issuance or such  
24 election, pursuant to the Oklahoma Private Activity Bond Allocation

1 Act. The supplementary confirmation shall be effective for the same  
2 period as the prior confirmation which it supplements. Provided,  
3 however, no supplementary confirmation shall be effective to preempt  
4 any intervening confirmation as to allocation of a portion of the  
5 state ceiling.

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

12 K. On or after 9:00 a.m. on December 20 of each calendar year,  
13 issuing authorities may apply to the State Bond Advisor to carry  
14 forward a portion of the state ceiling for such calendar year  
15 allocated to any qualified carryforward project, as ~~said~~ the term is  
16 used in Section 103(n)(10) and 146(f) of the Internal Revenue Code  
17 and which shall be evidenced by the issuance of confirmations for  
18 all carryforward projects within the limitations of the state  
19 ceiling. Provided, issuers or projects with more than Twenty  
20 Million Dollars (\$20,000,000.00) of carryforward outstanding as of  
21 the date of the application for carryforward shall only be eligible  
22 for carryforward allocations to the extent other issuers with less  
23 than Twenty Million Dollars (\$20,000,000.00) of outstanding  
24 carryforward authority do not fully commit the state ceiling.

1 Allocations on carryforward projects shall be processed on the basis  
2 of the chronological receipt of applications. No portion of the  
3 state ceiling carried forward for any given year may be carried  
4 forward for a period in excess of three (3) calendar years following  
5 the calendar year in which the carryforward arose, except as  
6 otherwise permitted under federal law.

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

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

13 2. Confirmations of carryforward have been issued; and

14 3. Confirmations in effect and outstanding for which no private  
15 activity bonds or mortgage credit certificate elections have been  
16 issued or filed.

17 The State Bond Advisor shall keep continuous and cumulative records  
18 and totals for each of the categories specified in paragraphs 1, 2  
19 and 3 of this subsection as well as the aggregate total of all  
20 categories. The State Bond Advisor shall not give further  
21 confirmations at such time as the aggregate amount of bonds, other  
22 indebtedness, carryforward or mortgage credit certificate elections  
23 specified by paragraphs 1, 2 and 3 of this subsection equals the  
24 state ceiling authorized for the applicable year. The State Bond

1 Advisor shall not award a confirmation if such award would cause  
2 indebtedness, carryforward or elections as specified by paragraphs  
3 1, 2 and 3 of this subsection to exceed the state ceiling.  
4 Confirmation records shall be compiled and furnished to any local  
5 issuer and state issuer upon written request and payment of a fee of  
6 Fifteen Dollars (\$15.00) which shall be apportioned to the General  
7 Revenue Fund. Upon issuance of a confirmation, the amounts of the  
8 proposed bond issue, mortgage credit certificate election and  
9 carryforward confirmation shall be included in the continuing,  
10 mathematical calculation, until the same shall have been terminated  
11 in accordance with this section.

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

17 N. A state or local issuer, who intentionally overissues  
18 mortgage credit certificates or bonds, shall be prohibited from  
19 making application for an allocation of the state ceiling for any  
20 purpose for a period of three (3) years following discovery of such  
21 over issuance.

22 SECTION 4. This act shall become effective January 1, 2018.  
23  
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1 Passed the Senate the 20th day of March, 2017.

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\_\_\_\_\_  
Presiding Officer of the Senate

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5 Passed the House of Representatives the \_\_\_\_ day of \_\_\_\_\_,  
6 2017.

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Presiding Officer of the House  
of Representatives

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