An Act

ENROLLED HOUSE
BILL NO. 2195

By: Shannon, Hulbert, Newell, Echols and Cockroft of the House

and

Brecheen of the Senate

An Act relating to public finance; prohibiting State of Oklahoma from incurring obligations in excess of specified amount; prescribing formula for computation of maximum payment amount; authorizing declaration of emergency by Legislature for purposes of exceeding maximum payment amount; providing for exemption from requirements based on certain revenue conditions; prohibiting additional debt payment requirements under certain circumstances; providing for exclusion of certain master lease program payments in computation; providing for computation based on declaration of emergency conditions; providing for computation with respect to general obligation bonds; providing for codification; and providing an effective date.

SUBJECT: Public finance

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

SECTION 1. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 34.200 of Title 62, unless there is created a duplication in numbering, reads as follows:

A. The State of Oklahoma shall not become indebted in an amount that causes total annual debt service payments from the General Revenue Fund to exceed five percent (5%) of the average of the general fund revenue, as certified by the State Board of Equalization in December of each calendar year, for the preceding five (5) fiscal years. The Legislature, upon an affirmative vote of

two-thirds of the members of both houses, may declare an emergency and permit the total annual debt service payments of the state to exceed the amount provided in this section.

B. The state shall not be in violation of the provisions of this section if a decline in the average of the general fund revenue, as certified by the State Board of Equalization in December of each calendar year, for the preceding five (5) fiscal years, results in annual debt service payments exceeding the limit provided in subsection A of this section; provided that, the state shall not incur any additional debt service payments so long as the amount of debt service payments, as defined in this section, continue to exceed five percent (5%) of the average of the general fund revenue, as certified by the State Board of Equalization in December of each calendar year, for the preceding five (5) fiscal years.

C. For purposes of calculating the total amount of indebtedness as provided in subsection A of this section, annual debt service payments shall not include any indebtedness incurred through the master lease program as provided in Sections 3206.6 and 3206.6a of Title 70 of the Oklahoma Statutes, pursuant to a declaration of an emergency as provided in subsection A of this section or any general obligation bonds issued pursuant to Section 39A of Article X of the Oklahoma Constitution.

SECTION 2. This act shall become effective November 1, 2013.

Passed the House of Representatives the 23rd day of May, 2013.

Presiding Officer of the House
of Representatives

Passed the Senate the 24th day of May, 2013.

Presiding Officer of the Senate

OFFICE OF THE GOVERNOR

Received by the Office of the Governor this 24th

day of May, 20 13, at 9:18 o'clock P M.

By: Audrey Rockwell

Approved by the Governor of the State of Oklahoma this 31st

day of May, 20 13, at 10:52 o'clock A M.

Governor of the State of Oklahoma

OFFICE OF THE SECRETARY OF STATE

Received by the Office of the Secretary of State this 31st

day of May, 20 13, at 1:12 o'clock P. M.

By: Chris Morris