An Act

ENROLLED SENATE
BILL NO. 1206

By: Fields of the Senate

and

Banz of the House

An Act relating to tourism improvement districts; amending 11 O.S. 2011, Section 39-103.1, which relates to additional improvement districts; providing for an additional class of improvement districts for tourism purposes; and providing an effective date.

SUBJECT: Permits tourism improvement districts for lodging facilities

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

SECTION 1. AMENDATORY 11 O.S. 2011, Section 39-103.1, is amended to read as follows:

Section 39-103.1. A. In addition to those purposes set out in Section 39-103 of this title, the governing body of any municipality having a population of more than one thousand five hundred (1,500) may create one or more districts and levy assessments for the purpose of providing or causing to be provided any maintenance, cleaning, security, shuttle service, upkeep, marketing, management or other services which confer special benefits upon property within the district by preserving, enhancing or extending the value or usefulness of any improvement described in Section 39-103 of this title, whether or not the improvement was financed or constructed pursuant to this act and such governing body may exclude or modify such assessments according to benefits received on properties which are exempt from ad valorem taxation, except those assessments provided for by Section 39-103 of this title. Without limiting or

expanding the preceding sentence or any other provision of this act, such a district may be comprised of a designated geographical area within the municipality and limited to only those properties within such geographical area on which a hotel or motel having 50 or more rooms available for occupancy is located, if the sole purpose of the district is to provide marketing services for private or public events reasonably calculated to increase occupancy and room rates for such properties as a class. Such districts may also be used to fund maintenance, management, marketing and other services being provided through an active Main Street Program recognized as such by the Oklahoma Department of Commerce. In addition, such districts may be used to fund the acquisition, construction, installation or maintenance of capital improvements with an estimated useful life of five (5) years or more, including but not limited to:

1. Parking facilities;

2. Benches, booths, kiosks and pedestrian shelters;

3. Signs;

4. Trash receptacles;

5. Public restrooms;

6. Lighting, heating and air conditioning facilities;

7. Decorations;

8. Parks, fountains and planting areas; and

9. Ramps, sidewalks and plazas;

provided the total cost of such improvement is funded in one year's assessment.

General street repair and maintenance on any street used by vehicular traffic shall not be made a part of any assessments provided for hereunder.

B. For districts created under this section, the engineer's report may be amended by resolution of the governing body to provide

new or additional services or improvements upon the petition of the record owners of not less than one-half (1/2) of the area liable for assessment under the proposal. Petitions seeking to add new or additional services or improvements to an existing district shall be filed with the city clerk not less than sixty (60) days prior to the date of the public hearing on the annual assessment roll.

The petition shall set forth:

1. A general description of the new or additional services or improvements to be provided;

2. The estimated costs of the services and improvements proposed to be added;

3. The area of the district to be assessed under the proposal; and

4. The proposed method of assessment.

C. For districts created under this section, property adjacent to such district may be annexed into the district upon the petition of the record owners of more than sixty percent (60%) of the area liable to be annexed. Petitions seeking to annex additional property into an existing assessment district shall be filed with the city clerk not less than sixty (60) days prior to the hearing on the annual assessment roll.

The petition shall set forth:

1. The area to be annexed to the district;

2. The nature of the services and/or improvements to be provided to the area to be annexed;

3. The estimated costs of the services and/or improvements to be provided to the area to be annexed; and

4. The proposed method of assessment.

D. If the governing body determines that it is desirable to continue to provide or cause to be provided the improvements and

services, to provide new or additional services, or improvements, or to annex additional property into an existing assessment district authorized by this section, the governing body shall annually prepare and cause to be filed in the office of the municipal clerk a resolution containing, among other things:

1. The assessment roll;

2. The new or additional services, or improvements proposed to be provided, if any;

3. A description of the area proposed to be annexed into the district, if any;

4. The name and address of the last-known owner of each tract or parcel of land to be assessed, or if the name of the owner is unknown, state "unknown". The name and address of the owner of each tract of land shall be obtained from the records of the county treasurer;

5. A description of each tract or parcel of land to be assessed; and

6. The amount of the assessment against each tract or parcel of land.

If after filing the assessment roll, it appears that the amount of the assessment against any tract or parcel of land shall be increased, new or additional services, or improvements are to be provided or additional property is to be annexed into the district, the governing body shall by resolution set a time and place for the hearing on the resolution at which an owner may object to the amount of the assessment, the new or additional services, or improvements to be provided or the additional property to be annexed.

E. Not more than thirty (30) days nor less than ten (10) days before the day of the hearing, the municipal clerk, the deputy municipal clerk or the engineer shall mail the notice of the hearing on the resolution to the owner of the tract or parcel of land on which the amount of assessment is increased, new or additional services or improvements are proposed to be added or proposed to be annexed into the district. Proof of the mailing is to be made by

affidavit by the municipal clerk, the deputy municipal clerk or the engineer, which shall be filed in the office of the municipal clerk. Failure of the owner to receive any notice shall not invalidate any of the proceedings authorized in the Improvement District Act. Notice of the hearing shall also be published. The last publication shall be at least seven (7) days prior to the day of the hearing. Such service by publication shall be verified by an affidavit of the publisher which is to be filed in the office of the municipal clerk.

F. No district created under this section shall continue beyond the date that final payment of all principal, interest and other amounts due in connection with bonds issued by that district has been made, or if no bonds have been issued by the district, beyond the date that is thirty (30) years after the adoption of the resolution creating the district, unless re-created as provided in Section 39-101 et seq. of this title for creation of districts. Provided that, at any time after its creation, and provided further that, no bonds or other financial obligations of a district are then outstanding, the district shall cease to exist if:

1. The governing body by resolution terminates the district; or

2. The owners of a majority in area of the tracts or parcels of land within the district and a majority of the owners of record of property within the district petition in writing to terminate the district.

Such termination shall take effect at the end of the fiscal year in which the governing body adopts such resolution or determines the validity of such petition. Nothing herein shall excuse a tract or parcel of land from its liability for deferred payments or any assessment.

SECTION 2. This act shall become effective November 1, 2016.

Passed the Senate the 7th day of March, 2016.

Presiding Officer of the Senate

Passed the House of Representatives the 6th day of April, 2016.

Presiding Officer of the House
of Representatives

OFFICE OF THE GOVERNOR

Received by the Office of the Governor this 7th

day of April, 2016, at 2:40 o'clock P M.

By: Audrey Rockwell

Approved by the Governor of the State of Oklahoma this 12th

day of April, 2016, at 2:23 o'clock P M.

Governor of the State of Oklahoma

OFFICE OF THE SECRETARY OF STATE

Received by the Office of the Secretary of State this 12th

day of April, 2016, at 2:48 o'clock P. M.

By: Chris Benge