

ENROLLED HOUSE JOINT RESOLUTION NUMBER 1054
ENACTED BY THE SECOND REGULAR SESSION OF THE
FORTIETH LEGISLATURE OF THE STATE OF OKLAHOMA
NUMBERED BY THE SECRETARY OF STATE
LEGISLATIVE REFERENDUM NUMBER 262
STATE QUESTION NUMBER 600
RECEIVED: June 13, 1986

Resolution

ENROLLED HOUSE
JOINT
RESOLUTION NO. 1054

BY: McCORKELL, BREWSTER,
LEFTWICH, HENRY and
BENSON of the HOUSE

and

COMBS, HOWELL and STIPE
of the SENATE

A JOINT RESOLUTION DIRECTING THE SECRETARY OF STATE TO REFER TO THE PEOPLE FOR THEIR APPROVAL OR REJECTION A PROPOSED AMENDMENT TO SECTION 34 OF ARTICLE X OF THE CONSTITUTION OF THE STATE OF OKLAHOMA; MODIFYING SECTION NUMBER; PROVIDING AUTHORIZATION FOR THE LEGISLATURE TO CREATE AN AUTHORITY; AUTHORIZING ISSUANCE OF BONDS BY SAID AUTHORITY; MODIFYING CERTAIN LIMITATIONS; AUTHORIZING PURCHASE OF CERTAIN LOANS; PLEDGING THE FULL FAITH AND CREDIT OF THE STATE OF OKLAHOMA; REQUIRING THE LEGISLATURE TO ENACT ENABLING LEGISLATION; SPECIFYING ADDITIONAL LIMITATIONS; PROVIDING BALLOT TITLE; DIRECTING FILING; AND ORDERING A SPECIAL ELECTION.

BE IT RESOLVED BY THE HOUSE OF REPRESENTATIVES AND THE SENATE OF THE 2ND SESSION OF THE 40TH OKLAHOMA LEGISLATURE:

SECTION 1. The Secretary of State shall refer to the people for their approval or rejection, as and in the manner provided by law, the following proposed amendment to the Constitution of the State of Oklahoma, renumbering Section 34 of Article X of the Constitution of the State of Oklahoma, as was added by State Question No. 391, to 33A of Article X of the Constitution of the State of Oklahoma and amending said section to read as follows:

Section 34. The Legislature of the State of Oklahoma is hereby authorized to enact legislation creating a State Industrial Finance Authority, to be composed of the State Treasurer (who shall be an ex officio, non-voting member) and seven members, appointed by the Governor for overlapping terms, one of whom shall be the Director of the State Department of Commerce and Industry Economic Development representing the State at large, and one each from the present six Congressional Districts, at least five of whom shall have had at least fifteen (15) years experience in banking, mortgage loans, or financial management, and the remaining member shall have demonstrated outstanding ability in business or industry, which Authority shall be, and is hereby, authorized to issue and sell State Industrial Finance Bonds in such amounts as shall be needed from time to time for the purposes herein provided, not to exceed in the aggregate ~~Ten Million Dollars (\$10,000,000.00)~~ Ninety Million Dollars (\$90,000,000.00) outstanding at any one time, said bonds to be payable in full within thirty (30) years from their date, the proceeds whereof shall be deposited in the State Treasury in a fund known as a State Industrial Revolving Loan Fund to be loaned, and reloaned, by said Authority only to Oklahoma incorporated industrial development agencies (whether profit or non-profit) in Oklahoma communities, which agencies shall first have been approved and qualified by said Authority, such loans to be secured either by first or second mortgage on the land, buildings and facilities of such industrial properties, whether existing or to be constructed, held for sale or lease to approved responsible industrial firms on such

terms as will amortize such loans within a period of twenty-five (25) years or less, but in no event shall the state's participation exceed ~~twenty-five-percent-(25%)~~ thirty-three and one-third percent (33 1/3%) of the total cost or value of such industrial properties when such loan is secured by a second mortgage on such industrial properties and sixty-six and two-thirds percent (66 2/3%) of the total cost or value of such industrial properties when such loan is secured by a first mortgage on such industrial properties. Provided, however that up to one-half of such monies in said fund may be used by said Authority to purchase federally guaranteed SBA loans or loans of similar federal programs for investment purposes. All bonds representing the state indebtedness herein authorized to be created by the State Industrial Development Finance Authority shall be backed by the full faith and credit of the State of Oklahoma, and there shall be pledged to the payment of principal and interest of the bonds herein authorized to be issued: (1) The net proceeds from repayment of loans and interest received thereon; (2) any moneys available from other funds of the State not otherwise obligated; and (3) the proceeds of any tax, other than ad valorem, which may be imposed for such purpose in the event funds available for use and pledge under (1) and (2) should be insufficient. The Legislature shall enact appropriate and needful legislation pertaining to procedure, terms and necessary covenants for issuance of the bonds herein authorized and establishing such safeguards and regulations governing the lending of such funds as in its wisdom may be necessary to the vitalization of this Section, and helpful in carrying out the purpose and intent hereof; to aid and assist with Oklahoma's industrial development. The additional bonds as authorized herein shall only be sold as needed in increments not to exceed Ten Million Dollars (\$10,000,000.00). ~~Provided-further,-that-after-three-years from-date-of-enactment-of-this-Act,-the-Oklahoma-Legislature-may enact-legislation-raising-the-amount-not-to-exceed-Twenty-Million Dollars-(\$20,000,000.00)-as-provided-in-this-Act.~~

SECTION 2. The Ballot Title for the proposed Constitutional amendment as set forth in SECTION 1 of this resolution shall be in the following form:

BALLOT TITLE

Legislative Referendum No. _____ State Question No. _____

THE GIST OF THE PROPOSITION IS AS FOLLOWS:

This measure amends Section 34 of Article X of the Oklahoma Constitution. This section created the Oklahoma Industrial Finance Authority. The Authority sells general obligation bonds to help finance industry in Oklahoma. The bonds are backed by the full faith and credit of the state. The Authority loans money to industrial projects. The loans are secured by mortgages. This measure increases the amount of bonds the Authority could sell from \$10,000,000.00 to \$90,000,000.00. This measure increases the Authority's lending limit from 25% to 33 1/3% of the value of the project for second mortgage loans. This measure would allow the Authority to loan up to 66 2/3% of the value of the project for first mortgage loans. It allows loan funds to be used to buy federal loans. It limits sales of the additional bonds. Those bonds can be sold only in amounts that do not exceed \$10,000,000.00.

SHALL THE PROPOSED AMENDMENT BE APPROVED?

YES, FOR THE AMENDMENT

NO, AGAINST THE AMENDMENT

SECTION 3. The Chief Clerk of the House of Representatives shall, immediately after the effective date of this resolution, prepare and file one copy thereof, including the Ballot Title set forth in SECTION 2 hereof, with the Secretary of State and one copy with the Attorney General.

SECTION 4. A special election is hereby ordered to be held throughout the State of Oklahoma on the date of the next statewide primary election or special election, whichever occurs first, at which time the proposed amendment to the Constitution of the State of Oklahoma, as set forth in SECTION 1 of this resolution, shall be submitted to the people of Oklahoma for their approval or rejection as and in the manner provided by law.

Passed the House of Representatives the 12th day of June, 1986.

Acting Mike Murphy
Speaker of the House of
Representatives

Passed the Senate the 12th day of June, 1986.

ACTING Paul Gallego
President of the Senate

OFFICE OF THE SECRETARY OF STATE

Received by the Secretary of State this 13th
day of June, 1986,
at 5:10, o'clock A.M.

Jessette B. Edwards

By: _____