

ENROLLED HOUSE JOINT RESOLUTION NUMBER 1008
ENACTED BY THE FIRST REGULAR SESSION OF THE
42ND LEGISLATURE OF THE STATE OF OKLAHOMA
NUMBERED BY THE SECRETARY OF STATE

STATE QUESTION NUMBER 626
LEGISLATIVE REFERENDUM NUMBER 280

RECEIVED: May 18, 1989

Resolution

ENROLLED HOUSE
JOINT
RESOLUTION NO. 1008

BY: GISH of the HOUSE

and

WILLIAMS (Penny) 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 THE OKLAHOMA CONSTITUTION BY ADDING A NEW SECTION TO ARTICLE X TO BE DESIGNATED AS SECTION 27B; PROVIDING FOR THE INDEBTEDNESS OF CERTAIN POLITICAL SUBDIVISIONS FOR FINANCING PUBLIC UTILITIES; SPECIFYING PROCEDURE; PROVIDING FOR LIMITED OBLIGATION; STATING THAT CERTAIN INDEBTEDNESS OR OBLIGATIONS NOT CONSTITUTE INDEBTEDNESS OF CITY OR TOWN FOR PURPOSE OF CERTAIN LIMITATION; PROVIDING FOR APPLICATION OF CERTAIN SECTION OF LAW; LIMITING DEFINITION; SPECIFYING SCOPE; PROVIDING BALLOT TITLE; AND DIRECTING FILING.

BE IT RESOLVED BY THE HOUSE OF REPRESENTATIVES AND THE SENATE OF THE 1ST SESSION OF THE 42ND 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 Article X of the Constitution of the State of Oklahoma by adding a new Section 27B to read as follows:

Section 27B. A. Any incorporated city or town may borrow money or issue bonds, notes or other evidences of indebtedness, which debt shall be payable from and secured by revenues over a term of years, for the purpose of financing the purchase, construction, or improvement of any public utility or combination of public utilities which shall be owned exclusively by such city or town in the following manner:

1. The governing body of a city or town shall submit the question of financing the purchase or construction of a public utility or combination of public utilities to the qualified voters at an election if:

- a. the public utility or combination of public utilities has not been voted on by the voters of the city or town at any time during a ten-year period preceding the date of the election, or
- b. the public utility or combination of public utilities does not come within the terms of paragraph 3 of this subsection;

2. If the question of financing the purchase or construction of a public utility or combination of public utilities has been approved by a majority vote of the qualified voters voting on the question at an election, or if improvements to a public utility or combination of public utilities pursuant to paragraph 3 of this subsection are authorized, the governing body of a city or town may borrow money or issue bonds, notes or other evidences of indebtedness, which debt shall be payable from and secured by revenues over a term of years,

upon an affirmative vote of at least three-fourths (3/4) of all the members of such governing body;

3. Any additions, extensions, reconstruction, maintenance, repairs or other improvement to any public utility or combination of public utilities of a city or town may be financed by the city or town if the original financing of the purchase or construction of the public utility was approved by a majority vote of the qualified voters voting on the question at an election, or if the public utility or combination of public utilities acquired by the city or town was financed originally by bonds or other debt of a public trust of which the city or town is a beneficiary, excluding an industrial trust. Any such bonds or other debt originally issued by a public trust of which the city or town is a beneficiary, excluding an industrial trust, may be refunded by the governing body of the city or town in the manner provided in paragraph 2 of this subsection.

B. Nothing in this section shall allow an indebtedness of the city or town, other than revenues pledged from the utility involved.

C. The revenue indebtedness or contractual obligations of any city or town incurred pursuant to this section shall be a limited obligation payable from and secured by a lien and charge on revenues or funds so pledged for their payment by the governing body of the city or town, and shall not constitute an indebtedness of the city or town for the purpose of any constitutional or statutory limitation.

D. This section shall be independent and shall not be limited by or limit other provisions of the Oklahoma Constitution or statutes relating to financing public utilities or indebtedness of a city or town, nor shall it be exclusive as to other agencies of this state authorized by law to incur indebtedness. As used in this section, the words "public utility" shall have the same meaning as the words "public utilities" in Section 27 of Article X of the Constitution.

E. Notwithstanding any provision to the contrary, the provisions of this section shall not apply to the purchase of any utility regulated by the Oklahoma Corporation Commission or to the purchase of any facility or property of any such utility, unless the purchase is made with the agreement and consent of the utility, including its agreement and consent as to a specific price to be paid in connection with the purchase.

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 would add a new section to the State Constitution. It would be Section 27B of Article X. It would let cities and towns borrow money for buying, building or improving public utilities without levying any additional tax. The debt would be repaid from pledged funds or revenues. This process would require approval by three-fourths of the governing body of the city or town. Voters would be required to approve the financing of the projects in some cases. The utility would be owned by the city or town. The borrowed money would not be considered a debt of the city or town for purposes of any type of debt limit. Unless the utility consents, this section would not apply to the purchase of any utility regulated by the Corporation Commission.

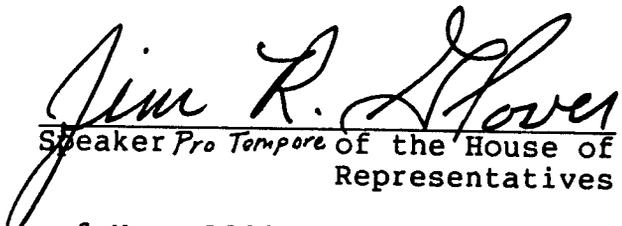
SHALL THIS AMENDMENT BE APPROVED BY THE PEOPLE?

YES, FOR THE AMENDMENT

NO, AGAINST THE AMENDMENT

SECTION 3. The Chief Clerk of the House of Representatives, immediately after the passage of this resolution, shall 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.

Passed the House of Representatives the 16th day of May, 1989.


Speaker Pro Tempore of the House of
Representatives

Passed the Senate the 17th day of May, 1989.

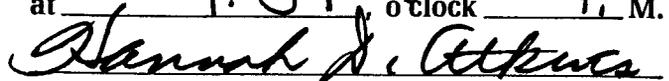

President Pro Tempore of the Senate

OFFICE OF THE SECRETARY OF STATE

Received by the Secretary of State this 18th

day of May, 1989,

at 1:39 o'clock P. M.



By: _____