

1 ENGROSSED SENATE  
2 BILL NO. 1331

By: Bullard of the Senate  
and  
Maynard of the House

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6 [ water and water rights - Program - priority scoring  
7 - rescission of funds - Revolving Fund - appropriation  
8 - codification - noncodification - effective date -  
9 emergency ]

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

11 SECTION 1. NEW LAW A new section of law to be codified  
12 in the Oklahoma Statutes as Section 1085.66 of Title 82, unless  
13 there is created a duplication in numbering, reads as follows:

14 A. 1. The Oklahoma Water Resources Board shall establish and  
15 administer a Water and Wastewater Infrastructure Investment Program.  
16 The Program shall include development of competitive loans for  
17 eligible entities seeking to develop and implement water or  
18 wastewater improvement projects. The Board shall promulgate rules  
19 to effectuate the provisions of this act and loan criteria for the  
20 Program.

21 2. Loan applications shall be ranked on criteria including, but  
22 not limited to, the critical nature of the project, available  
23 financing for the project, conservation and fiscal sustainability  
24 efforts as demonstrated by participation in or completion of the

1 Long Range Sustainability Plan program administered by the Oklahoma  
2 Rural Water Association, and pledge of matching funds, either  
3 through the entity or a third-party source.

4 3. For the purposes of this section, "eligible entity" or  
5 "eligible entities" means an eligible entity as defined pursuant to  
6 Section 1085.32 of Title 82 of the Oklahoma Statutes.

7 B. All loans authorized pursuant to the provisions of this act  
8 shall include a clawback provision in the funding agreement with an  
9 eligible entity. For purposes of this subsection, a "clawback  
10 provision" shall mean a condition precedent to participate in the  
11 Program whereby a loan recipient formally agrees to reimburse the  
12 Program all or part of a loan upon the failure of the recipient to  
13 fulfill contract terms included in the loan.

14 C. The Board shall create and publish an interactive map on the  
15 Board's website displaying critical infrastructure needs and  
16 proposed projects to be completed pursuant to the provisions of this  
17 act. The map shall also display the status of proposed and approved  
18 projects, estimated completion dates, and any other information  
19 deemed necessary by the Board.

20 SECTION 2. NEW LAW A new section of law to be codified  
21 in the Oklahoma Statutes as Section 1085.67 of Title 82, unless  
22 there is created a duplication in numbering, reads as follows:

23 A. 1. There is hereby created in the State Treasury a  
24 revolving fund for the Oklahoma Water Resources Board to be

1 designated the "Water and Wastewater Infrastructure Investment  
2 Revolving Fund". The fund shall be a continuing fund, not subject  
3 to fiscal year limitations, and shall consist of all monies  
4 appropriated pursuant to Section 3 of this act. All monies accruing  
5 to the credit of the fund are hereby appropriated and may be  
6 budgeted and expended by the Board for the purposes provided in this  
7 act. The Board may enter into contracts with financial institutions  
8 and execute such instruments as may be necessary to hold and  
9 disseminate loan funds in accordance with applicable regulations and  
10 Board policies.

11 2. Notwithstanding any other provisions of law, income and  
12 investment return on fund principal and interest income and  
13 repayment of principal on loans made from the balance of the fund  
14 shall accrue to the fund.

15 B. 1. The Board may have full discretion of all monies within  
16 the fund for enhancements, leveraging, and reserve capacities for  
17 the Board loan and grant programs, system evaluation and risk  
18 assessment assistance, and long-range infrastructure planning.

19 2. The Board may reserve up to two percent (2%) per year from  
20 the fund for the purpose of administering the Water and Wastewater  
21 Infrastructure Investment Program. Any remaining funds may be  
22 allocated to satisfy the purposes of paragraph 1 of this subsection.

23 C. The funds remaining following reserves and allocations made  
24 pursuant to subsection B of this section shall be loaned to eligible

1 entities as prescribed by the Program. Loan monies shall be  
2 allocated based on the most current census data available from the  
3 Federal Decennial Census or American Community Survey and shall be  
4 as follows:

5 1. Twenty-five percent (25%) of the allocated funds shall be  
6 for approved projects located within a municipality or county with a  
7 population of more than four hundred thousand (400,000), or the  
8 equivalent thereof for other eligible entities as prescribed by the  
9 Board;

10 2. Twenty-five percent (25%) of the allocated funds shall be  
11 for approved projects located within a municipality or county with a  
12 population that is greater than thirty thousand (30,000) but less  
13 than four hundred thousand (400,000), or the equivalent thereof for  
14 other eligible entities as prescribed by the Board; and

15 3. Fifty percent (50%) of the allocated funds shall be for  
16 approved projects located within a municipality or county with a  
17 population of less than thirty thousand (30,000), or the equivalent  
18 thereof for other eligible entities as prescribed by the Board.

19 SECTION 3. NEW LAW A new section of law not to be  
20 codified in the Oklahoma Statutes reads as follows:

21 There is hereby appropriated to the Water and Wastewater  
22 Infrastructure Investment Revolving Fund from any monies not  
23 otherwise appropriated from the General Revenue Fund of the State  
24 Treasury for the fiscal year ending June 30, 2023, the sum of One

1 Hundred Twenty-five Million Dollars (\$125,000,000.00) or so much  
2 thereof as may be necessary to perform the duties imposed upon the  
3 Oklahoma Water Resources Board by law.

4 SECTION 4. This act shall become effective July 1, 2024.

5 SECTION 5. It being immediately necessary for the preservation  
6 of the public peace, health or safety, an emergency is hereby  
7 declared to exist, by reason whereof this act shall take effect and  
8 be in full force from and after its passage and approval.

9 Passed the Senate the 11th day of March, 2024.

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11 \_\_\_\_\_  
12 Presiding Officer of the Senate

13 Passed the House of Representatives the \_\_\_\_ day of \_\_\_\_\_,  
14 2024.

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17 Presiding Officer of the House  
18 of Representatives