

1 **HOUSE OF REPRESENTATIVES - FLOOR VERSION**

2 STATE OF OKLAHOMA

3 2nd Session of the 59th Legislature (2024)

4 COMMITTEE SUBSTITUTE
5 FOR ENGROSSED
6 SENATE BILL NO. 1331

By: Bullard of the Senate

and

Maynard of the House

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10 COMMITTEE SUBSTITUTE

11 [water and water rights - Program - priority scoring
12 - rescission of funds - Revolving Fund -
13 codification - noncodification - effective date -
14 emergency]

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

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

21 A. 1. The Oklahoma Water Resources Board shall establish and
22 administer a Water and Wastewater Infrastructure Investment Program.
23 The Program shall include development of competitive loans for
24 eligible entities seeking to develop and implement water or

1 wastewater improvement projects. The Board shall promulgate rules
2 to effectuate the provisions of this act and loan criteria for the
3 Program.

4 2. Loan applications shall be ranked on criteria including, but
5 not limited to, the critical nature of the project, available
6 financing for the project, conservation and fiscal sustainability
7 efforts as demonstrated by participation in or completion of the
8 Long Range Sustainability Plan program administered by the Oklahoma
9 Rural Water Association, and pledge of matching funds, either
10 through the entity or a third-party source.

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

14 B. All loans authorized pursuant to the provisions of this act
15 shall include a clawback provision in the funding agreement with an
16 eligible entity. For purposes of this subsection, a "clawback
17 provision" shall mean a condition precedent to participate in the
18 Program whereby a loan recipient formally agrees to reimburse the
19 Program all or part of a loan upon the failure of the recipient to
20 fulfill contract terms included in the loan.

21 C. The Board shall create and publish an interactive map on the
22 Board's website displaying critical infrastructure needs and
23 proposed projects to be completed pursuant to the provisions of this
24 act. The map shall also display the status of proposed and approved

1 projects, estimated completion dates, and any other information
2 deemed necessary by the Board.

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

6 A. 1. There is hereby created in the State Treasury a
7 revolving fund for the Oklahoma Water Resources Board to be
8 designated the "Water and Wastewater Infrastructure Investment
9 Revolving Fund". The fund shall be a continuing fund, not subject
10 to fiscal year limitations, and shall consist of all monies
11 appropriated pursuant to Section 3 of this act. All monies accruing
12 to the credit of the fund are hereby appropriated and may be
13 budgeted and expended by the Board for the purposes provided in this
14 act. The Board may enter into contracts with financial institutions
15 and execute such instruments as may be necessary to hold and
16 disseminate loan funds in accordance with applicable regulations and
17 Board policies.

18 2. Notwithstanding any other provisions of law, income and
19 investment return on fund principal and interest income and
20 repayment of principal on loans made from the balance of the fund
21 shall accrue to the fund.

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

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

7 C. The funds remaining following reserves and allocations made
8 pursuant to subsection B of this section shall be loaned to eligible
9 entities as prescribed by the Program. Loan monies shall be
10 allocated based on the most current census data available from the
11 Federal Decennial Census or American Community Survey and shall be
12 as follows:

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

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

23 3. Fifty percent (50%) of the allocated funds shall be for
24 approved projects located within a municipality or county with a

1 population of less than thirty thousand (30,000), or the equivalent
2 thereof for other eligible entities as prescribed by the Board.

3 SECTION 3. This act shall become effective July 1, 2024.

4 SECTION 4. It being immediately necessary for the preservation
5 of the public peace, health or safety, an emergency is hereby
6 declared to exist, by reason whereof this act shall take effect and
7 be in full force from and after its passage and approval.

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9 COMMITTEE REPORT BY: COMMITTEE ON APPROPRIATIONS AND BUDGET, dated
10 04/18/2024 - DO PASS, As Amended.

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