

1 STATE OF OKLAHOMA

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

3 COMMITTEE SUBSTITUTE
4 FOR

5 SENATE BILL NO. 1331

6 By: Bullard

7 COMMITTEE SUBSTITUTE

8 An Act relating to water and water rights; creating
9 the Water and Wastewater Infrastructure Investment
10 Program; providing for certain priority scoring;
11 providing for rescission of funds; creating the Water
12 and Wastewater Infrastructure Investment Revolving
13 Fund; stating purpose of fund; establishing fund
14 source; providing for allocation of certain funds;
15 making an appropriation to the Water and Wastewater
16 Infrastructure Investment Revolving Fund; providing
17 for codification; providing for noncodification;
18 providing an effective date; and declaring an
19 emergency.

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

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

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

1 to effectuate the provisions of this act and loan criteria for the
2 Program.

3 2. Loan applications shall be ranked on criteria including, but
4 not limited to, the critical nature of the project, available
5 financing for the project, conservation and fiscal sustainability
6 efforts, and pledge of matching funds, either through the entity or
7 a third-party source.

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

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

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

21 A. 1. There is hereby created in the State Treasury a
22 revolving fund for the Oklahoma Water Resources Board to be
23 designated the "Water and Wastewater Infrastructure Investment
24 Revolving Fund". The fund shall be a continuing fund, not subject

1 to fiscal year limitations, and shall consist of all monies
2 appropriated pursuant to Section 3 of this act. All monies accruing
3 to the credit of the fund are hereby appropriated and may be
4 budgeted and expended by the Board for the purposes provided in this
5 act. The Board may enter into contracts with financial institutions
6 and execute such instruments as may be necessary to hold and
7 disseminate loan funds in accordance with applicable regulations and
8 Board policies.

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

13 B. 1. Of the monies appropriated to the fund, the Board may
14 use not more than Fifty Million Dollars (\$50,000,000.00) for
15 enhancements, leveraging, and reserve capacities for the Board loan
16 and grant programs, system evaluation and risk assessment
17 assistance, and long-range infrastructure planning.

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

22 C. The funds remaining following reserves and allocations made
23 pursuant to subsection B of this section shall be loaned to eligible
24 entities as prescribed by the Program. Loan monies shall be

1 allocated based on the most current census data available from the
2 Federal Decennial Census or American Community Survey and shall be
3 as follows:

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

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

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

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

20 There is hereby appropriated to the Water and Wastewater
21 Infrastructure Investment Revolving Fund from any monies not
22 otherwise appropriated from the General Revenue Fund of the State
23 Treasury for the fiscal year ending June 30, 2023, the sum of Two
24 Hundred Fifty Million Dollars (\$250,000,000.00) or so much thereof

1 as may be necessary to perform the duties imposed upon the Board by
2 law.

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

4 SECTION 5. 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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