

1 **SENATE FLOOR VERSION**

2 February 20, 2025

3 COMMITTEE SUBSTITUTE
4 FOR

5 SENATE BILL NO. 92

By: Bullard of the Senate

and

Maynard of the House

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9 [water and water rights - Investment Program - rule
10 promulgation - priority scoring - clawback -
11 publication - fund - codification - effective date -
12 emergency]

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

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

17 A. 1. The Oklahoma Water Resources Board shall establish and
18 administer a Water and Wastewater Infrastructure Investment Program.
19 The program shall include development of competitive loans for
20 eligible entities seeking to develop and implement water or
21 wastewater improvement projects. The Board shall promulgate rules
22 to effectuate the provisions of this act and loan criteria for the
23 program.
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1 2. Loan applications shall be ranked on criteria including, but
2 not limited to, the critical nature of the project, available
3 financing for the project, conservation and fiscal sustainability
4 efforts as demonstrated by participation in or completion of the
5 Long Range Sustainability Program administered by the Oklahoma Rural
6 Water Association, and pledge of matching funds, either through the
7 entity or 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 agrees in writing, signed by all
16 parties, to reimburse the program all or any part of the loan
17 disbursed to the recipient upon the failure of the recipient to
18 fulfill loan contract terms.

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

1 D. Any eligible entity receiving monies pursuant to the Water
2 and Wastewater Infrastructure Investment Program shall prioritize
3 the utilization of contractors, businesses, and other vendors that
4 are based in this state.

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

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

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

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

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

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

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

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

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

5 SECTION 3. This act shall become effective July 1, 2025.

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

10 COMMITTEE REPORT BY: COMMITTEE ON APPROPRIATIONS
11 February 20, 2025 - DO PASS AS AMENDED BY CS

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