SQ 833: PUBLIC INFRASTRUCTURE DISTRICTS



THE GIST

<u>State Question 833</u> would amend the Oklahoma Constitution to allow for the creation of Public Infrastructure Districts.

Public Infrastructure Districts are districts created by surface property owners within a municipality. PIDs are a financing mechanism used to fund new infrastructure improvements, and the districts can issue bonds to pay for public improvements within their defined physical boundaries. Bonds are paid back through the collection of special assessment taxes on property owners within the PID in addition to other constitutional assessments like property taxes.

State Question 833

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There are specific limitations that define a public infrastructure district. PIDs must file a petition with the municipality that requires 100 percent of the signatures of all property owners within that district. The municipality may impose additional limitations on the powers of the PID.

Public infrastructure districts would be governed by a board of trustees who would have the power to levy a special assessment of up to 10 mills (up to \$100 per \$100,000 of assessed value).

The state legislature would be authorized to enact legislation to implement public infrastructure districts, including legislation regarding how the board of trustees will be established.

BACKGROUND INFORMATION

<u>State Question 833</u> is a legislatively referred constitutional amendment. The constitutional amendment was introduced as <u>Senate Joint Resolution 16</u>. It was approved in the Senate on March 12, 2024, by a vote of 38-7. The House approved the amendment by a vote of 66-27. In Oklahoma, a constitutional amendment requires a simple majority vote in both chambers of the Oklahoma State Legislature.

The proposed constitutional amendment is now headed to a vote of the people this November in the general election.

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BALLOT LANGUAGE



"This measure adds a new section, section 9E, to article 10 of the Oklahoma Constitution. Section 9E will permit the creation of public infrastructure districts to provide support, organization, operation, and maintenance of services. To create such a district, proponents for creating the district must file a petition with the municipality. The petition must include the signatures of one hundred percent of all surface property owners falling within the district's proposed boundaries. The municipality possesses the right to impose limitations on the district's powers prior to approving the district. Once approved, the district will be governed by a board of trustees.

Through the board, the district may issue bonds to pay for all or part of all public improvements implemented by and for the public infrastructure district. The district will be limited to issuing bonds issued for such improvements not exceeding ten (10) mills. For repayment of the bonds, the district, acting through its board of trustees, will levy and assess a special assessment on all property benefiting from the improvements in the district. Section 9E also authorizes the Legislature to enact laws necessary for the implementation of public infrastructure districts."

Shall the proposal be approved?

For the proposal - YES Against the proposal - NO

99

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SUPPORTERS SAY...

- It allows municipalities the ability to finance new infrastructure for public use. These can be upgrades to roads, water and wastewater systems, utilities, public transportation, or parks.
- It provides greater flexibility for both property owners and municipal leaders to fund solutions for a community's most pressing problems, including housing.

OPPONENTS SAY...

- This could increase inequality in communities when private groups have capacity to levy new taxes for public investment in some areas, while leaving other areas without viable options for similar improvements.
- Public improvement districts are funded through bonds. These bonds are paid back through the collection of special assessment taxes, in addition to existing property taxes. The higher taxes could make selling the property more difficult.

DEADLINES

REGISTRATION DEADLINE

- Online registrations submitted by October 11, 2024
- Paper registrations postmarked or Delivered by October 11, 2024

ABSENTEE BALLOT REQUEST DEADLINE

Received by October 21, 2024 at 5 p.m.

ABSENTEE BALLOT SUBMISSION DEADLINE

Received or Hand Delivered by November 5, 2024 at 7 p.m.

EARLY VOTING

- Thursday, October 31, 2024: 8 a.m. 6 p.m.
- Friday, November 1, 2024: 8 a.m. 6 p.m.
- Saturday, November 2, 2024: 8:00 a.m. 2:00 p.m.

DAY OF ELECTION

Tuesday, November 5, 2024: 7 a.m. - 7 p.m.

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