

JOINT HEARING

MEETING OF THE
SENATE AND ASSEMBLY
STANDING COMMITTEES
ON
COMMERCE

Date: March ~~15~~¹⁸, 1971

Members Present: Senator Close
 Senator Hecht
 Senator Swobe

Members Absent: Senator Drakulich
 Senator Lamb

Assemblymen Present: Mr. McKissick
 Mr. Lingenfelter
 Mr. Hafen

Others Present: Dr. Tom White, Commerce Department
 Edward H. Moler, Oklahoma City Attorney
 J. Howard Edmondson, former Governor
 of Oklahoma

Chairman Close called the meeting to order at 12:20 P.M.

The purpose of the meeting was to discuss SB 340.

SB 340 - Authorizes creation of trusts for
 furtherance of public functions.

Dr. White told the committee that this is the same type of express bonding used in Oklahoma. The revenue from these tax exempt bonds could be used to build satellite cities near Reno and Las Vegas.

Mr. Moler and former Governor Edmondson told the committee of the benefits derived in Oklahoma because of this type of bonding. All of their counties have been able to finance various types of improvements by this means. After the bonds have been retired, the buildings and property reverts to the state, county or municipality where the improvement was made. The operation is handled by a Board of Trustees.

Senator Swobe asked what benefits were derived from the building of these projects by investors. He was told that the investments were used as a tax write-off.

Governor Edmondson told the committee that their first project was put to a court test and he felt that all states enacting such legislation should have a court test on which to base any further

projects of this nature.

The meeting was adjourned at 1:00 P.M.