



*Brad Henry*  
Governor

**FILED**

APR 02 2010

OKLAHOMA SECRETARY  
OF STATE

EXECUTIVE DEPARTMENT

EXECUTIVE ORDER 2010-14

---

I, Brad Henry, Governor of the State of Oklahoma, pursuant to the authority vested in me by Sections 1 and 2 of Article VI of the Oklahoma Constitution, hereby direct and order as follows:

Sections 1400U-1 and 1400U-2 of the Internal Revenue Code of 1986, as amended (the "Code"), as added by Section 1401 of Title 1 of Division B of the American Recovery and Reinvestment Act of 2009 ("ARRA"), authorize state and local governments to issue bonds ("Recovery Zone Economic Development Bonds") to finance expenditures for purposes of promoting economic activity ("Qualified Economic Development Purposes") within or attributable to recovery zones ("Recovery Zones") designated by the issuer of such Recovery Zone Economic Development Bonds.

Section 1400U-1 through 1400U-3 of the Code further authorize state and local governments to issue bonds ("Recovery Zone Facility Bonds" and, together with Recovery Zone Economic Development Bonds, "Recovery Zone Bonds") to finance property ("Recovery Zone Facilities") used in or attributable to the active conduct of a trade or business in a Recovery Zone.

Recovery Zone Bonds are a significant resource to the State to stimulate economic activity, increase employment opportunities, and mitigate the harmful effects of the national recession in areas with significant poverty, unemployment, rate of home foreclosures, or general distress among other criteria set forth in Section 1400U-1(b).

Section 1400U-1 of the Code imposes a national bond volume limitation ("Recovery Zone Volume Cap") on the issuance of Recovery Zone Bonds which is allocated among the states and among counties and large municipalities within the states based on relative declines in employment in 2008.

Oklahoma counties (each a "County") and municipalities with a population in excess of 100,000 (each a "Large Municipality") have received allocations of Recovery Zone Volume Cap for Recovery Zone Economic Development Bonds in the aggregate

044022

amount of \$90,000,000 and Recovery Zone Volume Cap for Recovery Zone Facility Bonds in the aggregate amount of \$135,000,000.

The Recovery Zone Volume Cap for Recovery Zone Economic Development Bonds and for Recovery Zone Facility Bonds has been allocated to the Counties and Large Municipalities in the State in the amounts set forth in Exhibit A.

Furthermore, Sections 1400U-2 and 1400U-3 of the Code provides that all Recovery Zone Bonds must be issued prior to January 1, 2011, and, by virtue of such requirement, it is imperative that the Recovery Zones in the State be designated, and Qualified Economic Development Purposes and Recovery Zone Facilities be identified, as soon as possible in order to assure that the resources provided by Recovery Zone Bonds are utilized in the State prior to that date.

Section 1400U-1(b) of the Code provides, in part, that a Recovery Zone can be any area having significant poverty, unemployment, rate of home foreclosures or general distress, among other criteria.

Section 1400U-1(a) (3) (A) of the Code and Notice 2009-50 issued by the Internal Revenue Service on June 12, 2009 (the "Notice") provide that any County or Large Municipality may waive any portion of its Recovery Zone Volume Cap to the State and upon such waiver the State is authorized to reallocate the waived Recovery Zone Volume Cap in any reasonable manner as it shall determine in good faith in its discretion.

#### **I. Active Allocatees**

- a. On July 10, 2009, on behalf of the Treasurer's office, the Oklahoma Department of Commerce (the "Department") sent to each County and Large Municipality that received allocations of Recovery Zone Volume Cap for Recovery Zone Economic Development Bonds and Recovery Zone Volume Cap for Recovery Zone Facility Bonds a letter enclosing Exhibit A and advising each County and Large Municipality to notify the Department of any planned use of the Recovery Zone Economic Development Bonds and Recovery Zone Facility Bonds by March 1, 2010.
- b. The City of Tulsa, Canadian County and Jackson County (the "Active Allocatees") were the only Counties and Large Municipality to make written responses.
- c. Any other County or Large Municipality listed on Exhibit A except for the Active Allocatees are deemed to have waived its allocation (the "Inactive Allocatees").
- d. The Active Allocatees have confirmed that each has an issuer that has been authorized by general and special laws heretofore enacted to issue

bonds to finance projects and purposes which may constitute Qualified Economic Development Purposes.

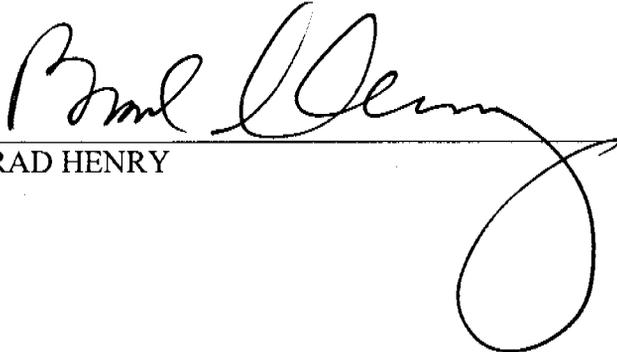
## **II. Waiver and Reallocation**

- a. The Recovery Zone Volume Cap allocated to the InActive Allocateses is hereby deemed waived to the State in accordance with Section 1400U-1(b) of the Code and the Notice.
- b. All Recovery Zone Volume Cap that is deemed waived to the State pursuant to paragraph II(a) of this Order is hereby assigned to the Treasurer of the State of Oklahoma (the "Treasurer"). The Treasurer, may reallocate all or any portion of such Recovery Zone Volume Cap to such Qualified Economic Development Purposes or to such Recovery Zone Facilities, as applicable, as the Treasurer shall determine to be in the best interests of the State; provided however that all reallocations of Recovery Zone Volume Cap shall be consistent with and pursuant to Sections 1400U-1 through 1400U-3 of the Code, the Notice and this Executive Order.
- c. Each reallocation of Recovery Zone Volume Cap made by the Treasurer shall be in writing, shall be made for specific Qualified Economic Development Purposes or Recovery Zone Facilities, as applicable, and shall specify the date on or before which the Recovery Zone Bonds to which such reallocated Recovery Zone Volume Cap pertains shall be issued in order for the allocation to be effective. Allocations may be made subject to those conditions that the Treasurer deems appropriate and consistent with this Executive Order.
- d. The Treasurer is authorized to make all representations, file all documents and take all other actions as may be required for compliance with Sections 1400U-1 through 1400U-3 of the Code and to implement this Executive Order.
- e. The Treasurer shall make reasonably available to the public information as to the amount of the Recovery Zone Volume Cap allocated to the State and to any County or Large Municipality that has not yet been reallocated to Qualified Economic Development Purposes or Recovery Zone Facilities, as applicable, and the expiration dates for all reallocations by the Treasurer, and shall confirm, upon request, an allocation of the Recovery Zone Volume Cap to a particular Qualified Economic Development Purposes or Recovery Zone Facilities, as applicable, and the duration thereof.

This Executive Order shall be distributed to all members of the ARRA Coordinating Council, all members of the Governor's Executive Cabinet, and the chief executives of all appropriate and affected state agencies, who shall cause the provisions of this order to be implemented by all appropriate officials and agencies of state government.

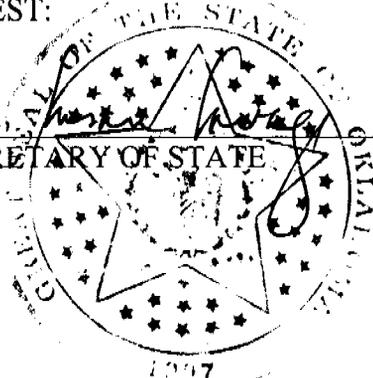
IN WITNESS WHEREOF, I have hereunto set my hand and caused the Great Seal of the State of Oklahoma to be affixed at Oklahoma City this 2<sup>nd</sup> day of April, 2010.

BY THE GOVERNOR OF THE STATE OF OKLAHOMA

  
\_\_\_\_\_  
BRAD HENRY

ATTEST:

  
\_\_\_\_\_  
SECRETARY OF STATE



The seal of the State of Oklahoma is circular, featuring a five-pointed star in the center. The words "SEAL OF THE STATE OF OKLAHOMA" are written around the perimeter of the seal, and the year "1907" is at the bottom.

**EXHIBIT**

**A**

Area	Recovery Zone		
	Residual	Economic Development Bond	Recovery Zone Facility Bond
Oklahoma		90,000,000	135,000,000
Norman city, OK		1,247,000	1,871,000
Oklahoma City city, OK		0	0
Tulsa city, OK		50,425,000	75,639,000
Adair County, OK		0	0
Alfalfa County, OK		0	0
Atoka County, OK		21,000	31,000
Beaver County, OK		0	0
Beckham County, OK		0	0
Blaine County, OK		56,000	84,000
Bryan County, OK		2,627,000	3,941,000
Caddo County, OK		0	0
Canadian County, OK	Residual	6,659,000	9,988,000
Carter County, OK		0	0
Cherokee County, OK		3,906,000	5,859,000
Choctaw County, OK		0	0
Cimarron County, OK		0	0
Cleveland County, OK	Residual	0	0
Coal County, OK		0	0
Comanche County, OK		0	0
Cotton County, OK		206,000	308,000
Craig County, OK		0	0
Creek County, OK		1,895,000	2,843,000
Custer County, OK		0	0
Delaware County, OK		0	0
Dewey County, OK		0	0
Ellis County, OK		0	0
Garfield County, OK		0	0
Garvin County, OK		0	0
Grady County, OK		129,000	193,000
Grant County, OK		0	0
Greer County, OK		0	0
Harmon County, OK		0	0
Harper County, OK		0	0
Haskell County, OK		0	0
Hughes County, OK		0	0
Jackson County, OK		1,077,000	1,615,000
Jefferson County, OK		0	0
Johnston County, OK		0	0
Kay County, OK		0	0
Kingfisher County, OK		0	0
Kiowa County, OK		0	0
Latimer County, OK		0	0
Le Flore County, OK		2,122,000	3,183,000
Lincoln County, OK		80,000	120,000
Logan County, OK		98,000	146,000
Love County, OK		0	0
McClain County, OK		84,000	125,000
McCurtain County, OK		0	0
McIntosh County, OK		213,000	319,000
Major County, OK		0	0

Area	Recovery Zone		
	Residual	Economic Development Bond	Recovery Zone Facility Bond
Marshall County, OK		0	0
Mayes County, OK		467,000	700,000
Murray County, OK		0	0
Muskogee County, OK		0	0
Noble County, OK		1,132,000	1,699,000
Nowata County, OK		0	0
Okfuskee County, OK		258,000	387,000
Oklahoma County, OK	Residual	0	0
Oklmulgee County, OK		972,000	1,458,000
Osage County, OK	Residual	1,052,000	1,578,000
Ottawa County, OK		0	0
Pawnee County, OK		449,000	674,000
Payne County, OK		8,035,000	12,052,000
Pittsburg County, OK		0	0
Pontotoc County, OK		526,000	789,000
Pottawatomie County, OK	Residual	0	0
Pushmataha County, OK		0	0
Roger Mills County, OK		0	0
Rogers County, OK		2,456,000	3,685,000
Seminole County, OK		0	0
Sequoyah County, OK		1,787,000	2,681,000
Stephens County, OK		0	0
Texas County, OK		14,000	21,000
Tillman County, OK		0	0
Tulsa County, OK	Residual	0	0
Wagoner County, OK		2,007,000	3,011,000
Washington County, OK		0	0
Washita County, OK		0	0
Woods County, OK		0	0
Woodward County, OK		0	0