

STATE OF OKLAHOMA

1st Session of the 44th Legislature (1993)

CONFERENCE COMMITTEE SUBSTITUTE

FOR ENGROSSED

HOUSE BILL NO. 1626

By: Hamilton (James), Boyd  
(Laura), Caldwell and  
Crocker of the House

and

Williams (Penny) and  
Miles-LaGrange of the  
Senate

CONFERENCE COMMITTEE SUBSTITUTE

An Act relating to the Oklahoma School of Science and Mathematics; amending 73 O.S. 1991, Section 168.3, which relates to the acquisition of land for the Oklahoma School of Science and Mathematics; modifying issuance of such bonds; modifying purpose of proceeds of such bonds; providing for the construction and improvements of certain campus; specifying such construction and improvements; requiring certain interest rates to be negotiated and fixed; authorizing certain matching funds; specifying and limiting certain matching funds; providing exception; providing an effective date; and declaring an emergency.

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

SECTION 1. AMENDATORY 73 O.S. 1991, Section 168.3, is amended to read as follows:

Section 168.3 A. The Oklahoma Capitol Improvement Authority may acquire land owned by the Board of Trustees of the Oklahoma School of Science and Mathematics. The Oklahoma Capitol Improvement Authority may erect, operate and maintain a building or buildings for use by the Board of Trustees of the Oklahoma School of Science and Mathematics for the operation of the Oklahoma School of Science and Mathematics. Upon the retirement of the indebtedness created pursuant to this section, the title to the land and improvements thereon shall be transferred from the Oklahoma Capitol Improvement Authority to the Board of Trustees of the Oklahoma School of Science and Mathematics.

B. For the purpose of paying the costs of the project authorized in subsection A of this section, the Authority is ~~hereby~~ authorized to borrow monies on the credit of the income and revenues to be derived from such project and, in anticipation of the collection of such income and revenues, to issue negotiable bonds not to exceed the sum of Six Million Dollars (\$6,000,000.00) as may be necessary for such purpose as determined by the Authority. The Authority may retain such legal counsel as it deems necessary for this purpose. The Oklahoma School of Science and Mathematics may not be moved from the building or buildings constructed pursuant to subsection A of this section until all such indebtedness is retired, and shall be required to lease the building or buildings so constructed subject to receiving an annual appropriation for that purpose. It is the intent of the Legislature to appropriate to the Oklahoma School of Science and Mathematics sufficient monies to make lease payments to the Authority for purposes of retiring the debt created pursuant to this section.

C. The interest rate on any maturity of the bonds issued pursuant to this section shall not exceed seven and three-quarters percent (7.75%) per annum.

D. The bonds provided for in subsection B of this section shall not be issued until a bank that is chartered in this state notifies the Authority, the Governor, the Speaker of the House of Representatives and the President Pro Tempore of the Senate that there exists an irrevocable restricted letter of credit or cash on deposit or a combination of both in the amount of Six Million Dollars (\$6,000,000.00) for the purpose specified in subsection A of this section. Such notification must occur no later than ~~September~~ July 1, 1993 1998. In the alternative, the Authority may issue such bonds in ~~two series in the following order, the first series totalling Three Million Five Hundred Thousand Dollars (\$3,500,000.00) and the second series totalling Two Million Five Hundred Thousand Dollars (\$2,500,000.00)~~ of no less than One Million Dollars (\$1,000,000.00) each. In order to issue the first series of bonds, a bank, as described above, shall certify to the

Authority and the above-referenced officers that there exist irrevocable letters of credit or cash on deposit or a combination of both in an amount equal to the amount of the first series. In order to issue ~~the second~~ any subsequent series of bonds, a bank, as described above, shall certify to the Authority and the above-referenced officers that there exist irrevocable letters of credit or cash on deposit or a combination of both in amounts equal to the amount of ~~the second~~ each subsequent series. ~~If the bonds are issued in two series, the proceeds from the first series must be used for construction of initial cluster housing for two hundred (200) students, a library facility, a physical education facility and athletic fields and for design fees for the project.~~

E. The proceeds of any bonds issued pursuant to this section and any other monies expended by the Board of Trustees for construction or improvements shall be expended for facilities, which shall include design fees for each such project. The first phase of any campus construction or improvements shall be limited to student housing, a dining facility, library, physical education and student activity facilities, and security needs including but not limited to fencing.

F. The State Treasurer must buy, and the Authority must sell to the State Treasurer at private sale, as provided in this section the bonds authorized by this section. The Authority and the State Treasurer shall ~~fix~~ negotiate the rate of interest the bonds so sold shall bear, ~~such,~~ provided if the Authority and the State Treasurer are unable to reach an agreement on the rate of interest of the bonds within fifteen days after negotiations begin, the rate of interest shall be set by the State Bond Advisor. Such rate of interest not to exceed the maximum shall be fixed and shall be in compliance with the limitations specified in this section. All interest earned by such bonds held by the State Treasurer, as collected, shall be paid into the General Revenue Fund.

~~F.~~ G. Insofar as they are not in conflict with the provisions of this section, the provisions of Section 151 et seq. of Title 73 of the Oklahoma Statutes shall apply to this section.

H. Except as otherwise provided in this subsection, any private, public or nonstate monies pledged or deposited in accordance with this section for the purpose of construction of the campus of the Oklahoma School of Science and Mathematics shall be matched not to exceed Six Million Dollars (\$6,000,000.00) by the state as follows:

<u>State</u>	<u>Nonstate</u>	<u>Year of Contribution</u>
<u>60%</u>	<u>40%</u>	<u>July 1, 1993 - June 30, 1995</u>
<u>50%</u>	<u>50%</u>	<u>July 1, 1995 - June 30, 1997</u>
<u>40%</u>	<u>60%</u>	<u>July 1, 1997 - June 30, 1998</u>

No federal funds shall be used for matching purposes pursuant to this subsection.

SECTION 2. This act shall become effective July 1, 1993.

SECTION 3. It being immediately necessary for the preservation of the public peace, health and safety, an emergency is hereby declared to exist, by reason whereof this act shall take effect and be in full force from and after its passage and approval.

44-1-7189

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