

STATE OF OKLAHOMA

1st Session of the 46th Legislature (1997)

CONFERENCE COMMITTEE
SUBSTITUTE FOR ENGROSSED
HOUSE BILL NO. 1907

By: Hamilton and Settle of
the House

and

Rozell of the Senate

CONFERENCE COMMITTEE SUBSTITUTE

An Act relating to public finance; amending 62 O.S. 1991, Section 57.200, which relates to the University Bonds Escrow Fund; authorizing the State Treasurer to restructure or liquidate certain escrow accounts for the purpose of redeeming or defeasing certain bonds; providing procedures and limitations; providing for transfer of funds under certain circumstances; and declaring an emergency.

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

SECTION 1. AMENDATORY 62 O.S. 1991, Section 57.200, is amended to read as follows:

Section 57.200 A. There is hereby created in the State Treasury the "University Bonds Escrow Fund".

B. The State Treasurer is hereby authorized and directed to purchase and redeem or establish escrow accounts and defease the following designated bonds of the stated universities:

1. Cameron State Agricultural College Student Housing System Revenue Bonds of 1963, Series A and B, dated April 1, 1963, in the original combined amount of One Million Four Hundred Seventy Thousand Dollars (\$1,470,000.00).

2. Cameron State Agricultural College Student Housing System Revenue Bonds of 1967, dated April 1, 1967, in the original amount of Six Million Two Hundred Forty-five Thousand Dollars (\$6,245,000.00).

3. Northwestern State College Student Union/Dormitory Revenue Bonds of 1960, dated December 1, 1960, in the original amount of Five Hundred Thousand Dollars (\$500,000.00).

4. Northwestern State College Student Union/Dormitory Revenue Bonds of 1965, dated January 1, 1965, in the original amount of Nine Hundred Thousand Dollars (\$900,000.00).

5. Northwestern State College Student Union/Dormitory Revenue Bonds of 1965, dated November 1, 1965, in the original amount of One Million Dollars (\$1,000,000.00).

6. Northwestern State College Student Union/Dormitory Revenue Bonds of 1966, dated December 1, 1966, in the original amount of One Million Six Hundred Fifty Thousand Dollars (\$1,650,000.00).

7. Northeastern State College at Tahlequah Refunding and Student Housing System Revenue Bonds of 1958, dated December 1, 1958, in the original amount of One Million Seven Hundred Sixty Thousand Dollars (\$1,760,000.00).

8. Northeastern State College Dormitory Building Revenue Bonds of 1960, dated December 1, 1960, in the original amount of One Million Four Hundred Twenty Thousand Dollars (\$1,420,000.00).

9. Northeastern State College at Tahlequah Dormitory Building Revenue Bonds of 1962, dated December 1, 1962, in the original amount of One Million Three Hundred Fifty Thousand Dollars (\$1,350,000.00).

10. Northeastern State College at Tahlequah Dormitory Revenue Bonds of 1964, dated December 1, 1964, in the original amount of Five Hundred Fifteen Thousand Dollars (\$515,000.00).

11. Northeastern State College Dormitory Building Revenue Bonds of 1966, dated December 1, 1966, in the original amount of Two Million Dollars (\$2,000,000.00).

12. Northeastern State College Dormitory Building Revenue Bonds of 1967, dated December 1, 1967, in the original amount of One Million Five Hundred Forty Thousand Dollars (\$1,540,000.00).

13. Northeastern State College Apartment Building Revenue Bonds, dated December 1, 1967, in the original amount of Nine Hundred Thousand Dollars (\$900,000.00).

The bonds shall be redeemed or purchased from monies in the University Bond Escrow Fund at any price which is less than the face amount of the bonds, and the State Treasurer may enter into such other agreements in connection therewith as may be necessary or appropriate, or to purchase governmental obligations in principal amounts, bearing rates of interest and maturing at such times so as to provide funds sufficient to pay the bonds under the applicable series bond resolutions at or before maturity. The bonds shall be redeemed, purchased, or defeased in the order set forth.

C. The State Treasurer, at his sole discretion, may utilize excess public funds available for investment for the purposes specified in subsections A and B of this section.

D. The State Treasurer may restructure or liquidate any existing escrow account established pursuant to this section for the purpose of redeeming or defeasing the Langston University Building Revenue Bonds of 1963, Series B, dated October 1, 1963, in the original amount of One Million Three Hundred Fifty-four Thousand Dollars (\$1,354,000.00). The State Treasurer may require that all or a part of any debt service reserve funds in existence, which are set up exclusively to support the Langston Series B bond issue, be used to assist the redemption or defeasance, as a condition of redeeming or defeasing the bond issue. However, this may not be a condition if the reserve funds are not necessary to complete the transaction. Any such restructuring or liquidation must not affect the ability of the escrow account to pay off the remaining debt of the other bond issues described in this section at the time of redemption or as the principal and interest payments on the bonds come due. The State Treasurer may enter into such agreements in connection with any restructuring or redemption as may be necessary or appropriate, including agreements for legal, accounting, financial, or banking services. Any payments made for services performed under such agreements with the State Treasurer may only come from available or residual funds in the escrow account. Any remaining funds left after the

bonds are redeemed, or the escrow account is restructured, shall be transferred to the Special Cash Fund.

SECTION 2. 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.

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