

STATE OF OKLAHOMA

1st Session of the 48th Legislature (2001)

SENATE BILL 159

By: Stipe

AS INTRODUCED

An Act relating to public finance; authorizing Oklahoma Capitol Improvement Authority to construct facility suitable for a district probation and parole office; requiring site approval by State Board of Corrections; authorizing Authority to hold title and lease property to Department of Corrections; providing for transfer of title upon retirement of debt; authorizing Authority to borrow monies on credit of income and revenues of facility; authorizing issuance of negotiable obligations; providing Legislative intent; limiting cost of property; authorizing payment of certain fees and costs; directing Authority to utilize certain resources; approving certain procedures for issuing obligations; limiting term of obligations; authorizing Treasurer to purchase obligations; authorizing certain use of interest; exempting obligations and interest from taxation; providing for investment of monies; providing for codification; and declaring an emergency.

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

SECTION 1. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 185 of Title 73, unless there is created a duplication in numbering, reads as follows:

A. The Oklahoma Capitol Improvement Authority is authorized to construct improvements and facilities upon property under the control of the Department of Corrections suitable for use as a district probation and parole office.

B. Prior to the construction of the facilities, the State Board of Corrections shall approve the site for such facility.

C. The Authority may hold title to the personal property and improvements until such time as any obligations issued for this purpose are retired or defeased and may lease the personal property and improvements to the Department of Corrections. Upon final

redemption or defeasance of the obligations created pursuant to this section, title to the personal property and improvements shall be transferred from the Oklahoma Capitol Improvement Authority to the Department of Corrections.

D. For the purpose of paying the costs of the improvements and facilities authorized in subsection A of this section, and for the purpose authorized in subsection E of this section, the Authority is hereby authorized to borrow monies on the credit of the income and revenues to be derived from the leasing of such facility and, in anticipation of the collection of such income and revenues, to issue negotiable obligations in an amount not to exceed Three Hundred Thirty Thousand Dollars (\$330,000.00). It is the intent of the Legislature to appropriate to the Department of Corrections sufficient monies to make rental payments for the purposes of retiring the obligations created pursuant to this section.

E. To the extent funds are available from the proceeds of the borrowing authorized by subsection D of this section, the Oklahoma Capitol Improvement Authority shall provide for the payment of professional fees and associated costs approved by the Department of Corrections. The Oklahoma Capitol Improvement Authority shall use the resources of the Oklahoma State Bond Advisor, the Attorney General and the State Treasurer in order to evaluate the costs and expenses associated with the issuance of its obligations and shall use such information as may be required to reduce the costs associated with the issuance of the obligations.

F. The Authority may issue obligations in conjunction with other issues of the Authority. The Authority is authorized to hire bond counsel, financial consultants, and such other professionals as it may deem necessary to provide for the efficient sale of the obligations and may utilize a portion of the proceeds of any borrowing to create such reserves as may be deemed necessary and to

pay costs associated with the issuance and administration of such obligations.

G. The obligations authorized under this section may be sold at either competitive or negotiated sale, as determined by the Authority, and in such form and at such prices as may be authorized by the Authority. The Authority may enter into agreements with such credit enhancers and liquidity providers as may be determined necessary to efficiently market the obligations. The obligations may mature and have such provisions for redemption as shall be determined by the Authority, but in no event shall the final maturity of such obligations occur later than thirty (30) years from the first principal maturity date. The State Treasurer shall be authorized to purchase the obligations as an investment of public funds under the State Treasurer's control.

H. Any interest earnings on funds or accounts created for the purposes of this section may be utilized as partial payment of the annual debt service or for the purposes directed by the Authority.

I. The obligations issued under this section, the transfer thereof and the interest earned on such obligations, including any profit derived from the sale thereof, shall not be subject to taxation of any kind by the State of Oklahoma, or by any county, municipality or political subdivision therein.

J. The Authority may direct the investment of all monies in any funds or accounts created in connection with the offering of the obligations authorized under this section. Such investments shall be made in a manner consistent with the investment guidelines of the State Treasurer. The Authority may place additional restrictions on the investment of such monies if necessary to enhance the marketability of the obligations.

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.

48-1-580

RWT

6/12/2015 11:05:17 AM