

ENROLLED SENATE  
BILL NO. 1016

By: Morgan and Robinson of the  
Senate

and

Mitchell and Bonny of the  
House

An Act relating to public finance; authorizing the Oklahoma Capitol Improvement Authority to issue obligations to provide funding for completion of a dome for the State capitol building; directing how title is to be held and when it is to be transferred; authorizing capitalization of certain interest; stating legislative intent; authorizing payment of certain costs; providing methods for issuance of obligations; authorizing hiring certain professionals for certain purpose; providing for sale of obligations by certain methods; limiting maturity of obligations; providing for utilization of certain interest earnings; providing tax exemption; providing for investment of certain monies; requiring compliance with certain statutory provisions; requiring validation proceeding; providing for codification; and providing an effective date.

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 305 of Title 73, unless there is created a duplication in numbering, reads as follows:

A. In addition to any other authorization provided by law, the Oklahoma Capitol Improvement Authority is authorized to issue obligations to provide funding for construction costs associated with the dome for the State Capitol building in a total amount not to exceed Five Million Dollars (\$5,000,000.00).

B. The Authority may hold title to the property and improvements until such time as any obligations issued for this purpose are retired or defeased and may lease the property and improvements to the Oklahoma Capitol Complex and Centennial Commemoration Commission. Upon final redemption or defeasance of the obligations created pursuant to this section, title to the property and improvements shall be transferred from the Oklahoma Capitol Improvement Authority, to the Oklahoma Capitol Complex and Centennial Commemoration Commission.

C. For the purpose of paying the costs for construction of the real property and improvements, and providing funding for the project authorized in subsection A of this section, and for the purpose authorized in subsection D 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 property and improvements and, in anticipation of the collection of such income and revenues, to issue negotiable obligations in a total amount not to exceed Five Million Dollars (\$5,000,000.00) whether issued in one or more series. The Authority is authorized to capitalize interest on the obligations issued pursuant to this section for a period of not to exceed one year from the date of issuance. For subsequent fiscal years, it is the intent of the Legislature to appropriate to the Oklahoma Capitol Complex and Centennial Commemoration Commission sufficient monies to make rental payments for the purpose of retiring the obligations created pursuant to this section. To the extent funds are available from the proceeds of the borrowing authorized by this subsection, the Oklahoma Capitol Improvement Authority shall provide for the payment of professional fees and associated costs related to the project authorized in subsection A of this section.

D. The Authority may issue obligations in one or more series and 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.

E. 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.

F. 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.

G. 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.

H. 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.

I. 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.

J. No obligations may be issued pursuant to this section until such obligations have been approved by the Supreme Court pursuant to Section 14.1 of Title 20 of the Oklahoma Statutes.

SECTION 2. This act shall become effective September 1, 2004.

Passed the Senate the 27th day of May, 2004.

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Presiding Officer of the Senate

Passed the House of Representatives the 27th day of May, 2004.

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Presiding Officer of the House  
of Representatives