

ENROLLED SENATE
BILL NO. 117

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 History Center for the Oklahoma Historical Society; providing for debt retirement payments; 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; authorizing certain use of certain interest earnings; providing for codification; providing for noncodification; 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 302 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 acquire real property, together with improvements located thereon, and personal property, to construct buildings and other improvements to real property and to provide funding for repairs, refurbishments and improvements to real and personal property and for funding for completion of construction of a History Center for the Oklahoma Historical Society in a total amount not to exceed Eighteen Million Dollars (\$18,000,000.00) with debt retirement payments to be made as provided herein.

B. The Authority may hold title to the real and personal property and improvements until such time as any obligations issued for this purpose are retired or defeased and may lease the real

property and improvements to the agencies indicated herein. Upon final redemption or defeasance of the obligations created pursuant to this section, title to the real and personal property and improvements shall be transferred from the Oklahoma Capitol Improvement Authority, to the Oklahoma Historical Society.

C. For the purpose of paying the costs for acquisition and construction of the real property and improvements and personal property and making the repairs, refurbishments, and improvements to real and personal property, 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 real and personal 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 Eighteen Million Dollars (\$18,000,000.00) whether issued in one or more series. The Authority is authorized to capitalize interest on the obligations issued pursuant to the authority granted by this section for a period of not to exceed two (2) years from the date of issuance. For the fiscal year ending June 30, 2006, and subsequent fiscal years, it is the intent of the Legislature to appropriate to the Oklahoma Historical Society sufficient monies to make rental payments for the purposes 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 projects 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.

SECTION 2. NEW LAW A new section of law not to be codified in the Oklahoma Statutes reads as follows:

The Oklahoma Capitol Improvement Authority is authorized to utilize interest earnings on obligations issued to fund projects specified in paragraph 2 of subsection A of Section 301 of Title 73 of the Oklahoma Statutes in an amount of not to exceed Two Million Dollars (\$2,000,000.00) to complete the construction on such project.

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.

Passed the Senate the 20th day of May, 2003.

Presiding Officer of the Senate

Passed the House of Representatives the 21st day of May, 2003.

Presiding Officer of the House
of Representatives