

ENGROSSED HOUSE  
BILL NO. 2552

By: DePue of the House  
and  
Bass of the Senate

( state property - Oklahoma Capitol Improvement  
Authority - Deferred Maintenance Program -  
codification - effective date -  
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 200.1 of Title 73, unless there is created a duplication in numbering, reads as follows:

A. The Oklahoma Capitol Improvement Authority is authorized 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 capital assets that are identified as part of the "Deferred Maintenance Program".

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 agencies indicated herein.

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 projects 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 \_\_\_\_\_ Dollars (\$0.00) whether issued in one or more series. It is the intent of the Legislature to appropriate to the indicated state agencies sufficient monies to make rental payments for the purposes of retiring the obligations created pursuant to this section.

D. To the extent funds are available from the proceeds of the borrowing authorized by subsection C of this section, 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.

E. 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.

F. 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.

G. 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.

H. 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.

I. 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.

J. 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. AMENDATORY 74 O.S. 2001, Section 63.1, as amended by Section 3, Chapter 372, O.S.L. 2003 (74 O.S. Supp. 2005, Section 63.1), is amended to read as follows:

Section 63.1 A. There is hereby created in the State Treasury, a revolving fund for the Department of Central Services to be designated the "Building and Facility Revolving Fund". The fund shall be a continuing fund not subject to fiscal year limitations and shall consist of all operation, lease, and maintenance charges

paid to the Department by occupying agencies of the buildings operated and maintained by the Department. Monies accruing to the fund may be expended by the Department of Central Services for operation and maintenance of the facilities and expenses the Department incurs to support building and facilities operations. Expenditures from the fund shall be made on warrants issued by the State Treasurer against claims filed with the Director of State Finance for approval and payment.

B. The Department of Central Services shall levy a lease charge on every state agency that leases building space from the Department. The charge shall be as follows:

1. From July 1, 2006, through June 30, 2007, the lease charge shall be fifty cents (\$.50) per square foot of leased space;

2. From July 1, 2007, through June 30, 2008, the lease charge shall be One Dollar (\$1.00) per square foot of leased space;

3. From July 1, 2008, through June 30, 2009, the lease charge shall be One Dollar and fifty cents (\$1.50) per square foot of leased space; and

4. Beginning July 1, 2009, and thereafter, the lease charge shall be Two Dollars (\$2.00) per square foot of leased space.

SECTION 3. This act shall become effective July 1, 2006.

SECTION 4. 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 House of Representatives the 15th day of March, 2006.

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Presiding Officer of the House of  
Representatives

Passed the Senate the \_\_\_\_ day of \_\_\_\_\_, 2006.

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Presiding Officer of the Senate