

STATE OF OKLAHOMA

1st Session of the 50th Legislature (2005)

HOUSE BILL 1709

By: Calvey

AS INTRODUCED

An Act relating to Oklahoma Capitol Improvement Authority; providing Oklahoma Capitol Improvement Authority with certain authorization to construct building, provide funding, borrow monies and issue negotiable obligations; expressing legislative intent; authorizing the use of certain funds; providing specific authority with respect to the issuance of bonds; providing for the sale and redemption of specified bonds; providing for utilization of certain funds; providing certain exemption from taxation; providing for the investment of certain funds; placing management, maintenance and operation of specified buildings and improvements under the control of the Oklahoma Tax Commission; providing for transfer of certain buildings or improvements under certain circumstances; 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 187 of Title 73, unless there is created a duplication in numbering, reads as follows:

A. The Oklahoma Capitol Improvement Authority is hereby authorized to construct a building or buildings and to provide funding for furnishing the building and for architectural and engineering, construction, landscaping and improvements on property located adjacent to such building for parking and office space and other costs associated with the construction and occupancy of the building for the use of the Oklahoma Tax Commission upon the state-owned land within the Lincoln Boulevard Renaissance Project in Oklahoma City.

B. For the purpose of paying the costs for architectural and engineering, construction, landscaping, improvements, furnishings and other costs associated with the construction and occupancy of the building authorized in subsection A 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 property and improvements and, in anticipation of the collection of such income and revenues, to issue negotiable obligations sufficient to fund a project of Thirty Million Dollars (\$30,000,000.00). It is the intent of the Legislature to appropriate to the Tax Commission sufficient monies to make rental payments for the purposes of retiring the obligations created pursuant to this subsection. In addition to appropriated funds, the Tax Commission is authorized to utilize funds in the Tax Commission Reimbursement Fund for the purpose of retiring obligations created pursuant to this subsection.

C. 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.

D. 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.

E. 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.

F. 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.

G. 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.

H. The management, maintenance and operation of any building or buildings and improvements constructed and funded under the provisions of subsection B of this section shall be the responsibility and be under the control of the Tax Commission.

I. Any building or buildings and improvements constructed by the Oklahoma Capitol Improvement Authority, for the Tax Commission, from the proceeds of the sale of bonds pursuant to this act, shall upon the redemption of said bonds as provided by this act be transferred from the Oklahoma Capitol Improvement Authority to the Tax Commission.

SECTION 2. This act shall become effective November 1, 2005.

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