

STATE OF OKLAHOMA

2nd Session of the 50th Legislature (2006)

SENATE BILL 1069

By: Myers and Crain

AS INTRODUCED

An Act relating to Oklahoma Capitol Improvement Authority and the Oklahoma Department of Transportation; authorizing the Oklahoma Capitol Improvement Authority to borrow monies and issue negotiable bonds for certain purposes; authorizing issuance of certain obligations; stating legislative intent; requiring the deposit of monies in certain fund; 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; 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 340 of Title 73, unless there is created a duplication in numbering, reads as follows:

A. The Oklahoma Capitol Improvement Authority is hereby authorized to issue bonds, other negotiable instruments or other evidences of indebtedness in the principal amount sufficient to generate One Hundred Million Dollars (\$100,000,000.00) in proceeds to fund the construction of the system of roads, bridges and highways under the authority of the Oklahoma Department of Transportation. It is the intent of the Legislature to appropriate to the Oklahoma Department of Transportation sufficient monies to make payments for the purposes of retiring the obligations created pursuant to this subsection for the fiscal year ending June 30, 2007, and the fiscal year ending June 30, 2008. It is the further intent of the Legislature that in subsequent years the Oklahoma

Department of Transportation will make payments on said obligations from the motor fuel excise taxes paid over to the Department by the Oklahoma Turnpike Authority pursuant to the provisions of paragraph (2) of subsection (d) of Section 1730 of Title 69 of the Oklahoma Statutes. In the event those monies are not available to the Department or are insufficient to make such payments, it is the intent of the Legislature to appropriate sufficient monies to make payments on said obligations.

B. The proceeds from the sale of said bonds, other negotiable instruments, or other evidences of indebtedness shall be deposited in the Rebuilding Oklahoma Access and Driver Safety Fund and shall be expended in the same manner as provided by law for other monies accruing to the credit of the Rebuilding Oklahoma Access and Driver Safety Fund.

C. The Oklahoma Capitol Improvement 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 Oklahoma Capitol Improvement 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 Oklahoma Capitol Improvement 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 Oklahoma Capitol Improvement 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. This act shall become effective September 1, 2006.

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