

STATE OF OKLAHOMA

1st Session of the 50th Legislature (2005)

SENATE BILL 353

By: Corn

AS INTRODUCED

An Act relating to state finance; authorizing the Oklahoma Capitol Improvement Authority to acquire and construct certain property; authorizing Authority to provide funding for certain repairs, refurbishments, improvements and projects; providing enumeration of agencies, projects, and amounts authorized; requiring transfer of property upon occurrence of certain event; authorizing borrowing of certain amount of money for certain purposes; authorizing issuance of certain obligations; stating legislative intent; limiting costs for certain projects; providing for payment of certain fees and costs; prescribing procedures for issuance of certain obligations; authorizing certain agreements; providing for use of interest earnings; exempting certain obligations, transfers and interest from taxation; authorizing investment of 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 334 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 the following capital projects in the following amounts:

1. Completion of the acquisition and implementation of an 800 megahertz communication system for the Department of Public Safety in a total amount not to exceed Thirty-four Million Dollars

(\$34,000,000.00) with debt retirement payments to be made by the Department of Public Safety;

2. Water treatment projects and facility upgrades for the Department of Corrections in a total amount not to exceed Fifteen Million Dollars (\$15,000,000.00) with debt retirement payments to be made by the Department of Corrections;

3. Construction of a new building for the Board of Medicolegal Investigations in a total amount not to exceed Fifteen Million Dollars (\$15,000,000.00) with debt retirement payments to be made by the Board of Medicolegal Investigations; and

4. Repairs, refurbishments and improvements to real and personal property and for funding for completion of renovation of the Wiley Post Historical Building for occupancy by the appellate courts in a total amount not to exceed Eighteen Million Dollars (\$18,000,000.00) with debt retirement payments to be made by the Supreme Court.

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 defeated 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 Eighty-two Million Dollars (\$82,000,000.00) 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. This act shall become effective September 1, 2005.

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