

EHB 3396

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THE STATE SENATE
Monday, April 7, 2008

ENGROSSED
House Bill No. 3396
As Amended

ENGROSSED HOUSE BILL NO. 3396 - By: Benge, Cargill, Collins, Martin (Scott), Nations, Hickman, Jones and Shumate of the House and Coffee, Nichols and Sparks of the Senate.

(schools - amending 70 O.S., Section 4019 - Oklahoma Capitol Improvement Authority - effective date - emergency)

~~BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:~~

SECTION 1. AMENDATORY Section 2, Chapter 115, O.S.L. 2004, as amended by Section 1, Chapter 214, O.S.L. 2007 (70 O.S. Supp. 2007, Section 4019), is amended to read as follows:

Section 4019. A. The Oklahoma Capitol Improvement Authority is hereby authorized, consistent with the statutes pertaining to the Oklahoma State Regents' Endowment Trust Fund, to establish a program to provide for the advance funding of the state's contribution to endowed chairs, professorships, lectureships and positions for artists in residence as provided in Section 3952 of this title at the various institutions in The Oklahoma State System of Higher Education. The Oklahoma State Regents for Higher Education are authorized to enter into agreements with the Authority to provide security for any obligations issued for such purpose.

1 B. The Authority is hereby authorized to issue and sell
2 obligations in such amounts as shall be needed from time to time for
3 the purposes of obtaining funds for the state's matching
4 contribution for endowed chairs, professorships, lectureships and
5 positions for artists in residence; provided, however, that the
6 total principal amount of such obligations shall not exceed in the
7 aggregate ~~One Hundred Million Dollars (\$100,000,000.00)~~ One Hundred
8 Twenty-five Million Dollars (\$125,000,000.00) outstanding at any one
9 time for the purpose of funding endowed chairs. At least fifty
10 percent (50%) of the endowed chair, professorship or lectureship
11 positions funded as provided for in this subsection shall be for
12 positions that involve research and development. No obligations
13 shall be issued for any endowment account for which matching monies
14 specified in subsection E of Section 3952 of this title have not
15 been received.

16 C. It is the intent of the Legislature that payments for the
17 purpose of retiring the obligations created pursuant to this section
18 be made by the State Regents from the lump-sum appropriation made
19 pursuant to Section 3 of Article XIII-A of the Oklahoma
20 Constitution. Further, it is the intent of the Legislature to
21 appropriate to the State Regents sufficient monies to allow the
22 State Regents to make payments for the purpose of retiring the
23 obligations created pursuant to this section.

1 D. The Authority may issue obligations in one or more series
2 and in conjunction with other issues of the Authority.

3 E. The obligations authorized under this section may be sold at
4 either competitive or negotiated sale, as determined by the
5 Authority, and in such form and at such prices as may be authorized
6 by the Authority. The Authority may enter into agreements with such
7 credit enhancers and liquidity providers as may be determined
8 necessary to efficiently market the obligations. The obligations
9 may mature and have such provisions for redemption as shall be
10 determined by the Authority, but in no event shall the final
11 maturity of such obligations occur later than ~~ten (10)~~ twenty-five
12 (25) years from the first principal maturity date of any given
13 series.

14 F. Any interest earnings on funds or accounts created for
15 purposes of this section may be utilized as partial payment of the
16 annual debt service or for purposes directed by the Authority.

17 G. The obligations issued under this section, the transfer
18 thereof and the interest earned on such obligations, including any
19 profit derived from the sale thereof, shall not be subject to
20 taxation of any kind by the State of Oklahoma, or by any county,
21 municipality or political subdivision therein.

22 H. The Authority may direct the investment of all monies in any
23 funds or accounts created in connection with the offering of the

1 obligations authorized under this section. This shall not include
2 monies in the Oklahoma State Regents Endowment Trust Fund. The
3 State Regents may place additional restrictions on the investment of
4 such monies if necessary to enhance the marketability of the
5 obligations.

6 SECTION 2. This act shall become effective July 1, 2008.

7 SECTION 3. It being immediately necessary for the preservation
8 of the public peace, health and safety, an emergency is hereby
9 declared to exist, by reason whereof this act shall take effect and
10 be in full force from and after its passage and approval.

11 COMMITTEE REPORT BY: COMMITTEE ON APPROPRIATIONS, dated 4-2-08 - DO
12 PASS, As Amended.