

1 ENGROSSED HOUSE AMENDMENT  
TO  
2 ENGROSSED SENATE BILL NO. 238

By: Johnson (Mike) and Myers  
of the Senate

3  
4 and

5 Miller and Martin (Scott)  
of the House

6  
7  
8  
9 ( Oklahoma Capitol Improvement Authority - powers -  
10 references -  
11 emergency )

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13  
14 AUTHORS: Add the following House Coauthors: Dorman and Sullivan

15 AMENDMENT NO. 1. Strike the stricken title, enacting clause and  
16 entire bill and insert

17 "An Act relating to public finance; authorizing the  
18 Oklahoma Capitol Improvement Authority to issue  
19 obligations for the Oklahoma Conservation  
20 Commission; authorizing the Authority to acquire  
21 certain property for certain purposes; providing for  
22 transfer of title upon occurrence of certain events;  
23 authorizing the borrowing of money for certain  
24 purposes; stating legislative intent; providing for  
payment of certain fees and costs; authorizing  
procedure for issuance and hiring of certain  
professionals; providing for use of certain interest  
earnings; exempting certain obligations, transfers,  
and interest from taxation; providing for investment  
and oversight; repealing Section 2, Chapter 431,  
O.S.L. 2008 (73 O.S. Supp. 2008, Section 333), which

1 relates to authorization for the issuance of certain  
2 obligations by the Oklahoma Conservation Commission;  
3 providing for codification; and declaring an  
4 emergency.

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

6 SECTION 1. NEW LAW A new section of law to be codified  
7 in the Oklahoma Statutes as Section 335 of Title 73, unless there is  
8 created a duplication in numbering, reads as follows:

9 A. The Oklahoma Capitol Improvement Authority (OCIA) is  
10 authorized to acquire real property or interests therein, together  
11 with improvements located thereon, and personal property for  
12 purposes of construction, repair and rehabilitation of flood-control  
13 dams, repair of roadside water erosion, riparian restoration and  
14 purchase of necessary equipment in various counties through and with  
15 the assistance of local conservation districts, including  
16 restoration of flood-damaged areas, all pursuant to the Conservation  
17 District Act, with debt retirement payments to be made by the  
18 Oklahoma Conservation Commission, which is hereby authorized to  
19 borrow money from the OCIA for the purposes in this section.

20 The OCIA may hold title to the real property and improvements  
21 until such time as any obligations issued for this purpose are  
22 retired or defeased and may lease the real property and improvements  
23 to the Oklahoma Conservation Commission. Upon final redemption or  
24 defeasance of the obligations created pursuant to this section,

1 title to the real property and improvements shall be transferred  
2 from the Oklahoma Capitol Improvement Authority to the Oklahoma  
3 Conservation Commission.

4 B. For the purpose of paying the costs for acquisition of the  
5 real property and improvements and personal property authorized in  
6 subsection A of this section, and for the purpose authorized in  
7 subsection C of this section, the OCIA is hereby authorized to  
8 borrow monies on the credit of the income and revenues to be derived  
9 from the leasing of such real property and improvements and, in  
10 anticipation of the collection of such income and revenues, to issue  
11 negotiable obligations in an amount sufficient to generate net  
12 proceeds of Twenty-five Million Dollars (\$25,000,000.00) after  
13 providing for costs of issuance, credit enhancement, reserves, and  
14 other associated expenses related to the financing. It is the  
15 intent of the Legislature to appropriate to the Oklahoma  
16 Conservation Commission sufficient monies to make rental payments  
17 for the purposes of retiring the obligations created pursuant to  
18 this section.

19 C. To the extent funds are available from the proceeds of the  
20 borrowing authorized by subsection B of this section, the OCIA shall  
21 provide for the payment of professional fees and associated costs  
22 approved by the OCIA.

23 D. The OCIA may issue obligations in one or more series and in  
24 conjunction with other issues of the OCIA. The OCIA is authorized

1 to hire bond counsel, financial consultants, and such other  
2 professionals as it may deem necessary to provide for the efficient  
3 sale of the obligations and may utilize a portion of the proceeds of  
4 any borrowing to create such reserves as may be deemed necessary and  
5 to pay costs associated with the issuance and administration of such  
6 obligations.

7 E. The obligations authorized under this section may be sold at  
8 either competitive or negotiated sale, as determined by the OCIA,  
9 and in such form and at such prices as may be authorized by the  
10 OCIA. The OCIA may enter into agreements with such credit enhancers  
11 and liquidity providers as may be determined necessary to  
12 efficiently market the obligations. The obligations may mature and  
13 have such provisions for redemption as shall be determined by the  
14 OCIA, but in no event shall the final maturity of such obligations  
15 occur later than fifteen (15) years from the first principal  
16 maturity date.

17 F. Any interest earnings on funds or accounts created for the  
18 purposes of this section may be utilized as partial payment of the  
19 annual debt service or for the purposes directed by the OCIA.

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

1 H. The OCIA may direct the investment of all monies in any  
2 funds or accounts created in connection with the offering of the  
3 obligations authorized under this section. Such investments shall  
4 be made in a manner consistent with the investment guidelines of the  
5 State Treasurer. The OCIA may place additional restrictions on the  
6 investment of such monies if necessary to enhance the marketability  
7 of the obligations.

8 SECTION 2. REPEALER Section 2, Chapter 431, O.S.L. 2008  
9 (73 O.S. Supp. 2008, Section 333), is hereby repealed.

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

14 Passed the House of Representatives the 9th day of April, 2009.

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Presiding Officer of the House of  
Representatives

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19 Passed the Senate the \_\_\_\_ day of \_\_\_\_\_, 2009.

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Presiding Officer of the Senate

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