

COMMITTEE AMENDMENT
HOUSE OF REPRESENTATIVES
State of Oklahoma

SPEAKER:

CHAIR:

I move to amend SB238
Page _____ Section _____ Lines _____
Of the printed Bill
Of the Engrossed Bill

By striking the Title, the Enacting Clause, the entire bill, and by inserting in lieu thereof the following language:

AMEND TITLE TO CONFORM TO AMENDMENTS

Adopted: _____

Amendment submitted by: Ken Miller

Reading Clerk

1 STATE OF OKLAHOMA

2 1st Session of the 52nd Legislature (2009)

3 PROPOSED COMMITTEE
4 SUBSTITUTE FOR
5 ENGROSSED
6 SENATE BILL NO. 238

By: Johnson (Mike) and Myers of
the Senate

7 and

8 Miller and Martin (Scott)
9 of the House

10
11 PROPOSED COMMITTEE SUBSTITUTE

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

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

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

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

15 The OCIA may hold title to the real property and improvements
16 until such time as any obligations issued for this purpose are
17 retired or defeased and may lease the real property and improvements
18 to the Oklahoma Conservation Commission. Upon final redemption or
19 defeasance of the obligations created pursuant to this section,
20 title to the real property and improvements shall be transferred
21 from the Oklahoma Capitol Improvement Authority to the Oklahoma
22 Conservation Commission.

23 B. For the purpose of paying the costs for acquisition of the
24 real property and improvements and personal property authorized in

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

14 C. To the extent funds are available from the proceeds of the
15 borrowing authorized by subsection B of this section, the OCIA shall
16 provide for the payment of professional fees and associated costs
17 approved by the OCIA.

18 D. The OCIA may issue obligations in one or more series and in
19 conjunction with other issues of the OCIA. The OCIA is authorized
20 to hire bond counsel, financial consultants, and such other
21 professionals as it may deem necessary to provide for the efficient
22 sale of the obligations and may utilize a portion of the proceeds of
23 any borrowing to create such reserves as may be deemed necessary and
24

1 to pay costs associated with the issuance and administration of such
2 obligations.

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

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

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

21 H. The OCIA may direct the investment of all monies in any
22 funds or accounts created in connection with the offering of the
23 obligations authorized under this section. Such investments shall
24 be made in a manner consistent with the investment guidelines of the

1 State Treasurer. The OCIA may place additional restrictions on the
2 investment of such monies if necessary to enhance the marketability
3 of the obligations.

4 SECTION 2. REPEALER Section 2, Chapter 431, O.S.L. 2008
5 (73 O.S. Supp. 2008, Section 333), is hereby repealed.

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

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