

THE HOUSE OF REPRESENTATIVES
Monday, March 1, 2010

House Bill No. 3031

HOUSE BILL NO. 3031 - By: BENGE of the House and COFFEE of the Senate.

An Act relating to higher education; amending Section 2, Chapter 115, O.S.L. 2004, as last amended by Section 2, Chapter 430, O.S.L. 2008 (70 O.S. Supp. 2009, Section 4019), which relates to the issuance of obligations for endowed chairs and positions; modifying the maturity date of obligations issued for funding endowed chairs and positions; authorizing the Oklahoma Capitol Improvement Authority to refinance or restructure obligations; and declaring an emergency.

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

1 SECTION 1. AMENDATORY Section 2, Chapter 115, O.S.L. 2004, as last
2 amended by Section 2, Chapter 430, O.S.L. 2008 (70 O.S. Supp. 2009, Section 4019), is
3 amended to read as follows:
4 Section 4019. A. The Oklahoma Capitol Improvement Authority is hereby
5 authorized, consistent with the statutes pertaining to the Oklahoma State Regents'
6 Endowment Trust Fund, to establish a program to provide for the advance funding of the
7 state's contribution to endowed chairs, professorships, lectureships and positions for
8 artists in residence as provided in Section 3952 of this title at the various institutions in
9 The Oklahoma State System of Higher Education. The Oklahoma State Regents for
10 Higher Education are authorized to enter into agreements with the Authority to provide
11 security for any obligations issued for such purpose.

1 B. The Authority is hereby authorized to issue and sell obligations in such amounts
2 as shall be needed from time to time for the purposes of obtaining funds for the state's
3 matching contribution for endowed chairs, professorships, lectureships and positions for
4 artists in residence; provided, however, that the total principal amount of such
5 obligations shall not exceed in the aggregate One Hundred Fifty Million Dollars
6 (\$150,000,000.00) outstanding at any one time for the purpose of funding endowed
7 chairs. At least fifty percent (50%) of the endowed chair, professorship or lectureship
8 positions funded as provided for in this subsection shall be for positions that involve
9 research and development. No obligations shall be issued for any endowment account for
10 which matching monies specified in subsection E of Section 3952 of this title have not
11 been received.

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

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

20 E. The obligations authorized under this section may be sold at either competitive
21 or negotiated sale, as determined by the Authority, and in such form and at such prices
22 as may be authorized by the Authority. The Authority may enter into agreements with

1 such credit enhancers and liquidity providers as may be determined necessary to
2 efficiently market the obligations. The obligations may mature and have such provisions
3 for redemption as shall be determined by the Authority, but in no event shall the final
4 maturity of such obligations occur later than ~~fifteen (15)~~ twenty (20) years from the first
5 principal maturity date of any given series.

6 F. The authority is authorized to issue bonds, notes, and other obligations for the
7 purpose of refinancing or restructuring the outstanding obligations authorized under this
8 section.

9 G. Any interest earnings on funds or accounts created for purposes of this section
10 may be utilized as partial payment of the annual debt service or for purposes directed by
11 the Authority.

12 ~~G. H.~~ H. The obligations issued under this section, the transfer thereof and the
13 interest earned on such obligations, including any profit derived from the sale thereof,
14 shall not be subject to taxation of any kind by the State of Oklahoma, or by any county,
15 municipality or political subdivision therein.

16 ~~H. I.~~ I. The Authority may direct the investment of all monies in any funds or
17 accounts created in connection with the offering of the obligations authorized under this
18 section. This shall not include monies in the Oklahoma State Regents Endowment Trust
19 Fund. The State Regents may place additional restrictions on the investment of such
20 monies if necessary to enhance the marketability of the obligations.

UNDERLINED language denotes Amendments to present Statutes.
BOLD FACE CAPITALIZED language denotes Committee Amendments.
~~Strike thru~~ language denotes deletion from present Statutes.

1 SECTION 2. It being immediately necessary for the preservation of the public
2 peace, health and safety, an emergency is hereby declared to exist, by reason whereof
3 this act shall take effect and be in full force from and after its passage and approval.
4 COMMITTEE REPORT BY: COMMITTEE ON APPROPRIATIONS AND BUDGET,
5 dated 02-25-10 - DO PASS, As Coauthored.