

THE HOUSE OF REPRESENTATIVES
Tuesday, February 24, 2009

Committee Substitute for
House Bill No. 2024

COMMITTEE SUBSTITUTE FOR HOUSE BILL NO. 2024 - By: GLENN of the House and BALLENGER of the Senate.

An Act relating to soldiers and sailors; amending 72 O.S. 2001, Sections 63.12, 63.13 and 63.16, as amended by Section 1, Chapter 78, O.S.L. 2003 (72 O.S. Supp. 2008, Section 63.16), which relate to authority of the Oklahoma Department of Veterans Affairs to enter into certain agreements with local public trusts and issue bonds for certain purposes; expanding authority; authorizing Department to issue certain bonds; and providing an effective date.

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

1 SECTION 1. AMENDATORY 72 O.S. 2001, Section 63.12, is amended to read
2 as follows:

3 Section 63.12 The Oklahoma Department of Veterans Affairs, acting by and
4 through the War Veterans Commission, shall be authorized to enter into lease and/or
5 loan agreements with local public trusts operating in and around any proposed facilities
6 of the Department for the purpose of obtaining financing for the acquisition,
7 construction, additions to or improvement of ~~hospital~~ agency or health care facilities
8 operated by the Department whether existing or to be acquired.

9 SECTION 2. AMENDATORY 72 O.S. 2001, Section 63.13, is amended to read
10 as follows:

1 Section 63.13 The Oklahoma Department of Veterans Affairs, acting by and
2 through the War Veterans Commission, in conjunction with the local public trust may:

3 1. Make and enter into all contracts and agreements necessary or incidental to the
4 performance of its duties and the execution of its powers pursuant to the provisions of
5 this act, and particularly without limiting the generality of this section, to make and
6 enter into contracts and agreements with the separate instrumentalities, departments
7 and agencies of the State of Oklahoma and/or federal government, in order to effectuate
8 the financing of the ~~hospital~~ agency and health care facilities;

9 2. Employ legal counsel, and contract for investment and trustee banking services,
10 and credit support or enhancements, as may be necessary in the judgment of the local
11 public trust, and to fix the fees, charges and compensation therefor; provided, that all
12 such fees and expenses shall be payable solely from the proceeds of the bonds, or any
13 investment earnings thereon, issued pursuant to the provisions of this and/or any other
14 legally available source; and

15 3. Do all things necessary or convenient to implement the powers expressly granted
16 pursuant to the provisions of this act.

17 SECTION 3. AMENDATORY 72 O.S. 2001, Section 63.16, as amended by
18 Section 1, Chapter 78, O.S.L. 2003 (72 O.S. Supp. 2008, Section 63.16), is amended to
19 read as follows:

20 Section 63.16 A. The Department of Veterans Affairs shall ~~not~~ have the authority,
21 either in conjunction with the War Veterans Commission or any other state agency,

1 board or commission or in conjunction with any public trust, to issue or cause to be
2 issued by a public trust any bond or other evidence of indebtedness ~~after July 1, 2008.~~

3 B. ~~Except as~~ As required for purposes of refinancing or refunding an existing issue
4 of indebtedness, ~~from and after July 1, 2008, neither~~ the Department of Veterans Affairs
5 ~~nor~~ and the War Veterans Commission shall be authorized to enter into agreements with
6 public trusts in connection with an issuance of evidence of indebtedness by such public
7 trusts.

8 C. ~~No provision of this section shall affect the obligations incurred or agreements~~
9 ~~entered into by the Department of Veterans Affairs or the War Veterans Commission~~
10 ~~with any public trust if such obligations were incurred or agreements were entered into~~
11 ~~or are year to year continuations of agreements or leases entered into prior to June 25,~~
12 ~~1986. No provision of this section shall be construed as a limitation on the authority of~~
13 ~~the Department of Veterans Affairs or the War Veterans Commission to enter into other~~
14 ~~agreements not prohibited by this section.~~

15 ~~D.~~ There is hereby created in the State Treasury a trust fund for the Department of
16 Veterans Affairs to be designated the "Department of Veterans Affairs Trust Fund". The
17 fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of
18 all monies authorized for expenditure as provided by this section. All monies accruing to
19 the credit of said fund are hereby appropriated and may be budgeted and expended by
20 the Department of Veterans Affairs for the purpose of retiring indebtedness evidenced by
21 bonds, whether such bonds are part of an original issue or part of a refunding issue, in
22 the manner prescribed by this section. Expenditures from said fund shall be made upon

1 warrants issued by the State Treasurer against claims filed as prescribed by law with the
2 Director of State Finance for approval and payment.

3 ~~F. D.~~ The Department of Veterans Affairs shall make deposits into the Department
4 of Veterans Affairs Trust Fund established by this section from the Department of
5 Veterans Affairs Revolving Fund, and from such other monies as may be lawfully
6 expended for the purposes specified by this section.

7 ~~F. E.~~ For all fiscal years in which an outstanding balance of bonded indebtedness
8 exists which the Department of Veterans Affairs has caused to be issued through
9 agreements with public trusts, the Department of Veterans Affairs shall at or prior to the
10 end of each fiscal year quarter make money deposits in the Department of Veterans
11 Affairs Trust Fund in amounts sufficient to meet three (3) months' debt service on any
12 public trust bonded indebtedness which the Department has caused to be issued. The
13 Department of Veterans Affairs Trust Fund deposits required by this subsection shall be
14 from any funds available to the Department of Veterans Affairs which may be legally
15 expended for the purposes specified by this section. However, a minimum of an amount
16 equal to one percent (1%) of the Department of Veterans Affairs Budget Work Program
17 for the applicable fiscal year must be transferred from the Oklahoma Department of
18 Veterans Affairs Revolving Fund and included in the total deposits required in each
19 fiscal year.

20 ~~G. F.~~ Payments from the fund established pursuant to subsection ~~D C~~ of this
21 section shall be made by the Department of Veterans Affairs only upon the authorization
22 of the Director of State Finance and the War Veterans Commission.

1 ~~H.~~ G. The Department of Veterans Affairs is hereby authorized to deposit in the
2 fund created in subsection ~~D~~ C of this section all federal grant monies which it receives
3 in conjunction with projects which it has caused to be financed through revenue bonds
4 issued by public trusts.

5 SECTION 4. This act shall become effective November 1, 2009.

6 COMMITTEE REPORT BY: COMMITTEE ON VETERANS AND MILITARY AFFAIRS,
7 dated 02-18-09 - DO PASS, As Amended and Coauthored.