

SB 1335

THE STATE SENATE  
Tuesday, February 16, 2010

Senate Bill No. 1335  
As Amended

SENATE BILL NO. 1335 - By: Coffee of the Senate and Benge of the House.

[ public finance and higher education - Oklahoma Capitol Improvement Authority - modifying authority - modifying maturity date - emergency ]

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

SECTION 1. AMENDATORY 70 O.S. 2001, Section 4019, as last amended by Section 2, Chapter 430, O.S.L. 2008 (70 O.S. Supp. 2009, 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 Fifty Million Dollars (\$150,000,000.00)  
8 outstanding at any one time for the purpose of funding endowed  
9 chairs. At least fifty percent (50%) of the endowed chair,  
10 professorship or lectureship positions funded as provided for in  
11 this subsection shall be for positions that involve research and  
12 development. No obligations shall be issued for any endowment  
13 account for which matching monies specified in subsection E of  
14 Section 3952 of this title have not been received.

15           C. It is the intent of the Legislature that payments for the  
16 purpose of retiring the obligations created pursuant to this section  
17 be made by the State Regents from the lump-sum appropriation made  
18 pursuant to Section 3 of Article XIII-A of the Oklahoma  
19 Constitution. Further, it is the intent of the Legislature to  
20 appropriate to the State Regents sufficient monies to allow the  
21 State Regents to make payments for the purpose of retiring the  
22 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. The  
3 Authority may also refund and/or restructure outstanding obligations  
4 issued under the provisions of this section.

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

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

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

1           H. The Authority 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. This shall not include  
4 monies in the Oklahoma State Regents Endowment Trust Fund. The  
5 State Regents may place additional restrictions on the investment of  
6 such monies if necessary to enhance the marketability of the  
7 obligations.

8           SECTION 2. It being immediately necessary for the preservation  
9 of the public peace, health and safety, an emergency is hereby  
10 declared to exist, by reason whereof this act shall take effect and  
11 be in full force from and after its passage and approval.

12 COMMITTEE REPORT BY: COMMITTEE ON APPROPRIATIONS, dated 2-10-10 - DO  
13 PASS, As Amended and Coauthored.