

1 STATE OF OKLAHOMA

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

3 SENATE BILL 952

By: Myers

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6 AS INTRODUCED

7 An Act relating to the Oklahoma Development Finance
8 Authority and the Oklahoma Aeronautics Commission;
9 authorizing the Oklahoma Development Finance
10 Authority to issue obligations for the Oklahoma
11 Aeronautics Commission; authorizing the Authority to
12 acquire certain property for certain purposes;
13 providing for transfer of title upon occurrence of
14 certain events; authorizing the borrowing of money
15 for certain purposes; stating legislative intent;
16 providing for payment of certain fees and costs;
17 authorizing procedure for issuance of obligations and
18 hiring of certain professionals; providing for use of
19 certain interest earnings; exempting certain
20 obligations, transfers, and interest from taxation;
21 providing for investment and oversight; providing for
22 codification; providing effective date; and declaring
23 an emergency.

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

19 SECTION 1. NEW LAW A new section of law to be codified
20 in the Oklahoma Statutes as Section 5062.23 of Title 74, unless
21 there is created a duplication in numbering, reads as follows:

22 A. The Oklahoma Development Finance Authority is authorized to
23 acquire real property, together with improvements located thereon,
24 and personal property for purposes of construction, improvement,

1 maintenance, and protection of general aviation regional business
2 airports including the construction, installation, equipping,
3 maintenance, and operation at such airports of hangars and terminals
4 for the protection and servicing of aircraft and the accommodation
5 and comfort of air travelers/passengers. The projects will be done
6 in accordance with promulgated rules of the Oklahoma Aeronautics
7 Commission, which provide for coordination with local governments
8 affected by the projects and the Federal Aviation Administration.
9 The said projects herein described will further the viability,
10 growth and development of the economy of the state and the economies
11 of local communities throughout the state by ensuring that regional
12 business airports are meeting the needs of air passengers,
13 particularly those that use aviation and regional business airports
14 to further their business interests, and are hereby determined to be
15 in the best interests of the state and will accomplish an important
16 public purpose. The Authority may acquire and hold title to the
17 real property and improvements, or any interest therein, until such
18 time as any obligations issued for this purpose are retired or
19 defeased and may lease the real property and improvements to the
20 Oklahoma Aeronautics Commission. Upon final redemption or
21 defeasance of the obligations created pursuant to this section,
22 title to the real property and improvements shall be transferred
23 from the Authority, to the Oklahoma Aeronautics Commission.

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1 B. For the purpose of paying the costs for acquisition of the
2 real property and improvements and personal property authorized in
3 subsection A of this section, and for the purpose authorized in
4 subsection C of this section, the Authority is hereby authorized to
5 borrow monies on the credit of the income and revenues to be derived
6 from the leasing of such real property and improvements and, in
7 anticipation of the collection of such income and revenues, to issue
8 negotiable obligations, in one or more series, in an amount
9 sufficient to generate net proceeds of Twenty Million Dollars
10 (\$20,000,000.00) after providing for costs of issuance, credit
11 enhancement, reserves and other associated expenses related to the
12 financing. It is the intent of the Legislature to appropriate to
13 the Oklahoma Aeronautics Commission sufficient monies to make rental
14 payments for the purposes of retiring the obligations created
15 pursuant to this section.

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

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

1 the proceeds of any borrowing to create such reserves as may be
2 deemed necessary and to pay costs associated with the issuance and
3 administration of such obligations.

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

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

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

22 H. The Authority may direct the investment of all monies in any
23 funds or accounts created in connection with the offering of the
24 obligations authorized under this section. Such investments shall

1 be made in a manner consistent with the investment guidelines of the
2 State Treasurer. The Authority may place additional restrictions on
3 the investment of such monies if necessary to enhance the
4 marketability of the obligations.

5 SECTION 2. This act shall become effective July 1, 2009.

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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