

BILL SUMMARY
2nd Session of the 52nd Legislature

Bill No.:	SB 1335
Version:	Engrossed
Author:	Mr. Speaker
Date:	March 16, 2010
Impact:	Extension of Bond Duration \$46.1 Million Overall Increase in Lease Payment Requirements Resulting from Restructuring of Obligations

Bill Summary

Research Analyst: Brad Wolgamott

SB 1335 modifies the authorization structure by which the Oklahoma Capitol Improvement Authority (OCIA) may issue obligations for the benefit of the Oklahoma State Regents' Endowment Trust Fund by permitting the refunding or restructuring of existing obligations and by extending the maximum duration of issued obligations from fifteen to twenty years.

Fiscal Summary

Fiscal Analyst: Mark Tygret

ESB 1335, as introduced, modifies the authorization structure by which the Oklahoma Capitol Improvement Authority (OCIA) may issue obligations for the benefit of the Oklahoma State Regents' Endowment Trust Fund by permitting the refunding or restructuring of existing obligations and by extending the maximum duration of issued obligations from fifteen to twenty years.

Fiscal Analysis

Provisions of the measure do not require additional appropriations. Extending the obligation term length from 15 to 20 years, reissuing remaining debt on the 2006 issuance, and issuing debt on the 2008 \$100 million authorization will result in an increase in total outstanding obligations of \$46.1 million and annual debt service payments of \$12.2 million, which the State Regents have within the agency's budget. Additional lease payment requirements on the increase in outstanding obligations of \$46.1 million will not be incurred until 2021.

Long Term Fiscal Considerations

The ability for OCIA to modify existing obligations structures will provide flexibility to the beneficiary in providing state matching funds for the Regents' Endowed Chairs Program.

Fiscal Analysis Reviewed By:

Janice Buchanan

House Fiscal Director