

1 **HOUSE OF REPRESENTATIVES - FLOOR VERSION**

2 STATE OF OKLAHOMA

3 1st Session of the 53rd Legislature (2011)

4 HOUSE BILL 1613

 By: Banz

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6
7 AS INTRODUCED

8 **[Oklahoma Department of Veterans Affairs - providing**
9 **for office relocation - effective date]**

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

14 SECTION 1. NEW LAW A new section of law to be codified
15 in the Oklahoma Statutes as Section 337 of Title 73, unless there is
16 created a duplication in numbering, reads as follows:

17 A. The Oklahoma Capitol Improvement Authority is authorized to
18 issue notes, bonds, or other evidences of obligation in an amount
19 necessary to generate net proceeds of Forty-four Million Dollars
20 (\$44,000,000.00), after providing for costs of issuance, credit
21 enhancement, reserves, and other associated expenses related to the
22 financing, for the purpose of making improvements, constructing
23 buildings, and purchasing personal property for the Oklahoma

1 Department of Veterans Affairs, as hereinafter described. Net
2 proceeds of the financing will be deposited into one or more
3 construction funds to provide for the financing of construction of
4 buildings, other improvements, landscaping, for any costs associated
5 with moving and developing the new location for veteran memorials on
6 real property owned by the Authority as part of the Lincoln
7 Boulevard Renaissance Project, and for personal property to be
8 utilized by the Oklahoma Department of Veterans Affairs and other
9 state agencies or entities in need of office space and related
10 facilities in the Capitol area, to provide a Veterans' Memorial
11 Plaza for displaying veteran memorials, and to provide an
12 amphitheater for the veterans. Earnings that result from the
13 investment of the construction fund may be used for the project
14 authorized in this section or for other legal purposes approved by
15 the Authority.

16 B. The Authority already holds title to the real property that
17 is part of the Lincoln Boulevard Renaissance Project and will hold
18 title to the buildings, landscaping, personal property, and other
19 improvements authorized herein until such time as any obligations
20 issued for this purpose are retired or defeased. The Authority may
21 lease the real property and improvements to the Oklahoma Department
22 of Veterans Affairs and other state agencies or entities in need of
23 office space and related facilities in the Capital area. Upon final

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1 redemption or defeasance of the obligations created pursuant to this
2 section, title to the real and personal property and improvements
3 shall be transferred from the Oklahoma Capitol Improvement Authority
4 to the Department of Central Services.

5 C. For the purpose of paying the costs for construction of
6 buildings, landscaping, other improvements, and personal property
7 and providing funding for the project authorized in subsection A of
8 this section and for the purpose authorized in subsection D of this
9 section, the Authority is hereby authorized to borrow monies on the
10 credit of the income and revenues to be derived from the leasing of
11 such real and personal property and improvements and, in
12 anticipation of the collection of such income and revenues, to issue
13 negotiable obligations in one or more series. It is the intent of
14 the Legislature to appropriate to the Oklahoma Department of
15 Veterans Affairs, and any other state agency or entity leasing such
16 real property and improvements, sufficient monies to make rental
17 payments for the purpose of retiring the obligations created
18 pursuant to this section.

19 D. To the extent funds are available from the proceeds of the
20 borrowing authorized by subsection C of this section, the Authority
21 shall provide for the payment of professional fees and associated
22 costs related to the project authorized in subsection A of this
23 section.

1 E. The Authority may issue obligations in one or more series
2 and in conjunction with other issues of the Authority, and such
3 obligations may be issued either on a federally taxable or federally
4 tax-exempt basis. The Authority is authorized to hire bond counsel,
5 financial consultants, and such other professionals as it may deem
6 necessary to provide for the efficient sale of the obligations and
7 may utilize a portion of the proceeds of any borrowing to create
8 such reserves as may be deemed necessary and to pay costs associated
9 with the issuance and administration of such obligations.

10 F. The obligations authorized under this section may be sold at
11 either competitive or negotiated sale, as determined by the
12 Authority, and in such form and at such prices as may be authorized
13 by the Authority. The Authority may enter into agreements with such
14 credit enhancers and liquidity providers as may be determined
15 necessary to efficiently market the obligations. The obligations
16 may mature and have such provisions for redemption as shall be
17 determined by the Authority, but in no event shall the final
18 maturity of such obligations occur later than thirty (30) years from
19 the first principal maturity date.

20 G. Any interest earnings on funds or accounts created for the
21 purposes of this section may be utilized on the project authorized
22 in subsection A of this section, to pay fees and costs in subsection
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1 D of this section, as partial payment of the annual debt service, or
2 for the purposes directed by the Authority.

3 H. The obligations issued under this section, the transfer
4 thereof, and the interest earned on such obligations, including any
5 profit derived from the sale thereof, shall not be subject to
6 taxation of any kind by the State of Oklahoma, or by any county,
7 municipality or political subdivision therein.

8 I. The Authority may direct the investment of all monies in any
9 funds or accounts created in connection with the offering of the
10 obligations authorized under this section. Such investments shall
11 be made in a manner consistent with the investment guidelines of the
12 State Treasurer. The Authority may place additional restrictions on
13 the investment of such monies if necessary to enhance the
14 marketability of the obligations.

15 J. Insofar as they are not in conflict with the provisions of
16 this section, the provisions of Section 151 through 184 of Title 73
17 of the Oklahoma Statutes shall apply to this section.

18 SECTION 2. This act shall become effective November 1, 2011.

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20 COMMITTEE REPORT BY: COMMITTEE ON APPROPRIATIONS AND BUDGET, dated
21 02-24-2011 - DO PASS, As Amended.

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