

1 STATE OF OKLAHOMA

2 2nd Session of the 53rd Legislature (2012)

3 SENATE JOINT
4 RESOLUTION 86

By: Treat

5
6 AS INTRODUCED

7 A Joint Resolution relating to the American Indian
8 Cultural Center and Museum; ordering a legislative
9 referendum pursuant to the Oklahoma Constitution;
10 authorizing the Oklahoma Capitol Improvement
11 Authority to issue obligations for the cultural
12 center and museum for the Native American Cultural
13 and Educational Authority; stating purpose; providing
14 for transfer of title upon occurrence of certain
15 events; authorizing the borrowing of money for
16 certain purposes; stating legislative intent;
17 providing for payment of certain fees and costs;
18 authorizing procedure for issuance and hiring of
19 certain professionals; authorizing certain
20 agreements; limiting maturity of certain obligations;
21 providing for use of certain interest earnings;
22 exempting certain obligations, transfers, and
23 interest from taxation; providing for investment and
24 oversight; providing conditions and restrictions to
the authority to issue obligations; requiring
verification of certain monies; providing certain
restrictions on use of state appropriations;
providing for principal and interest requirements
until certain date; clarifying status of obligations;
prohibiting certain further financing and funding;
providing for codification; providing ballot title;
and directing filing.

22 BE IT RESOLVED BY THE SENATE AND THE HOUSE OF REPRESENTATIVES OF THE
23 2ND SESSION OF THE 53RD OKLAHOMA LEGISLATURE:

1 SECTION 1. Pursuant to Section 3 of Article V of the Oklahoma
2 Constitution, there is hereby ordered the following legislative
3 referendum which shall be filed with the Secretary of State and
4 addressed to the Governor of the state, who shall submit the same to
5 the people for their approval or rejection at the next General
6 Election.

7 SECTION 2. NEW LAW A new section of law to be codified
8 in the Oklahoma Statutes as Section 304.2 of Title 73, unless there
9 is created a duplication in numbering, reads as follows:

10 A. In addition to any other authorization provided by law, the
11 Oklahoma Capitol Improvement Authority (OCIA) is authorized to issue
12 obligations to acquire real property, together with improvements
13 located thereon, and personal property, to construct buildings and
14 other improvements to real property and to provide funding for
15 improvements to real and personal property and for funding of
16 further construction, improvements, development and enhancement of a
17 Native American cultural center and museum for the Native American
18 Cultural and Educational Authority ("American Indian Cultural
19 Center"), to include personal property and exhibits in a total
20 amount not to exceed Forty Million Dollars (\$40,000,000.00) with
21 debt retirement payments to be made as provided herein, subject to
22 the following:

23 1. The commitment of matching funds from other funding sources
24 as required by subsection J of this section; and

1 2. Prohibition of the use of state appropriated funds to pay
2 debt service on the obligations authorized by this section until the
3 fiscal year beginning July 1, 2016, as provided by subsection K of
4 this section.

5 B. The OCIA may hold title to or a leasehold interest in the
6 real and personal property and improvements until such time as any
7 obligations issued for this purpose are retired or defeased and may
8 lease the real property and improvements to the Native American
9 Cultural and Educational Authority. Upon final redemption or
10 defeasance of the obligations created pursuant to this section,
11 title to the real and personal property and improvements shall be
12 transferred from the OCIA to the Native American Cultural and
13 Educational Authority.

14 C. For the purpose of paying the costs for acquisition and
15 construction of the real property and improvements and personal
16 property and making the improvements to real and personal property,
17 and providing funding for the project authorized in subsection A of
18 this section, the OCIA is hereby authorized to borrow monies on the
19 credit of the income and revenues to be derived from the leasing of
20 such real and personal property and improvements and, in
21 anticipation of the collection of such income and revenues, to issue
22 negotiable obligations, in one or more series, in an amount
23 sufficient to generate net proceeds of Forty Million Dollars
24 (\$40,000,000.00) after providing for costs of issuance, credit

1 enhancement, reserves, and other associated expenses related to the
2 financing. Net proceeds of the financing will be deposited into a
3 construction fund to provide for the construction and acquisition of
4 improvements described herein, or shall be deposited in a debt
5 service or other fund to satisfy the requirements of subsection K of
6 this section. It is the intent of the Legislature to appropriate to
7 the Native American Cultural and Educational Authority sufficient
8 monies to make rental payments for the purposes of retiring the
9 obligations created pursuant to this section, subject to the
10 provisions of subsection K of this section. To the extent funds are
11 available from the proceeds of the borrowing authorized by this
12 subsection, the OCIA shall provide for the payment of professional
13 fees and associated costs related to the projects authorized in
14 subsection A of this section.

15 D. The OCIA may issue obligations in one or more series and in
16 conjunction with other issues of the OCIA. The OCIA is authorized
17 to hire bond counsel, financial consultants, and such other
18 professionals as it may deem necessary to provide for the efficient
19 sale of the obligations and may utilize a portion of the proceeds of
20 any borrowing to create such reserves as may be deemed necessary and
21 to pay costs associated with the issuance and administration of such
22 obligations.

23 E. The obligations authorized under this section may be sold at
24 either competitive or negotiated sale, as determined by the OCIA,

1 and in such form and at such prices as may be authorized by the
2 OCIA. The OCIA may enter into agreements with such credit enhancers
3 and liquidity providers as may be determined necessary to
4 efficiently market the obligations. The obligations may mature and
5 have such provisions for redemption as shall be determined by the
6 OCIA, but in no event shall the final maturity of such obligations
7 occur later than twenty-five (25) years from the first principal
8 maturity date.

9 F. Any interest earnings on funds or accounts created for the
10 purposes of this section may be utilized as partial payment of the
11 annual debt service or for the purposes directed by the OCIA.

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

17 H. The OCIA may direct the investment of all monies in any
18 funds or accounts created in connection with the offering of the
19 obligations authorized under this section. Such investments shall
20 be made in a manner consistent with the investment guidelines of the
21 State Treasurer. The OCIA may place additional restrictions on the
22 investment of such monies if necessary to enhance the marketability
23 of the obligations.

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1 I. Insofar as they are not in conflict with the provisions of
2 this section, the provisions of Section 151 et seq. of Title 73 of
3 the Oklahoma Statutes shall apply to this section.

4 J. The authorization to borrow money and issue negotiable
5 obligations granted by this section is subject to the following
6 restrictions:

7 1. Twelve Million Dollars (\$12,000,000.00) of obligations shall
8 be issued only after the Native American Cultural and Educational
9 Authority has caused to be committed Thirteen Million Dollars
10 (\$13,000,000.00) to the American Indian Cultural Center, from other
11 funding sources, to include funds received for the benefit of the
12 American Indian Cultural Center beginning January 1, 2008, and which
13 Twelve Million Dollars (\$12,000,000.00) of obligations shall not be
14 issued prior to July 1, 2012;

15 2. An additional Eight Million Dollars (\$8,000,000.00) of
16 obligations shall be issued only after the Native American Cultural
17 and Educational Authority has caused to be committed, from other
18 funding sources, an additional Nine Million Dollars (\$9,000,000.00)
19 to the American Indian Cultural Center, and which additional Eight
20 Million Dollars (\$8,000,000.00) of obligations shall not be issued
21 prior to January 1, 2013; and

22 3. An additional Twenty Million Dollars (\$20,000,000.00) of
23 obligations shall be issued only after the Native American Cultural
24 and Educational Authority has caused to be committed, from other

1 funding sources, an additional Twenty Million Dollars
2 (\$20,000,000.00) to the American Indian Cultural Center, and which
3 additional Twenty Million Dollars (\$20,000,000.00) of obligations
4 shall not be issued prior to July 1, 2013. If any of the Forty
5 Million Dollars (\$40,000,000.00) of net proceeds of obligations
6 authorized by this section have not been issued by June 30, 2013,
7 such obligations may thereafter be issued provided that the Native
8 American Cultural and Educational Authority has caused to be
9 committed to the American Indian Cultural Center the above amounts
10 of Thirteen Million Dollars (\$13,000,000.00), Nine Million Dollars
11 (\$9,000,000.00) and Twenty Million Dollars (\$20,000,000.00),
12 respectively, each exclusive of state appropriated funds.

13 For purposes of this section, "other funding sources" means any
14 funding source excluding state appropriated funds or any obligation
15 to be repaid by state appropriated funds. Before the issuance of
16 any obligations pursuant to this section, the State Auditor and
17 Inspector shall audit the accounts of the Native American Cultural
18 and Educational Authority and verify to the OCIA that the monies
19 required from other funding sources pursuant to this subsection
20 exist and are committed to the American Indian Cultural Center.

21 K. No state appropriated funds shall be provided for payment of
22 obligations authorized under this section until the fiscal year
23 beginning July 1, 2016. Obligations issued under this section shall
24 include the borrowing of funds sufficient to pay all principal and

1 interest owing in connection with the obligations through the fiscal
2 year ending June 30, 2016, or shall otherwise be structured so that
3 no principal or interest payments shall be due on the obligations
4 until the fiscal year beginning July 1, 2016.

5 L. The bonds or other obligations issued pursuant to this
6 section shall not at any time be deemed to constitute a debt of the
7 state or of any political subdivision thereof or a pledge of the
8 faith and credit of the state or of any such political subdivision.
9 Such bonds or other obligations shall contain on the face thereof a
10 statement that neither the faith and credit nor the taxing power of
11 the state or any political subdivision thereof is pledged, or may
12 hereafter be pledged, to the payment of the principal of or the
13 interest on such bonds.

14 M. After the implementation of this section, the State of
15 Oklahoma shall not provide any further financing or funding for
16 capital needs of the American Indian Cultural Center without a vote
17 of the people.

18 SECTION 3. The Ballot Title for the proposed act shall be in
19 the following form:

20 BALLOT TITLE

21 Legislative Referendum No. _____ State Question No. _____

22 THE GIST OF THE PROPOSITION IS AS FOLLOWS:

23 This measure allows for the borrowing of up to Forty Million
24 Dollars (\$40,000,000.00). If approved, this measure would bring

1 the total amount of money borrowed for the American Indian
2 Cultural Center to One Hundred Seven Million Dollars
3 (\$107,000,000.00). The borrowed funds will go to complete
4 construction of the American Indian Cultural Center. The funds
5 will only be borrowed after the American Indian Cultural Center
6 raises funds from other sources. The funds borrowed will be
7 paid back within twenty-five (25) years. The Legislature will
8 not commit any funds to pay back the funds borrowed until after
9 July 1, 2016. The state of Oklahoma will not provide any
10 additional funds to the Center.

11 SHALL THE PROPOSAL BE APPROVED?

12 FOR THE PROPOSAL - YES _____

13 AGAINST THE PROPOSAL - NO _____

14 SECTION 4. The President Pro Tempore of the Senate shall,
15 immediately after the passage of this order for legislative
16 referendum, prepare and file in accordance with Section 3 of Article
17 V of the Oklahoma Constitution, one copy of this order for
18 legislative referendum, including the Ballot Title set forth in
19 SECTION 3, with the Secretary of State and one copy with the
20 Attorney General.

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