

1 STATE OF OKLAHOMA

2 2nd Session of the 54th Legislature (2014)

3 COMMITTEE SUBSTITUTE
4 FOR

5 SENATE BILL NO. 2044

By: Bingman and Treat

6 COMMITTEE SUBSTITUTE

7 An Act relating to the State Capitol Building;
8 authorizing the Oklahoma Capitol Improvement
9 Authority to issue obligations for repair of State
10 Capitol Building; providing for transfer of title
11 upon occurrence of certain events; authorizing the
12 borrowing of money for construction of improvements
13 and repairs to the Capitol Building; stating
14 legislative intent; providing for payment of certain
15 fees and costs; authorizing procedure for issuance
16 and hiring of certain professionals; providing for
17 use of certain interest earnings; exempting certain
18 obligations, transfers, and interest from taxation;
19 providing for investment and oversight; providing for
20 codification; and providing an effective date.

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

22 SECTION 1. NEW LAW A new section of law to be codified
23 in the Oklahoma Statutes as Section 345 of Title 73, unless there is
24 created a duplication in numbering, reads as follows:

25 A. In addition to any other authorization provided by law, the
26 Oklahoma Capitol Improvement Authority is authorized to issue
27 obligations to acquire real property, together with improvements
28 located thereon, and personal property to construct improvements to
29 real property and to provide funding for repairs, refurbishments and

1 improvements to real and personal property of the State Capitol
2 Building in a total amount not to exceed One Hundred Sixty Million
3 Dollars (\$160,000,000.00). The funds shall be used for the
4 renovation, repair and remodeling of the State Capitol Building.

5 B. The Authority may hold title to the property and
6 improvements until such time as any obligations issued for this
7 purpose are retired or defeased and may lease the property and
8 improvements to the Office of Management and Enterprise Services.
9 Upon final redemption or defeasance of the obligations created
10 pursuant to this section, title to the property and improvements
11 shall be transferred from the Oklahoma Capitol Improvement Authority
12 to the Office of Management and Enterprise Services.

13 C. For the purposes of paying the costs for construction of the
14 real property and improvements, and providing funding for the
15 project authorized in subsection A of this section, and for the
16 purpose authorized in subsection D of this section, the Authority is
17 hereby authorized to borrow monies on the credit of the income and
18 revenues to be derived from the leasing of such property and
19 improvements and, in anticipation of the collection of such income
20 and revenues, to issue negotiable obligations in a total amount not
21 to exceed One Hundred Sixty Million Dollars (\$160,000,000.00)
22 whether issued in one or more series. The Authority is authorized
23 to capitalize interest on the obligations issued pursuant to this
24 section for a period of not to exceed one year from the date of

1 issuance. For subsequent fiscal years, it is the intent of the
2 Legislature to appropriate to the Office of Management and
3 Enterprise Services sufficient monies to make rental payments for
4 the purpose of retiring the obligations created pursuant to this
5 section. To the extent funds are available from the proceeds of the
6 borrowing authorized by this subsection, the Oklahoma Capitol
7 Improvement Authority shall provide for the payment of professional
8 fees and associated costs related to the project authorized in
9 subsection A of this section.

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

18 E. The obligations authorized under this section may be sold at
19 either competitive or negotiated sale, as determined by the
20 Authority, and in such form and at such prices as may be authorized
21 by the Authority. The Authority may enter into agreements with such
22 credit enhancers and liquidity providers as may be determined
23 necessary to efficiently market the obligations. The obligations
24 may mature and have such provisions for redemption as shall be

1 determined by the Authority, but in no event shall the final
2 maturity of such obligations occur later than thirty (30) years from
3 the first principal maturity date.

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

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

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

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

22 SECTION 2. This act shall become effective November 1, 2014.
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