

1 ENGROSSED SENATE
2 BILL NO. 2044

By: Bingman, Treat, Johnson
(Constance), Sparks,
Paddack, Shumate, Ellis,
Ballenger, McAffrey, Ford,
Loveless, Sharp, Schulz,
Simpson, Brooks, Griffin,
David, Justice, Marlatt,
Johnson (Rob), Boggs,
Coates, Fields, Halligan,
Burrage, Ivester,
Barrington, Jolley, Crain,
Standridge, Newberry and
Shaw of the Senate

and

McNiel of the House

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

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

1 SECTION 1. NEW LAW A new section of law to be codified

2 in the Oklahoma Statutes as Section 345 of Title 73, unless there is
3 created a duplication in numbering, reads as follows:

4 A. In addition to any other authorization provided by law, the
5 Oklahoma Capitol Improvement Authority is authorized to issue
6 obligations to acquire real property, together with improvements
7 located thereon, and personal property to construct improvements to
8 real property and to provide funding for repairs, refurbishments and
9 improvements to real and personal property of the State Capitol
10 Building in a total amount not to exceed One Hundred Sixty Million
11 Dollars (\$160,000,000.00). The funds shall be used for the
12 renovation, repair and remodeling of the State Capitol Building.

13 B. The Authority may hold title to the property and
14 improvements until such time as any obligations issued for this
15 purpose are retired or defeased and may lease the property and
16 improvements to the Office of Management and Enterprise Services.
17 Upon final redemption or defeasance of the obligations created
18 pursuant to this section, title to the property and improvements
19 shall be transferred from the Oklahoma Capitol Improvement Authority
20 to the Office of Management and Enterprise Services.

21 C. For the purposes of paying the costs for construction of the
22 real property and improvements, and providing funding for the
23 project authorized in subsection A of this section, and for the
24 purpose authorized in subsection D of this section, the Authority is

1 hereby authorized to borrow monies on the credit of the income and
2 revenues to be derived from the leasing of such property and
3 improvements and, in anticipation of the collection of such income
4 and revenues, to issue negotiable obligations in a total amount not
5 to exceed One Hundred Sixty Million Dollars (\$160,000,000.00)
6 whether issued in one or more series. The Authority is authorized
7 to capitalize interest on the obligations issued pursuant to this
8 section for a period of not to exceed one year from the date of
9 issuance. For subsequent fiscal years, it is the intent of the
10 Legislature to appropriate to the Office of Management and
11 Enterprise Services sufficient monies to make rental payments for
12 the purpose of retiring the obligations created pursuant to this
13 section. To the extent funds are available from the proceeds of the
14 borrowing authorized by this subsection, the Oklahoma Capitol
15 Improvement Authority shall provide for the payment of professional
16 fees and associated costs related to the project authorized in
17 subsection A of this section.

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

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

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

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

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

1 State Treasurer. The Authority may place additional restrictions on
2 the investment of such monies if necessary to enhance the
3 marketability of the obligations.

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

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

8 Passed the Senate the 20th day of February, 2014.

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10 _____
11 Presiding Officer of the Senate

12 Passed the House of Representatives the ____ day of _____,
13 2014.

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16 Presiding Officer of the House
17 of Representatives
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