SENATE CHAMBER

STATE OF OKLAHOMA

DISPOSITION BY SENATE

FLOOR AMENDMENT

____

No. _______

____
(Date)

Mr./Madame President:

I move to amend Senate Bill No. 2044, by striking the title, enacting clause and entire body of the bill and substituting the attached floor substitute.

Submitted by:

____

Senator Anderson

Anderson-CD-FS-Req#3391
2/18/2014 3:56 PM

STATE OF OKLAHOMA

2nd Session of the 54th Legislature (2014)

FLOOR SUBSTITUTE
FOR
SENATE BILL NO. 2044

By: Bingman, Treat, Johnson (Constance), Sparks, Paddack, Shumate, Ellis, Ballenger and McAffrey of the Senate

and

McNiel of the House

FLOOR SUBSTITUTE

[State Capitol Building - Oklahoma Capitol Improvement Authority to issue obligations for repair - transfer of title - borrowing of money - interest earnings - investment and oversight - codification - effective date]

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

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

SECTION 2. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 345 of Title 73, unless there is created a duplication in numbering, reads as follows:

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

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

C. For the purposes of paying the costs for construction of the real property and improvements, and providing funding for the project authorized in subsection A of this section, and for the purpose authorized in subsection D of this section, the Authority is hereby authorized to borrow monies on the credit of the income and revenues to be derived from the leasing of such property and improvements and, in anticipation of the collection of such income and revenues, to issue negotiable obligations in a total amount not to exceed One Hundred Sixty Million Dollars ($160,000,000.00) whether issued in one or more series. The Authority is authorized to capitalize interest on the obligations issued pursuant to this section for a period of not to exceed one year from the date of issuance. For subsequent fiscal years, it is the intent of the Legislature to appropriate to the Office of Management and Enterprise Services sufficient monies to make rental payments for the purpose of retiring the obligations created pursuant to this section. To the extent funds are available from the proceeds of the borrowing authorized by this subsection, the Oklahoma Capitol Improvement Authority shall provide for the payment of professional fees and associated costs related to the project authorized in subsection A of this section.

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

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

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

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

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

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

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

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

BALLOT TITLE

Legislative Referendum No. ____ State Question No. ____

THE GIST OF THE PROPOSITION IS AS FOLLOWS:

This measure authorizes the Oklahoma Capitol Improvement Authority to issue obligations for repairs, refurbishments and improvements to real and personal property of the State Capitol Building. The amount issued could not exceed $160 million. The Authority may hold title to the property and improvements until the obligations are retired or defeased. At that time, title would be transferred to the Office of Management and Enterprise Services. The Authority is authorized to capitalize interest on the obligations for up to one year from the date of issuance. For following years, the Legislature intends to appropriate monies to the Office to make rental payments to retire the obligations. Procedures and terms for issuing the obligations would be provided.

SHALL THE PROPOSAL BE APPROVED?

FOR THE PROPOSAL — YES _____________

AGAINST THE PROPOSAL — NO _____________

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

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