

OKLAHOMA HOUSE OF REPRESENTATIVES
COMMITTEE REPORT

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JOINT COMMITTEE ON APPROPRIATIONS AND BUDGET COMMITTEE

HB2237

By: Hickman of the House
Bingman of the Senate

Title: Native American Cultural and Educational Authority; property transfers; agreements; Oklahoma Capitol Improvement Authority; obligations; revolving funds; codification; effective date.

Coauthored By:

Recommendation: **DO PASS**

Amendments:



Chr.
Representative Earl Sears

YEAS: 21

Billy, Brown, Coody (A), Cox, Hoskin, Inman, Martin, McCall, McDaniel (J), McDaniel (R), McPeak, Morrisette, Nelson, Osborn, Ownbey, Peterson, Rousselot, Russ, Sears, Wesselhoft, Wright

NAYS: 5

Bennett, Casey, Johnson, McCullough, Ortega

CONSTITUTIONAL PRIVILEGE: 0

**OKLAHOMA STATE SENATE
JOINT
COMMITTEE REPORT**

May 14, 2015

JOINT COMMITTEE ON APPROPRIATIONS AND BUDGET

HB 2237

By: Hickman of the House and Bingman of the Senate

Title: Native American Cultural and Educational Authority; property transfers; agreements; Oklahoma Capitol Improvement Authority; obligations; revolving funds; codification; effective date.

Recommendation: **DO PASS**

Aye: Bass, Bice, Brinkley, Crain, Fields, Floyd, Fry, Garrison, Holt, Loveless, Matthews, Paddack, Pittman, Quinn, Sharp, Shaw, Shortey, Smalley, Sparks, Standridge, Stanislawski, Thompson, Wyrick, Yen, Jolley, Bingman

Nay: Allen, Anderson, Barrington, Boggs, Brecheen, Brooks, Dahm, Ford, Griffin, Jech, Justice, Marlatt, Newberry, Silk, Sykes, Treat

Pass:

Senator Clark Jolley, Chair

STATE OF OKLAHOMA

1st Session of the 55th Legislature (2015)

HOUSE BILL 2237

By: Hickman of the House

and

Bingman of the Senate

AS INTRODUCED

An Act relating to the Native American Cultural and Educational Authority; amending 74 O.S. 2011, Section 1226.2, which relates to the Native American Cultural and Educational Authority; making legislative findings; providing for transfer of certain unimproved real property; providing transfer contingent on certain events; stating purpose of transfer; providing for coordination by the Office of Management and Enterprise Services; providing for termination of the Native American Cultural and Educational Authority; requiring certain determination to be made; defining terms; authorizing determination regarding American Indian Cultural Center and Museum; providing for transfer of functions and rights to the American Indian Cultural Center and Museum Trust Authority; providing for transfer of assets; providing for disposition of unexpended funds; specifying assets to be transferred; providing for coordination of transfers by the Office of Management and Enterprise Services; authorizing transfer of assets to certain municipality; imposing requirements upon transfer of assets; defining term; providing for transfer of funds to the American Indian Cultural Center and Museum Postcompletion Revolving Fund; providing for nullification of enactment contingent upon certain agreement; imposing deadline for agreement; providing for extension; specifying required provisions for agreement; providing for use of revenues derived from activities; providing for use of revenues derived from leases; providing for apportionment of certain

1 revenues to the General Revenue Fund of the State
2 Treasury; specifying formula for apportionment of
3 revenues; providing for adjustment of certain dollar
4 amount for inflation; requiring payment of certain
5 amount by certain municipality to the American Indian
6 Cultural Center and Museum Completion Fund; requiring
7 operation, management and maintenance agreement;
8 specifying required content of agreement; providing
9 for transfer of certain real property to
10 municipality; requiring executed agreement to be
11 provided to the Governor, the Speaker of the Oklahoma
12 House of Representatives and the President Pro
13 Tempore of the Oklahoma State Senate; authorizing
14 municipality to transfer assets, rights or
15 responsibilities to municipal entities or designees;
16 authorizing contracts; providing for continued effect
17 of contracts and privileges; providing for continued
18 effect of certain obligations; stating legislative
19 intent with respect to revenues required for certain
20 payments related to obligations; providing for
21 discontinuance of appropriations for operational
22 expenses; providing for continued payment of
23 appropriations for debt service; imposing restriction
24 related to transfer of real property by the Native
American Cultural and Educational Authority;
providing for termination of the Native American
Cultural and Educational Authority; providing for
transfer of title to certain described real property
to the American Indian Cultural Center and Museum
Trust Authority; providing description of real
property; stating basis of certain bearing;
describing certain physical elements and improvements
upon real property; imposing requirement related to
instrument of conveyance; requiring access and
providing for easements; making legislative findings
regarding adequacy of consideration; authorizing
Office of Management and Enterprise Services and the
American Indian Cultural Center and Museum Trust
Authority to take certain actions; imposing
restriction related to real property transferred;
authorizing issuance of obligations by the Oklahoma
Capitol Improvement Authority; stating purpose of
proceeds; imposing restriction on issuance based upon
certification by the Director of the Office of
Management and Enterprise Services; requiring deposit
of certain amount in the American Indian Cultural
Center and Museum Completion Fund; providing for

1 repayment of obligations; stating legislative intent
2 with respect to payments; authorizing issuance in
3 series; specifying maximum net proceeds amount;
4 providing for payment of fees and expenses;
5 authorizing hiring of certain professional services;
6 authorizing creation of reserves; prescribing
7 procedures for sale of obligations; authorizing
8 certain agreements related to liquidity; specifying
9 maximum maturity; providing for use of interest
10 earnings; providing for exemption from taxation;
11 providing for investment of proceeds; providing for
12 applicability of certain provisions related to the
13 Oklahoma Capitol Improvement Authority; providing
14 obligations not to constitute a debt of certain state
15 or political subdivisions; providing for statement on
16 bonds or other obligations; imposing restrictions on
17 use of proceeds; imposing limits on expenditure of
18 proceeds; specifying requirements related to deposit
19 of monies into the American Indian Cultural Center
20 and Museum Completion Fund; providing for
21 certification by the Office of Management and
22 Enterprise Services; prescribing procedures for
23 expenditures of proceeds; providing for computation
24 of balance in fund; providing certain amount included
 for certain purpose; creating the American Indian
 Cultural Center and Museum Completion Fund; stating
 sources of income to fund; stating authorized purpose
 of expenditures; prohibiting deposit of certain
 federal funds; providing for creation of public
 trust; designating entity as the American Indian
 Cultural Center and Museum Trust Authority; providing
 State of Oklahoma as beneficiary of trust entity;
 providing for acceptance of beneficial interest;
 imposing conditions; providing for final declaration
 of trust; providing for adoption of declaration of
 trust; specifying required content of declaration of
 trust; providing for appointment of trustees; stating
 qualifications for trustees; specifying terms;
 providing for appointments to fill vacancies;
 providing effect of appointments contingent upon
 transfer of certain real property to the American
 Indian Cultural Center and Museum Trust Authority;
 providing for applicability of Governmental Tort
 Claims Act; providing exemption from statutory
 provision related to dual office holding; authorizing
 the American Indian Cultural Center and Museum Trust
 Authority to transfer title to certain real property;

1 authorizing transfer of other property; specifying
2 time period within which transfers required; imposing
3 condition on transfer related to repayment of certain
4 obligations; making legislative findings; providing
5 for termination of the American Indian Cultural
6 Center and Museum Trust Authority; providing for
7 transfer of certain monies to the General Revenue
8 Fund of the State Treasury; providing for disposition
9 of funds; creating the American Indian Cultural
10 Center and Museum Postcompletion Revolving Fund;
11 providing for sources of income to fund; stating
12 authorized purpose of expenditures; providing for
13 codification; and providing an effective date.

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

15 SECTION 1. AMENDATORY 74 O.S. 2011, Section 1226.2, is
16 amended to read as follows:

17 Section 1226.2 A. There is hereby created a body corporate and
18 politic to be known as the "Native American Cultural and Educational
19 Authority" (Authority), and by that name the Authority may sue and
20 be sued, and plead and be impleaded. The Authority is hereby
21 constituted an agency of the state, and the exercise by the
22 Authority of the powers conferred by Section 1226 et seq. of this
23 title shall be deemed to be essential governmental functions of the
24 state with all the attributes thereof. Provided, however, the
Authority is authorized to carry liability insurance to the extent
authorized by the Authority, and in addition thereto it shall be
subject to the workers' compensation laws of the State of Oklahoma
the same as a private employer. The Department of Commerce shall

1 assist the Authority in fulfilling the responsibilities of Section
2 1226 et seq. of this title, as requested by the ~~authority~~ Authority.

3 B. 1. The Legislature hereby finds and it is hereby declared
4 to be the public policy of the State of Oklahoma that the completion
5 and operation of the American Indian Cultural Center and Museum
6 (AICCM) and the transfer of responsibility for operation and
7 maintenance of the AICCM to the City of Oklahoma City (together with
8 any designee thereof, hereinafter referred to as the "City") or its
9 designee will produce significant benefits to the state and the
10 citizens of the state, which benefits include, but are not limited
11 to:

12 a. savings by reason of the state not being required to
13 pay operation and maintenance cost of the AICCM,

14 b. savings to the state by reason of the state not being
15 required to appropriate funds for the general
16 operations of the Authority,

17 c. sales and other taxes projected to be derived from
18 operation of the AICCM and the surrounding commercial
19 development, as well as derived as a result of the
20 existence of the AICCM and the surrounding commercial
21 development,

22 d. increases in employment and the benefits derived by
23 the state from such employment, including income and
24 other taxes, and

1 e. other direct and indirect benefits to the state.

2 The Legislature further finds and declares that the State of
3 Oklahoma and its citizens will be best served by the soonest
4 possible completion of the AICCM and transfer of the Authority's
5 unimproved property to the City for a complementary commercial
6 development, with lease revenues therefrom to supply revenues to
7 support the operations of the AICCM. The Legislature further finds
8 that the State of Oklahoma will be best served by transferring
9 responsibility for operations and maintenance of the AICCM to the
10 City, and in furtherance of such purposes and intent, hereby adopts
11 this act.

12 2. As contemplated by the existing Amended and Restated Ground
13 Lease Agreement between the Authority and the Oklahoma Capitol
14 Improvement Authority (OCIA), but only upon the execution of the
15 agreement described in paragraph 5 of this subsection, all of the
16 unimproved real property of the Authority, which is all of the real
17 property held by the Authority less and except the real property
18 described as provided for by subsection C of Section 2 of this act,
19 shall be transferred to the City. Such transfer shall be for the
20 purpose of enabling the development of commercial facilities on such
21 unimproved property, lease revenues of which shall be used to
22 support the operations of the AICCM upon its completion. The
23 Director of the Office of Management and Enterprise Services (OMES)

1 is hereby authorized and directed to coordinate the transfer of such
2 real property in accordance with the provisions of this act.

3 3. The Authority shall be terminated no later than the first
4 day the AICCM is open to the public. The Office of Management and
5 Enterprise Services (OMES) shall make the determination of whether
6 AICCM is open to the public for purposes of this paragraph. For
7 purposes of this subsection, the AICCM shall mean the museum and
8 cultural center and associated improvements constructed upon the
9 real property described as provided for by subsection C of Section 2
10 of this act. If the AICCM has not been opened to the public by July
11 1, 2020, the Director of OMES may certify that all building and site
12 construction is complete, and upon such certification the statutory
13 entity created by subsection C of this section shall be terminated,
14 irrespective of whether all museum content and exhibits have been
15 completed. Upon the termination of the Authority the functions of
16 the Authority, including the leasing of the AICCM, the right to
17 acquire clear title to the AICCM upon payment of all bonds, and the
18 requirement to make lease payments to pay debt service on all bonds
19 previously or hereafter issued by OCIA shall be transferred from the
20 Authority to the American Indian Cultural Center and Museum Trust
21 Authority (AICCMTA) created pursuant to Section 6 of this act. Upon
22 the termination of the Authority the remaining assets of the
23 Authority shall be transferred to the AICCMTA; provided, that any
24 unexpended funds held by the Authority for operational expenses of

1 the Authority or to enable the payment of principal and interest on
2 bonds or other obligations issued for the benefit of the Authority
3 or the AICCM shall be specifically transferred as provided by
4 paragraph 4 of this subsection. Assets to be transferred to the
5 AICCMTA shall include, but not be limited to, all remaining real
6 property and improvements, personal property, intellectual property,
7 intangible property, rights and obligations pursuant to contract and
8 any other assets, which assets shall be made available to the City
9 to enable the City to exercise its rights and fulfill its
10 obligations under the agreements contemplated by paragraph 5 of this
11 subsection. Notwithstanding any other provision of law, the
12 Director of OMES is hereby authorized and directed to coordinate
13 with the City, the Authority and the AICCMTA to make such assets
14 available for use by the City, for at least the life of outstanding
15 bonds, by management agreement, license or otherwise, for the
16 consideration contemplated by paragraph 5 of this subsection, and to
17 take all steps necessary to effectuate the purpose of this act. The
18 AICCMTA, in consultation with OMES, is hereby authorized to transfer
19 to the City any assets obtained by the Authority prior to its
20 termination, including real property, personal property,
21 intellectual property and intangible property, provided that
22 measures are taken to ensure the tax-exempt status of outstanding
23 bonds, and provided further that no such transfers shall take place
24 in advance of the execution of the agreement contemplated by

1 paragraph 5 of this subsection. For purposes of this paragraph,
2 "outstanding bonds" shall include any bonds or other obligations
3 issued by OCIA pursuant to Section 3 of this act.

4 4. Unexpended funds held by the Authority for operational
5 expenses of the Authority or to enable the payment of principal and
6 interest on bonds or other obligations issued for the benefit of the
7 Authority or the AICCM shall, upon termination of the Authority,
8 transfer to the American Indian Cultural Center and Museum
9 Postcompletion Revolving Fund created by Section 7 of this act.

10 5. With the exception of Section 5 of this act, this act shall
11 be null and void unless, prior to January 15, 2016, or not later
12 than the expiration of sixty (60) days from such date with the
13 approval of an extension of time, which may be less than sixty (60)
14 days, by the Director of the Office of Management and Enterprise
15 Services upon a showing by the parties that such extension is likely
16 to result in the execution of a final agreement, the Authority, the
17 City and OMES enter into a written agreement with the following
18 minimum provisions:

19 a. with the exception of funds provided pursuant to law
20 for the fiscal year ending June 30, 2016, neither the
21 State of Oklahoma, the Authority nor any other state
22 governmental entity shall have any responsibility for
23 providing funds for operation or maintenance of the
24 AICCM,

1 b. the City shall utilize all revenues derived from
2 admissions, event income, merchandise sales, food and
3 beverage sales at the AICCM and revenue from leases of
4 the real property transferred to the City by paragraph
5 2 of this subsection, for the operation,
6 administration, management and maintenance of the
7 AICCM, for repairs and capital improvements thereto,
8 for the repair, maintenance, development and operation
9 of exhibits and cultural programs, and to provide
10 reserve funds for such purposes,

11 c. fifty percent (50%) of the total revenues in excess of
12 Seven Million Dollars (\$7,000,000.00) each fiscal year
13 derived from each and all of the following sources
14 shall be credited to the General Revenue Fund of the
15 State Treasury until the total amount paid pursuant to
16 this subparagraph equals Twenty-five Million Dollars
17 (\$25,000,000.00):

18 (1) profits received by the City or its designee from
19 food and beverage sales occurring at AICCM,

20 (2) profits received by the City or its designee from
21 merchandise sales occurring at AICCM,

22 (3) profits received by the City or its designee from
23 events conducted at the AICCM,

1 (4) gross revenues derived from admissions to the
2 AICCM facility, and
3 (5) gross revenues derived from the lease of real
4 property transferred from the Authority to the
5 City pursuant to the provisions of paragraph 2 of
6 this subsection.

7 The amount of Seven Million Dollars (\$7,000,000.00)
8 prescribed by this subparagraph shall be adjusted, not
9 less often than once each five (5) years, based upon
10 increases, if any, in the Consumer Price Index-All
11 Urban Consumers (CPI-U) or its successor index, as
12 published by the United States Bureau of Labor
13 Statistics. The first adjustment shall be made on
14 July 1, 2020. The Office of Management and Enterprise
15 Services shall be responsible for monitoring and
16 auditing the payments required by the provisions of
17 this paragraph and may require the City to provide
18 such documentation regarding the accuracy and timing
19 of the payments as OMES may request. OMES shall
20 ensure that the agreement required by subparagraph f
21 of this paragraph contains enforceable provisions to
22 allow OMES to monitor and audit the payments required
23 by this subparagraph,

1 d. no later than the transfers provided for in paragraph
2 3 of this subsection, the City shall make payment to
3 the American Indian Cultural Center and Museum
4 Completion Fund created pursuant to Section 5 of this
5 act in the amount of Nine Million Dollars
6 (\$9,000,000.00) towards completion of the AICCM,

7 e. the agreement shall specify a plan for completion that
8 will result in the opening of the AICCM to the public
9 using a combination of funds provided or committed by
10 the state, the City and the other contributors to the
11 project,

12 f. the City, the Authority or its successor and OMES
13 shall enter into a separate operation, maintenance and
14 management agreement concerning the real property
15 described by the survey conducted pursuant to
16 subsection C of Section 2 of this act and the
17 improvements constructed thereon, which separate
18 operation, maintenance and management agreement shall
19 be executed prior to the termination of the Authority
20 and include the following minimum terms:

21 (1) the term of the agreement shall be no less than
22 the remaining term of outstanding bonds,
23 including any bonds or other obligations issued
24

1 by OCIA pursuant to Section 3 of this act, or
2 thirty (30) years, whichever is longer,

3 (2) the City shall operate and manage the AICCM or
4 shall cause it to be operated and managed,

5 (3) the state shall have no responsibility for the
6 operations and maintenance costs of the AICCM,

7 (4) the Authority or its successor shall deliver
8 possession of the AICCM to the City,

9 (5) the City shall have the right to make such
10 alterations and further improvements as it deems
11 necessary or desirable to further the success of
12 the AICCM and the surrounding commercial
13 development,

14 (6) the City shall have the right to assign its
15 rights under this agreement to a designee and to
16 engage third parties to fulfill its obligations
17 under this agreement,

18 (7) the City shall use its revenues from the AICCM
19 and the surrounding commercial development as
20 provided by this section, and

21 (8) within five (5) years after the date on which all
22 outstanding bonds, including any bonds or other
23 obligations issued by OCIA pursuant to Section 3
24 of this act, issued for the AICCM have been

1 retired, the City shall accept title of the AICCM
2 and the real property upon which it is located
3 from the Authority or its successor, and

4 g. after execution of the agreement described by this
5 paragraph, the Director of OMES shall provide a copy
6 of the executed version of the agreement to the
7 Governor, the Speaker of the Oklahoma House of
8 Representatives and the President Pro Tempore of the
9 Oklahoma State Senate.

10 6. Notwithstanding anything herein provided, the City shall be
11 authorized to transfer any assets, rights or responsibilities
12 transferred to it pursuant to this act to any of its
13 instrumentalities, public trusts or designees as appropriate and,
14 with respect to the real property described as provided for by
15 subsection C of Section 2 of this act and improvements thereon, to
16 contract with such public and private entities as it deems proper
17 for the purpose of exercising its rights and carrying out its
18 obligations pursuant to agreements contemplated by this act between
19 the State of Oklahoma and the City, and with respect to the property
20 transferred by paragraph 2 of this subsection to contract with such
21 public and private entities, including the leasing or transfer of
22 property to such public or private entities, as it deems proper for
23 the purpose of carrying out the commercial development of the
24 unimproved property.

1 7. Contracts and privileges which have been issued, made,
2 granted or allowed to become effective by the statutory entity that
3 may be terminated by the provisions of this act or by any provision
4 of law affected by this act shall continue in effect according to
5 their terms until terminated or modified by operation of law;
6 provided, that the City shall, upon termination of the Authority, be
7 permitted to assume the Authority's interest in such contracts.

8 8. Notwithstanding any other provision of law, any lease
9 revenue bonds or other obligations issued prior to or after the
10 effective date of this act by OCIA or other state instrumentalities
11 for the benefit of the Authority and/or completion of the AICCM
12 shall remain in full force and effect, and any obligation, moral or
13 otherwise, to make payments under the lease or other agreements or
14 to service the lease revenue bonds or other obligations shall remain
15 unaffected and in full force and effect. It is the intent of the
16 Legislature to appropriate sufficient monies to the Authority or its
17 successor for deposit in the American Indian Cultural Center and
18 Museum Postcompletion Revolving Fund created by Section 7 of this
19 act to cover the payment of all lease and other scheduled payments
20 for the purpose of retiring such lease revenue bonds or other
21 obligations.

22 C. The Authority shall consist of seven appointed members who
23 are members of a federally recognized American Indian Tribe located
24 within this state, six ex officio members and four appointed members

1 from the business community. Each appointed member, excluding ex
2 officio members, shall have one vote for purposes of conducting the
3 business of the Authority. Except for the members appointed
4 pursuant to paragraph 3 of this subsection, the appointed members
5 shall be residents of the state, and shall have been qualified
6 electors therein for a period of at least one (1) year preceding
7 their appointment. Any member of the Authority shall be eligible
8 for reappointment, and no member shall be removed from office except
9 for good cause shown. Good cause may be shown in evidence of
10 excessive failure to attend three consecutive regular Board meetings
11 of the Authority. The chair of the Authority shall have the right
12 to remove any member pursuant to good cause. At the expiration of
13 any term, the person holding such office shall continue to serve
14 until such person's duly appointed successor shall be appointed and
15 qualified.

16 1. Seven members appointed to serve shall serve overlapping
17 terms and shall be chosen as follows: three members shall be
18 appointed by the Governor; two members shall be appointed by the
19 President Pro Tempore of the Senate; and two members shall be
20 appointed by the Speaker of the House of Representatives. Each of
21 these members shall be a member of a federally recognized American
22 Indian tribe located within this state. Such tribal membership
23 shall be determined by the respective tribes. Appointments shall be
24 made from names provided by tribal governments, councils or other

1 recognized tribal entities. Appointments shall be restricted to not
2 more than one representative of any tribe. Such appointed members
3 initially appointed shall continue in office for terms of from three
4 (3) to seven (7) years, respectively, from the date of their
5 appointment, with the term of each initially appointed member to be
6 designated by the Governor at the time of the appointment, with one
7 member to be appointed to a three-year term, two members to be
8 appointed to a four-year term, one member to be appointed to a five-
9 year term, one member to be appointed to a six-year term, and two
10 members to be appointed to a seven-year term. Any person appointed
11 to fill a vacancy shall serve only for the unexpired term. Upon the
12 expiration of a term, on or after July 1, 2000, any succeeding term
13 shall be for four (4) years.

14 2. The six ex officio members shall be as follows: the
15 Oklahoma Native American Liaison, or the designee of the same; the
16 Lieutenant Governor, or the designee of same; the Director of the
17 Oklahoma Historical Society, or the designee of same; the Secretary
18 of Commerce, or the designee of same; the Executive Director of the
19 Oklahoma Arts Council, or the designee of same; and the Executive
20 Director of the Oklahoma Tourism and Recreation Department, or the
21 designee of the same.

22 3. The four appointed members from the business community shall
23 be chosen as follows: two members shall be appointed by the
24 Governor; one member shall be appointed by the Speaker of the House

1 of Representatives; and one member shall be appointed by the
2 President Pro Tempore of the Senate. Each member shall have at
3 least fifteen (15) years of experience in business, banking, finance
4 or corporate law, and shall have demonstrated outstanding ability in
5 business or industry. However, in lieu of appointing a member with
6 such experience, one of the two members appointed by the Governor
7 may be a person who has exhibited at least three (3) years of
8 outstanding leadership and involvement in recognized Native American
9 organizations and activities. Upon the expiration of a term, on or
10 after July 1, 2000, any succeeding term shall be for four (4) years.
11 Any person appointed to fill a vacancy shall serve only for the
12 unexpired term.

13 ~~C.~~ D. The Authority shall elect one of its members as
14 chairperson, and another as vice-chairperson, and also shall elect a
15 secretary, treasurer and such other officers as the Authority may
16 deem appropriate. A majority of the members of the Authority
17 (exclusive of vacancies) shall constitute a quorum and the vote of a
18 majority of the members (exclusive of vacancies) shall be necessary
19 for any action taken by the Authority. No vacancy in the membership
20 of the Authority shall impair the right of a quorum to exercise all
21 the rights and perform all the duties of the Authority.

22 ~~D.~~ E. Before the issuance of any revenue bonds under the
23 provisions of Section 1226 et seq. of this title, each member of the
24 Authority shall execute a surety bond in the penal sum of Twenty-

1 five Thousand Dollars (\$25,000.00) and the secretary and treasurer
2 shall execute a surety bond in the penal sum of One Hundred Thousand
3 Dollars (\$100,000.00), each such surety bond to be conditioned upon
4 the faithful performance of the duties of his or her office, to be
5 executed by a surety company authorized to transact business in the
6 State of Oklahoma as surety, and to be filed in the office of the
7 Secretary of State.

8 ~~E.~~ F. The members of the Authority shall not be entitled to
9 compensation for their services, but each member shall be reimbursed
10 for actual expenses necessarily incurred in the performance of
11 duties on behalf of the Authority; provided, that members of the
12 Authority shall be compensated for their travel expenses pursuant to
13 the State Travel Reimbursement Act. All expenses incurred in
14 carrying out the provisions of Section 1226 et seq. of this title
15 shall be payable solely from funds provided under the authority of
16 Section 1226 et seq. of this title and no liability or obligation
17 shall be incurred by the Authority hereunder beyond the extent to
18 which monies shall have been provided under the authority of Section
19 1226 et seq. of this title. With the exception of funds
20 appropriated to the Authority for the fiscal year ending June 30,
21 2016, no further appropriations shall be made to the Authority, or
22 to any successor state entity owning some interest in the AICCM, for
23 the purpose of operating the AICCM; provided, however, that
24 appropriations to pay debt service on revenue bonds or other

1 obligations issued heretofore or hereafter by OCIA or other state
2 agencies for the benefit of the Authority will continue until all
3 such bonds or other obligations are fully paid.

4 ~~F.~~ G. The Authority is authorized to establish subcommittees as
5 necessary to perform its functions and duties. A subcommittee may
6 be composed of Authority members and/or nonmembers and shall not
7 have more than five members. Nonmembers of a subcommittee shall be
8 reimbursed by the Authority in accordance with the State Travel
9 Reimbursement Act.

10 ~~G.~~ H. Members of the Authority shall be exempt from the
11 provisions of Section 6 of Title 51 of the Oklahoma Statutes, which
12 prohibits the holding of any other office during the member's term
13 of office on the Authority.

14 ~~H.~~ I. The Directors and staff of the Authority employed to
15 perform the duties of ~~Sections~~ Section 1226 et seq. of this title
16 shall be considered employees of the Authority. The employees of
17 the Authority shall be entitled to be reimbursed for actual and
18 necessary expenses incurred in the performance of duties on behalf
19 of the Authority. Such compensation for travel expenses shall be
20 paid pursuant to the State Travel Reimbursement Act.

21 J. Real property transferred by the Authority to any person,
22 firm, partnership, corporation, limited liability company, express
23 private trust, public trust or any other lawfully recognized entity
24 shall be subject to the same restrictions regarding the use of such

real property as contained in the instrument of conveyance by which the Authority acquired title to such real property, including, but not limited to, any restriction regarding gambling activity upon such real property.

SECTION 2. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 1226.18 of Title 74, unless there is created a duplication in numbering, reads as follows:

A. On July 1, 2020, or on the first day the American Indian Cultural Center and Museum (AICCM) is open to the public, whichever is sooner, the determination of which shall be made by the Director of OMES, the authority of the Native American Cultural and Educational Authority (Authority) to hold, use and dispose of real property and improvements thereon shall be terminated, and title to the following generally described real property and rights to improvements thereon shall transfer to the American Indian Cultural Center and Museum Trust Authority (AICCMTA):

1. A tract of land being a part of the East Half of Section 2, Township 11 North, Range 3 West of the Indian Meridian, Oklahoma County, Oklahoma, and being more particularly described as follows:

Commencing at the Northeast Corner of said Section 2,
Thence South 00°29'24" West along the East line of said Section 2, a distance of 1958.26 feet,
Thence North 89°30'36" West, a distance of 1240.19 feet to the
POINT OF BEGINNING,

1 Thence South 23°33'16" West a distance of 93.48 feet,
2 Thence on a nontangent curve to the right, having a radius of
3 340.91 feet, a chord bearing of South 38°38'40" East, a chord
4 distance of 187.41 feet, for an arc distance of 189.86 feet to a
5 point of tangency,
6 Thence South 22°41'33" East, a distance of 102.54 feet,
7 Thence on a nontangent curve to the right, having a radius of
8 859.19 feet, a chord bearing of South 19°48'33" West, a chord
9 distance of 546.60 feet, for an arc distance of 556.26 feet,
10 Thence South 00°00'00" East, a distance of 169.81 feet,
11 Thence North 90°00'00" West, a distance of 258.96 feet,
12 Thence North 44°58'52" West, a distance of 208.81 feet,
13 Thence South 83°35'02" West, a distance of 229.85 feet to a
14 point of curvature,
15 Thence on a curve to the right, having a radius of 602.79 feet,
16 chord bearing of North 11°33'34" East, a chord distance of
17 1146.73 feet, for an arc distance of 2271.94 feet to a point of
18 tangency,
19 Thence South 60°27'53" East, a distance of 374.31 feet,
20 Thence South 70°57'26" East, a distance of 153.94 feet to the
21 POINT OF BEGINNING.

22 Said tract of land contains 33.62 acres, more or less; and

23 2. The basis of bearing of the description provided in this
24 section is derived from the Oklahoma State Plane Coordinate System

1 NAD83, Zone Oklahoma North with the East line of NE/4 of Section 2-
2 11N-3W having a bearing of South 00°29'26" West.

3 B. The legal description provided in subsection A of this
4 section is intended to include the real property upon which the
5 museum and cultural center improvements exist, including the
6 following specific elements:

- 7 1. Hall of the People;
- 8 2. East Wing, including the Performance Facility;
- 9 3. North Gallery;
- 10 4. South Gallery;
- 11 5. Central Plant;
- 12 6. Promontory Mound; and
- 13 7. Visitor Center.

14 C. The instrument of conveyance as contemplated by subsection A
15 of this section shall reflect a legal description determined by a
16 current survey which ensures that the elements described in
17 subsection B of this section are included, and shall further reflect
18 a separate legal description for the sewer lift station.

19 D. The Office of Management and Enterprise Services (OMES), the
20 AICCMTA and, for so long as the Authority exists, the Authority are
21 hereby authorized and directed to grant such access and other
22 temporary and permanent easements upon and across the real property
23 described in this section as are necessary or desirable to promote
24 or ensure the successful development of the commercial property

1 transferred to the City of Oklahoma City (City) pursuant to
2 paragraph 2 of subsection B of Section 1226.2 of Title 74 of the
3 Oklahoma Statutes, and in connection therewith the Legislature finds
4 and hereby declares that the commitments entered into by the City as
5 contemplated by paragraph 5 of subsection B of Section 1226.2 of
6 Title 74 of the Oklahoma Statutes shall be adequate consideration.

7 E. The AICCMTA and the Director of OMES are hereby authorized
8 and directed to take all steps necessary to effectuate the
9 provisions of this act.

10 F. Real property transferred to AICCMTA by the Authority shall
11 be subject to the same restrictions regarding the use of such real
12 property as contained in the instrument of conveyance by which the
13 Authority acquired title to such real property, including, but not
14 limited to, any restriction regarding gambling activity upon such
15 real property.

16 SECTION 3. NEW LAW A new section of law to be codified
17 in the Oklahoma Statutes as Section 304.2 of Title 73, unless there
18 is created a duplication in numbering, reads as follows:

19 A. In addition to any other authorization provided by law, and
20 under the conditions herein expressed, the Oklahoma Capitol
21 Improvement Authority (OCIA) is authorized to issue additional
22 obligations to provide funding for improvements to real and personal
23 property and for funding of further construction, improvements,
24 development and enhancement of the American Indian Cultural Center

1 and Museum (AICCM), to include personal property and exhibits with
2 debt retirement payments to be made as provided herein; provided,
3 however, that such obligations shall not be issued until the
4 Director of the Office of Management and Enterprise Services (OMES)
5 has certified that at least Ten Million Dollars (\$10,000,000.00), in
6 accordance with the requirements of paragraph 1 of subsection B of
7 Section 4 of this act, has been deposited in the American Indian
8 Cultural Center and Museum Completion Fund created by Section 5 of
9 this act.

10 B. The obligations authorized under this section shall be
11 repaid from lease payments to be made by the Native American
12 Cultural and Educational Authority (Authority) until its termination
13 and thereafter by the American Indian Cultural Center and Museum
14 Trust Authority (AICCMTA) created by Section 6 of this act or
15 another designated state agency for deposit to the American Indian
16 Cultural Center and Museum Postcompletion Revolving Fund created by
17 Section 7 of this act, it being the express intent of the
18 Legislature to appropriate funds to such agencies in sufficient
19 amount to make lease payments which will provide for the repayment
20 of such obligations.

21 C. The obligations authorized under this section to provide
22 additional funding for the AICCM may be issued by OCIA, in one or
23 more series, in an aggregate amount sufficient to generate net
24 proceeds of Twenty-five Million Dollars (\$25,000,000.00) after

1 providing for costs of issuance, credit enhancement, reserves and
2 other associated expenses related to the financing. Net proceeds of
3 the financing will be deposited into a construction fund to provide
4 for the construction and acquisition of improvements described
5 herein. It is the intent of the Legislature to appropriate to the
6 Authority or, after its termination pursuant to Section 1226.2 of
7 Title 74 of the Oklahoma Statutes, to the AICCMTA or another
8 designated state agency for deposit to the American Indian Cultural
9 Center and Museum Postcompletion Revolving Fund, sufficient monies
10 to make payments for the purposes of retiring the obligations
11 created pursuant to this section. To the extent funds are available
12 from the proceeds of the borrowing authorized by this section, OCIA
13 shall provide for the payment of professional fees and associated
14 costs related to the projects authorized in subsection A of this
15 section.

16 D. OCIA is authorized to hire bond counsel, special tax
17 counsel, financial consultants and such other professionals as it
18 may deem necessary to provide for the efficient sale of the
19 obligations and may utilize a portion of the proceeds of any
20 borrowing to create such reserves as may be deemed necessary and to
21 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 OCIA, and in

1 such form and at such prices as may be authorized by OCIA. OCIA may
2 enter into agreements with such credit enhancers and liquidity
3 providers as may be determined necessary to efficiently market the
4 obligations. The obligations may mature and have such provisions
5 for redemption as shall be determined by OCIA, but in no event shall
6 the final maturity of such obligations occur later than thirty (30)
7 years from the first principal maturity date.

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

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

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

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

13 SECTION 4. NEW LAW A new section of law to be codified
14 in the Oklahoma Statutes as Section 1226.19 of Title 74, unless
15 there is created a duplication in numbering, reads as follows:

16 A. Proceeds of the bonds or other obligations issued pursuant
17 to Section 3 of this act shall only be expended for the purpose of
18 completing the American Indian Cultural Center and Museum (AICCM).

19 B. Proceeds of the bonds or other obligations issued pursuant
20 to Section 3 of this act shall be expended according to the limits
21 of this subsection.

22 1. Upon certification by the Office of Management and
23 Enterprise Services (OMES) that a specific amount exceeding Ten
24 Million Dollars (\$10,000,000.00) in nonstate and nonfederal

1 donations, contributions, gifts and bequests for the purpose of
2 completing the AICCM have been deposited into the American Indian
3 Cultural Center and Museum Completion Fund created pursuant to
4 Section 5 of this act, the Oklahoma Capitol Improvement Authority
5 (OCIA) and the Native American Cultural and Educational Authority
6 (Authority) shall be authorized to expend an amount to be certified
7 by OMES from the proceeds of bonds or other obligations issued
8 pursuant to Section 3 of this act. At least Ten Million Dollars
9 (\$10,000,000.00) in nonstate and nonfederal donations,
10 contributions, gifts and bequests for the purpose of completing the
11 AICCM must be deposited into the American Indian Cultural Center and
12 Museum Completion Fund no later than January 15, 2016. The Nine
13 Million Dollars (\$9,000,000.00) committed by the City of Oklahoma
14 City (City) pursuant to Section 1226.2 of Title 74 of the Oklahoma
15 Statutes shall not be included within the amount certified pursuant
16 to this paragraph, regardless of when such funds are provided.

17 2. Following the initial certification provided by paragraph 1
18 of this subsection, OCIA and the Authority may expend additional
19 funds upon subsequent certifications by OMES that specific
20 additional amounts of nonstate and nonfederal donations,
21 contributions, gifts and bequests have been deposited into the
22 American Indian Cultural Center and Museum Completion Fund. OCIA or
23 the Authority may request such certifications at any time. Upon
24 such certifications, OCIA and the Authority shall be authorized to

1 expend equal amounts from the proceeds of bonds issued pursuant to
2 Section 3 of this act. In no event may total expenditures from the
3 proceeds of bonds issued pursuant to Section 3 of this act exceed
4 the total amounts certified by OMES. The Nine Million Dollars
5 (\$9,000,000.00) committed by the City pursuant to Section 1226.2 of
6 Title 74 of the Oklahoma Statutes may be included within the amounts
7 certified pursuant to this paragraph.

8 SECTION 5. NEW LAW A new section of law to be codified
9 in the Oklahoma Statutes as Section 1226.20 of Title 74, unless
10 there is created a duplication in numbering, reads as follows:

11 A. There is hereby created in the State Treasury a revolving
12 fund for the Native American Cultural and Educational Authority
13 (Authority) to be designated the "American Indian Cultural Center
14 and Museum Completion Fund". The fund shall be a continuing fund,
15 not subject to fiscal year limitations. All monies accruing to the
16 credit of the fund are hereby appropriated and may be budgeted and
17 expended by the Authority. The fund shall consist of monies
18 received by the Authority in the form of nonstate and nonfederal
19 donations, contributions, gifts and bequests for the purpose of
20 completing the American Indian Cultural Center and Museum (AICCM).
21 Monies deposited to the credit of the fund shall only be expended
22 for the purpose of completing the AICCM.

1 B. The fund created by this section shall not receive any
2 additional federal funds issued pursuant to the Indian Financing
3 Amendments Act of 2002, P.L. 107-331.

4 SECTION 6. NEW LAW A new section of law to be codified
5 in the Oklahoma Statutes as Section 1226.21 of Title 74, unless
6 there is created a duplication in numbering, reads as follows:

7 A. Upon the effective date of this act, the state expressly
8 approves the creation of a public trust to be named the "American
9 Indian Cultural Center and Museum Trust Authority", also known as
10 "AICCMTA", of which the state shall be the beneficiary and the
11 provisions of this act, as passed by the Legislature and approved by
12 action of the Governor, shall constitute the acceptance of the
13 beneficial interest in such public trust pursuant to the provisions
14 of Section 176 et seq. of Title 60 of the Oklahoma Statutes;
15 provided, however, such approval shall be contingent upon
16 satisfaction of the following conditions:

- 17 1. Finalizing the declaration of trust; and
18 2. Adoption of the declaration of trust by an official action
19 of the trustees of the AICCMTA.

20 B. The approved declaration of trust shall:

- 21 1. Specify that the AICCMTA shall be created as a public trust
22 pursuant to Section 176 et seq. of Title 60 of the Oklahoma Statutes
23 and shall have the same rights, responsibilities and attributes as
24 any public trust created under such laws;

1 2. Specify that the primary purpose of the AICCMTA shall be to
2 carry out the functions, duties and responsibilities pursuant to
3 Section 1226 et seq. of Title 74 of the Oklahoma Statutes and the
4 provisions of this act; and

5 3. To the extent required by law, specify the adoption of
6 bylaws and rules for the due and orderly administration and
7 regulation of affairs of the AICCMTA, which shall require approval
8 in accordance with the provisions of the Administrative Procedures
9 Act.

10 C. 1. The AICCMTA shall have eleven (11) trustees, seven of
11 which shall be members of a federally recognized American Indian
12 Tribe located within this state and of those seven trustees three
13 shall be appointed by the Governor, two shall be appointed by the
14 President Pro Tempore of the Senate, and two shall be appointed by
15 the Speaker of the House of Representatives. Such tribal membership
16 shall be determined by the respective tribes. Appointments shall be
17 made from names provided by tribal governments, councils or other
18 recognized tribal entities. Appointments shall be restricted to not
19 more than one representative of any tribe. Such appointed members
20 initially appointed shall continue in office for terms of from three
21 (3) to seven (7) years, respectively, from the date of their
22 appointment, with the term of each initially appointed member to be
23 designated by the Governor at the time of the appointment, with one
24 member to be appointed to a three-year term, two members to be

1 appointed to a four-year term, one member to be appointed to a five-
2 year term, one member to be appointed to a six-year term, and two
3 members to be appointed to a seven-year term. Any person appointed
4 to fill a vacancy shall serve only for the unexpired term.
5 Succeeding terms shall be for a term of four (4) years.

6 2. The other four appointed trustees shall be from the business
7 community and shall be chosen as follows: two members shall be
8 appointed by the Governor, one member shall be appointed by the
9 President Pro Tempore of the Senate, and one member shall be
10 appointed by the Speaker of the House of Representatives. Each
11 member shall have at least fifteen (15) years of experience in
12 business, banking, finance or corporate law and shall have
13 demonstrated outstanding ability in business or industry. However,
14 in lieu of appointing a member with such experience, one of the two
15 members appointed by the Governor may be a person who has exhibited
16 at least three (3) years of outstanding leadership and involvement
17 in recognized Native American organizations and activities. The
18 initial terms of the trustees appointed by the Governor shall be for
19 one (1) year, the trustee appointed by the President Pro Tempore of
20 the Senate shall be for two (2) years and the trustee appointed by
21 the Speaker of the House of Representatives shall be for three (3)
22 years. Upon the expiration of a term any succeeding term shall be
23 for four (4) years. Any person appointed to fill a vacancy shall
24 serve only for the unexpired term.

1 3. None of the appointments otherwise authorized by this
2 subsection shall be effective until title to the real property and
3 improvements constituting the AICCM has been transferred to the
4 AICCMTA as provided by Section 1226.2 of Title 74 of the Oklahoma
5 Statutes.

6 D. The provisions of The Governmental Tort Claims Act shall
7 apply to the AICCMTA as a state-beneficiary public trust created
8 pursuant to state law.

9 E. Members of the AICCMTA shall be exempt from the provisions
10 of Section 6 of Title 51 of the Oklahoma Statutes.

11 F. Notwithstanding any other provision of law, the AICCMTA
12 shall have the authority to transfer title of the American Indian
13 Cultural Center and Museum (AICCM), and the real property upon which
14 it is located (as more fully described in Section 2 of this act),
15 and any intellectual property or personal property (including
16 exhibits) still held by the AICCMTA, less and except monies held by
17 the AICCMTA, to the City of Oklahoma City (City) within five (5)
18 years after the date on which all outstanding bonds issued for the
19 AICCM have been retired, including any bonds or other obligations
20 issued by the Oklahoma Capitol Improvement Authority (OCIA) pursuant
21 to Section 3 of this act, pursuant to the agreements provided in
22 paragraph 5 of subsection B of Section 1226.2 of Title 74 of the
23 Oklahoma Statutes; and in connection therewith, the Legislature
24 finds and hereby declares that the commitments entered into by the

1 City as contemplated by paragraph 5 of subsection B of Section
2 1226.2 of Title 74 of the Oklahoma Statutes shall be adequate
3 consideration. Such transfer shall not occur until after all
4 outstanding bonds issued for the AICCM have been retired including
5 any bonds or other obligations issued by the Oklahoma Capitol
6 Improvement Authority (OCIA) pursuant to Section 3 of this act.

7 G. The AICCMTA created by this section shall be terminated and
8 abolished upon the transfer contemplated by subsection F of this
9 section. Upon such termination, any remaining monies held by the
10 AICCMTA shall be transferred to the General Revenue Fund of the
11 State Treasury, all then-existing funds of the AICCMTA shall be
12 abolished, and any remaining rights of the AICCMTA shall be
13 transferred to the Office of Management and Enterprise Services.

14 SECTION 7. NEW LAW A new section of law to be codified
15 in the Oklahoma Statutes as Section 1226.22 of Title 74, unless there
16 is created a duplication in numbering, reads as follows:

17 There is hereby created in the State Treasury a revolving fund
18 for the Native American Cultural and Educational Authority
19 (Authority), to be designated the "American Indian Cultural Center
20 and Museum Postcompletion Revolving Fund". The fund shall be a
21 continuing fund, not subject to fiscal year limitations. All monies
22 accruing to the credit of the fund are hereby appropriated and may
23 be budgeted and expended by the Authority. The fund shall consist
24 of monies received in the form of state appropriations and

1 unexpended operational funds remaining to the Authority upon its
2 termination as provided for by Section 1226.2 of Title 74 of the
3 Oklahoma Statutes. Monies deposited to the credit of the fund shall
4 only be expended for the purpose of making rental or other payments
5 to the Oklahoma Capitol Improvement Authority to retire bonds or
6 other obligations issued for the benefit of the Authority or the
7 American Indian Cultural Center and Museum.

8 SECTION 8. This act shall become effective September 1, 2015.

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