ENGROSSED SENATE
BILL NO. 1347 By: Simpson of the Senate

and

Hardin of the House

An Act relating to soldiers and sailors; creating The Oklahoma Veterans Facility Investment Act of 2018; authorizing the Oklahoma Department of Veterans Affairs to develop a long-term care facility; amending 72 O.S. 2011, Section 229, which relates to Oklahoma veterans centers; clarifying that certain facilities remain ongoing pursuant to statutory authority; authorizing issuance of certain net amount of obligations by Oklahoma Capitol Improvement Authority for funding of certain projects for the Oklahoma Department of Veterans Affairs; providing for debt retirement payments; directing how title is to be held and when it is to be transferred; authorizing capitalization of certain interest for specified period of time; stating legislative intent; requiring Authority to pay certain fees and costs under certain circumstances; providing methods of issuance for obligations; authorizing hiring of certain professionals; authorizing payment of certain costs by creating reserves; limiting maturity of obligations; providing for utilization of certain interest earnings; providing tax exemption; providing for investment of certain monies; providing for rental payments; requiring compliance with certain statutory provisions; providing for noncodification; providing for codification; and providing an effective date.

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

SECTION 1. NEW LAW A new section of law not to be codified in the Oklahoma Statutes reads as follows:

This act shall be known and may be cited as the "Oklahoma Veterans Facility Investment Act of 2018".

SECTION 2. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 229.1 of Title 72, unless there is created a duplication in numbering, reads as follows:

A. The Oklahoma Department of Veterans Affairs is authorized to plan, develop and construct a long-term care facility for the purpose of assuming the operations of the Oklahoma War Veterans Center established in Talihina pursuant to Section 229 of Title 72 of the Oklahoma Statutes. The Department may construct new facilities or refurbish any existing facilities on property currently owned by the State of Oklahoma or on property purchased or donated from other sources, including but not limited to private owners or other governmental or municipal entities.

B. The location of the facilities shall be subject only to such geographical constraints as are imposed by the United States Department of Veterans Affairs to preserve and continue recognition and certification of the facility as a State Veterans' Home.

C. The location and site of the facility shall be determined by the Oklahoma Veterans Commission. The Oklahoma Veterans Commission may consider any and all criteria which, in its sole discretion, further the interests of Oklahoma veterans.

D. Operations of the Oklahoma War Veterans Center established in Talihina pursuant to Section 229 of Title 72 of the Oklahoma

Statutes shall continue until such time as its operations are transferred to the location identified pursuant to the authority conferred upon the Oklahoma Veterans Commission under subsection A of this section.

SECTION 3. AMENDATORY 72 O.S. 2011, Section 229, is amended to read as follows:

Section 229. ~~There~~ A. Until operations are transferred pursuant to subsection B of this section, there is hereby established, in addition to the Oklahoma Veterans Centers established by Sections 221 and 226 of ~~Title 72 of the Oklahoma Statutes~~ this title, the Oklahoma Veterans Center at Talihina, Oklahoma, on the site of the Oklahoma State Sanatorium, Talihina, Oklahoma. All persons serving as employees of the Oklahoma State Sanatorium under the provisions of the State Merit System of Personnel Administration shall continue to serve as employees of the Oklahoma Veterans Center at Talihina, provided that such employees remain in the classified service. All employees hired by the Oklahoma Veterans Center at Talihina on or after the effective date of this act shall be under the Oklahoma Merit System of Personnel Administration, except one manager, one principal assistant or deputy, one private secretary, part-time physicians and other professional personnel engaged in clinical and consultant services. The average number of full-time-equivalent employees utilized in the total operation of the Oklahoma War Veterans Center, Talihina, shall not exceed one hundred fifty-three ~~(153)~~ during the fiscal year ending June 30, 1976. The buildings, equipment and land under the jurisdiction of the Oklahoma State Sanatorium, Talihina, are hereby transferred to the Oklahoma War Veterans Center, Talihina.

B. Operations of the Oklahoma Veterans Center established pursuant to this section shall continue until such time as operations are transferred to the location identified pursuant to the authority conferred upon the Oklahoma Veterans Commission under Section 2 of this act.

SECTION 4. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 348 of Title 73, unless there is created a duplication in numbering, to read 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 plan, develop and construct buildings, parking facilities and other improvements to real property, and to provide funding for repairs, planning, staging, refurbishments, and improvements to real and personal property, and for funding for construction of the long-term care facility authorized in subsection A of Section 2 of this act in a total amount necessary to generate Thirty-five Million Dollars ($35,000,000.00) in project funds with debt retirement payments to be made as provided in this section.

B. The Authority may hold title to the real and personal property and improvements until such time as any obligations issued for this purpose are retired or defeased and may lease the real property and improvements to the Oklahoma Department of Veterans Affairs. Upon final redemption or defeasance of the obligations created pursuant to this section, title to the real and personal property and improvements shall be transferred from the Authority to the Oklahoma Department of Veterans Affairs.

C. For the purpose of paying the costs for acquisition and construction of the real property and improvements and personal property and making the repairs, planning, staging, refurbishments, and improvements to real and personal property, and providing funding for the long-term care facility authorized in subsection A of Section 2 of this act, 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 real and personal property, parking facilities, and improvements and, in anticipation of the collection of such income and revenues, to issue negotiable obligations in a total amount necessary to generate Thirty-five Million Dollars ($35,000,000.00) in project funds, whether issued in one or more series. The Authority is authorized to capitalize interest on the obligations issued pursuant to the authority granted by this section for a period not to exceed two (2) years from the date of issuance.

Excluding any capitalized interest period, it is the intent of the Legislature to appropriate to the Oklahoma Department of Veterans Affairs sufficient monies to make rental payments for the purposes 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 Authority shall provide for the payment of professional fees and associated costs related to the projects authorized in this act.

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 twenty-five (25) 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. The Oklahoma Department of Veterans Affairs will make the rental payments for the purpose of retiring the obligations created pursuant to the provisions of this section from current appropriations received by the Oklahoma Department of Veterans Affairs.

J. 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 5. This act shall become effective in accordance with the provisions of Section 58 of Article V of the Oklahoma Constitution.

Passed the Senate the 13th day of March, 2018.

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Presiding Officer of the Senate

Passed the House of Representatives the ____ day of __________, 2018.

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Presiding Officer of the House of Representatives