

1 ENGROSSED HOUSE  
2 BILL NO. 3042

By: Kannady of the House

and

Simpson of the Senate

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7 An Act relating to veterans centers; creating the  
8 Oklahoma Veterans Facility Investment Act of 2018;  
9 authorizing the Oklahoma Department of Veterans  
10 Affairs to develop and construct certain facilities  
11 to assume operation of the Oklahoma Veterans Center  
12 established in Talihina; authorizing the Department  
13 to construct facilities or refurbish any existing  
14 facilities on certain property; providing  
15 geographical constraints; directing the Oklahoma  
16 Veterans Commission to determine location; continuing  
17 operations until certain transfer; amending 72 O.S.  
18 2011, Section 229, which relates to the establishment  
19 of the Veterans Center at Talihina; requiring  
20 operations to continue until certain transfer;  
21 authorizing the Oklahoma Capitol Improvement  
22 Authority to issue obligations to acquire real and  
23 personal property and make improvements for certain  
24 purposes and in a certain amount; authorizing the  
Authority to hold title to certain real and personal  
property and improvements; providing transfer of  
title to the real and personal property and  
improvements under certain circumstances; authorizing  
the Authority to borrow monies for certain purposes;  
authorizing the Authority to capitalize interest on  
the obligations; providing for payment of  
professional fees and associated costs; authorizing  
the Authority to issue obligations in certain manner  
and hire certain professionals; authorizing the sale  
of certain obligations; limiting maturity of certain  
obligations; authorizing certain interest earning to  
be utilized as certain payment; prohibiting certain  
taxation; authorizing the Authority to direct the  
investment of certain monies; providing legislative  
intent; providing applicability; providing for  
codification; and providing for noncodification.

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

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

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

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

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

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

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

3 D. Operations of the Oklahoma Veterans Center established in  
4 Talihina pursuant to Section 229 of Title 72 of the Oklahoma  
5 Statutes shall continue until such time as its operations are  
6 transferred to the location identified pursuant to the authority  
7 conferred upon the Oklahoma Veterans Commission under subsection A  
8 of this section.

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

11 Section 229. ~~There~~ A. Until operations are transferred  
12 pursuant to subsection B of this section, there is hereby  
13 established, in addition to the Oklahoma Veterans Centers  
14 established by Sections 221 and 226 of ~~Title 72 of the Oklahoma~~  
15 ~~Statutes~~ this title, the Oklahoma Veterans Center at Talihina,  
16 Oklahoma, on the site of the Oklahoma State Sanatorium, Talihina,  
17 Oklahoma. All persons serving as employees of the Oklahoma State  
18 Sanatorium under the provisions of the State Merit System of  
19 Personnel Administration shall continue to serve as employees of the  
20 Oklahoma Veterans Center at Talihina, provided that such employees  
21 remain in the classified service. All employees hired by the  
22 Oklahoma Veterans Center at Talihina on or after the effective date  
23 of this act shall be under the Oklahoma Merit System of Personnel  
24 Administration, except one manager, one principal assistant or

1 deputy, one private secretary, part-time physicians and other  
2 professional personnel engaged in clinical and consultant services.  
3 The average number of full-time-equivalent employees utilized in the  
4 total operation of the Oklahoma ~~War~~ Veterans Center, Talihina, shall  
5 not exceed one hundred fifty-three (153) during the fiscal year  
6 ending June 30, 1976. The buildings, equipment and land under the  
7 jurisdiction of the Oklahoma State Sanatorium, Talihina, are hereby  
8 transferred to the Oklahoma ~~War~~ Veterans Center, Talihina.

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

14 SECTION 4. NEW LAW A new section of law to be codified  
15 in the Oklahoma Statutes as Section 348 of Title 73, unless there is  
16 created a duplication in numbering, reads as follows:

17 A. In addition to any other authorization provided by law, the  
18 Oklahoma Capitol Improvement Authority is authorized to issue  
19 obligations to acquire real property, together with improvements  
20 located thereon, and personal property, to plan, develop and  
21 construct buildings, parking facilities and other improvements to  
22 real property, and to provide funding for repairs, planning,  
23 staging, refurbishments and improvements to real and personal  
24 property, and for funding for construction of the long-term care

1 facility authorized in subsection A of Section 2 of this act in a  
2 total amount necessary to generate Thirty-five Million Dollars  
3 (\$35,000,000.00) in project funds with debt retirement payments to  
4 be made as provided in this section.

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

13 C. For the purpose of paying the costs for acquisition and  
14 construction of the real property and improvements and personal  
15 property and making the repairs, planning, staging, refurbishments  
16 and improvements to real and personal property, and providing  
17 funding for the long-term care facility authorized in subsection A  
18 of Section 2 of this act, and for the purpose authorized in  
19 subsection D of this section the Authority is hereby authorized to  
20 borrow monies on the credit of the income and revenues to be derived  
21 from the leasing of such real and personal property, parking  
22 facilities and improvements and, in anticipation of the collection  
23 of such income and revenues, to issue negotiable obligations in a  
24 total amount necessary to generate Thirty-five Million Dollars

1 (\$35,000,000.00) in project funds, whether issued in one or more  
2 series. The Authority is authorized to capitalize interest on the  
3 obligations issued pursuant to the authority granted by this section  
4 for a period not to exceed two (2) years from the date of issuance.  
5 Excluding any capitalized interest period, it is the intent of the  
6 Legislature to appropriate to the Oklahoma Department of Veterans  
7 Affairs sufficient monies to make rental payments for the purposes  
8 of retiring the obligations created pursuant to this section. To  
9 the extent funds are available from the proceeds of the borrowing  
10 authorized by this subsection, the Authority shall provide for the  
11 payment of professional fees and associated costs related to the  
12 projects authorized in this act.

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

21 E. The obligations authorized under this section may be sold at  
22 either competitive or negotiated sale, as determined by the  
23 Authority, and in such form and at such prices as may be authorized  
24 by the Authority. The Authority may enter into agreements with such

1 credit enhancers and liquidity providers as may be determined  
2 necessary to efficiently market the obligations. The obligations  
3 may mature and have such provisions for redemption as shall be  
4 determined by the Authority, but in no event shall the final  
5 maturity of such obligations occur later than twenty-five (25) years  
6 from the first principal maturity date.

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

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

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

22 I. The Legislature anticipates that the Oklahoma Department of  
23 Veterans Affairs will make the rental payments for the purpose of  
24 retiring the obligations created pursuant to the provisions of this

1 section from current appropriations received by the Oklahoma  
2 Department of Veterans Affairs.

3 J. Insofar as they are not in conflict with the provisions of  
4 this section, the provisions of Sections 151 through 186 of Title 73  
5 of the Oklahoma Statutes shall apply to this section.

6 Passed the House of Representatives the 5th day of March, 2018.

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Presiding Officer of the House  
of Representatives

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Passed the Senate the \_\_\_\_ day of \_\_\_\_\_, 2018.

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Presiding Officer of the Senate

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