

An Act

ENROLLED SENATE
BILL NO. 1584

By: David and Fields of the
Senate

and

Wallace and Casey of the
House

An Act relating to public finance; authorizing Oklahoma Capitol Improvement Authority to issue certain obligations for specified purposes; authorizing assistance by certain local districts for specified construction, repair and rehabilitation of certain dams pursuant to the Conservation District Act; requiring certain Commission to make debt retirement payments; providing for debt retirement payments; authorizing OCIA to hold title to property until obligations are retired or defeased; authorizing certain lease; requiring transfer of certain title at certain time; authorizing borrowing of money by certain entity; providing for amount of obligations to be issued after consideration of certain expenses; stating intent of Legislature to appropriate funds for certain rental payments for stated purpose; requiring payment of certain fees by certain entity pursuant to availability of funds; providing methods for issuance of obligations; authorizing hiring of certain professionals for certain purpose; providing for sale of obligations by certain methods; limiting maturity of obligations; providing for use of certain interest earnings; exempting certain obligations, transfer, and interest from taxation; providing for investment and oversight; requiring compliance with certain statutory provisions, providing for codification; and declaring an emergency.

SUBJECT: Public finance

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

SECTION 1. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 343 of Title 73, unless there is created a duplication in numbering, reads as follows:

A. The Oklahoma Capitol Improvement Authority (OCIA) is hereby authorized to acquire real property or interests therein, together with improvements located thereon, and personal property and invest capital into improvements for purposes of construction, repair and rehabilitation of flood-control dams through and with the assistance of local conservation districts, all pursuant to the Conservation District Act, with debt retirement payments to be made by the Oklahoma Conservation Commission.

The OCIA may hold title to the real 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 Conservation Commission. Upon final redemption or defeasance of the obligations created pursuant to this section, title to the real property and improvements shall be transferred from the OCIA to the Oklahoma Conservation Commission.

B. For the purpose of paying the costs for acquisition of the real property and improvements and personal property authorized in subsection A of this section, and for the purpose authorized in subsection C of this section, the OCIA is hereby authorized to borrow monies on the credit of the income and revenues to be derived from the leasing of such real property and improvements and, in anticipation of collection of such income and revenues issue negotiable obligations in the amount sufficient to generate net proceeds of Five Million One Hundred Sixteen Thousand Dollars (\$5,116,000.00) after providing for costs of issuance, credit enhancement, reserves, and other associated expenses related to the financing. It is the intent of the Legislature to appropriate to the Oklahoma Conservation Commission sufficient monies to make

rental payments for the purposes of retiring the obligations created pursuant to this section.

C. To the extent funds are available, the OCIA shall provide for the payment of professional fees and associated costs approved by the OCIA.

D. The OCIA may issue obligations in one or more series and in conjunction with other issues of the OCIA. The OCIA 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 OCIA, and in such form and at such prices as may be authorized by the OCIA. The OCIA 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 OCIA, but in no event shall the final maturity of such obligations occur later than fifteen (15) 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 OCIA.

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 OCIA 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 OCIA may place additional restrictions on the

investment of such monies if necessary to enhance the marketability of the obligations.

SECTION 2. It being immediately necessary for the preservation of the public peace, health or safety, an emergency is hereby declared to exist, by reason whereof this act shall take effect and be in full force from and after its passage and approval.

Passed the Senate the 30th day of April, 2018.

Presiding Officer of the Senate

Passed the House of Representatives the 2nd day of May, 2018.

Presiding Officer of the House
of Representatives

OFFICE OF THE GOVERNOR

Received by the Office of the Governor this _____

day of _____, 20_____, at _____ o'clock _____ M.

By: _____

Approved by the Governor of the State of Oklahoma this _____

day of _____, 20_____, at _____ o'clock _____ M.

Governor of the State of Oklahoma

OFFICE OF THE SECRETARY OF STATE

Received by the Office of the Secretary of State this _____

day of _____, 20_____, at _____ o'clock _____ M.

By: _____