



1 Section 1226.2. A. There is hereby created a body corporate  
2 and politic to be known as the "Native American Cultural and  
3 Educational Authority" (Authority), and by that name the Authority  
4 may sue and be sued, and plead and be impleaded. The Authority is  
5 hereby constituted an agency of the state, and the exercise by the  
6 Authority of the powers conferred by Section 1226 et seq. of this  
7 title shall be deemed to be essential governmental functions of the  
8 state with all the attributes thereof. Provided, however, the  
9 Authority is authorized to carry liability insurance to the extent  
10 authorized by the Authority, and in addition thereto it shall be  
11 subject to the workers' compensation laws of the State of Oklahoma  
12 the same as a private employer. The ~~Department of Commerce Office~~  
13 of Management and Enterprise Services (OMES) shall assist the  
14 Authority in fulfilling the responsibilities of Section 1226 et seq.  
15 of this title, as requested by the Authority.

16 B. 1. The Legislature hereby finds and it is hereby declared  
17 to be the public policy of the State of Oklahoma that the completion  
18 and operation of the American Indian Cultural Center and Museum  
19 (AICCM) and the transfer of responsibility for operation and  
20 maintenance of the AICCM to the City of Oklahoma City (together with  
21 any designee thereof, hereinafter referred to as the "City") or its  
22 designee will produce significant benefits to the state and the  
23 citizens of the state, which benefits include, but are not limited  
24 to:

- a. savings by reason of the state not being required to pay operation and maintenance cost of the AICCM,
- b. savings to the state by reason of the state not being required to appropriate funds for the general operations of the Authority,
- c. sales and other taxes projected to be derived from operation of the AICCM and the surrounding commercial development, as well as derived as a result of the existence of the AICCM and the surrounding commercial development,
- d. increases in employment and the benefits derived by the state from such employment, including income and other taxes, and
- e. other direct and indirect benefits to the state.

The Legislature further finds and declares that the State of Oklahoma and its citizens will be best served by the soonest possible completion of the AICCM and transfer of the Authority's unimproved property to the City for a complementary commercial development, with lease revenues therefrom to supply revenues to support the operations of the AICCM. The Legislature further finds that the State of Oklahoma will be best served by transferring responsibility for operations and maintenance of the AICCM to the City, and in furtherance of such purposes and intent, hereby adopts ~~this act~~ Section 1226 et seq. of this title.

1           2. As contemplated by the existing Amended and Restated Ground  
2 Lease Agreement between the Authority and the Oklahoma Capitol  
3 Improvement Authority (OCIA), but only upon the execution of the  
4 agreement described in paragraph 5 of this subsection, all of the  
5 unimproved real property of the Authority, which is all of the real  
6 property held by the Authority less and except the real property  
7 described as provided for by subsection C of Section ~~2 of this act~~  
8 1226.18 of this title, shall be transferred to the City. Such  
9 transfer shall be for the purpose of enabling the development of  
10 commercial facilities on such unimproved property, lease revenues of  
11 which shall be used to support the operations of the AICCM upon its  
12 completion. The Director of the Office of Management and Enterprise  
13 Services (OMES) is hereby authorized and directed to coordinate the  
14 transfer of such real property in accordance with the provisions of  
15 ~~this act~~ Section 1226 et seq. of this title.

16           3. The Authority shall be terminated no later than the first  
17 day the AICCM is open to the public. The Office of Management and  
18 Enterprise Services (OMES) shall make the determination of whether  
19 AICCM is open to the public for purposes of this paragraph. For  
20 purposes of this subsection, the AICCM shall mean the museum and  
21 cultural center and associated improvements constructed upon the  
22 real property described as provided for by subsection C of Section ~~2~~  
23 ~~of this act~~ 1226.18 of this title. If the AICCM has not been opened  
24 to the public by July 1, 2020, the Director of OMES may certify that

1 all building and site construction is complete, and upon such  
2 certification the statutory entity created by subsection C of this  
3 section shall be terminated, irrespective of whether all museum  
4 content and exhibits have been completed. Upon the termination of  
5 the Authority the functions of the Authority, including the leasing  
6 of the AICCM, the right to acquire clear title to the AICCM upon  
7 payment of all bonds, and the requirement to make lease payments to  
8 pay debt service on all bonds previously or hereafter issued by OCIA  
9 shall be transferred from the Authority to the American Indian  
10 Cultural Center and Museum Trust Authority (AICCMTA) created  
11 pursuant to Section ~~6 of this act~~ 1226.21 of this title. Upon the  
12 termination of the Authority the remaining assets of the Authority  
13 shall be transferred to the AICCMTA; provided, that any unexpended  
14 funds held by the Authority for operational expenses of the  
15 Authority or to enable the payment of principal and interest on  
16 bonds or other obligations issued for the benefit of the Authority  
17 or the AICCM shall be specifically transferred as provided by  
18 paragraph 4 of this subsection. Assets to be transferred to the  
19 AICCMTA shall include, but not be limited to, all remaining real  
20 property and improvements, personal property, intellectual property,  
21 intangible property, rights and obligations pursuant to contract and  
22 any other assets, which assets shall be made available to the City  
23 to enable the City to exercise its rights and fulfill its  
24 obligations under the agreements contemplated by paragraph 5 of this

1 subsection. Notwithstanding any other provision of law, the  
2 Director of OMES is hereby authorized and directed to coordinate  
3 with the City, the Authority and the AICCMTA to make such assets  
4 available for use by the City, for at least the life of outstanding  
5 bonds, by management agreement, license or otherwise, for the  
6 consideration contemplated by paragraph 5 of this subsection, and to  
7 take all steps necessary to effectuate the purpose of ~~this act~~  
8 Section 1226 et seq. of this title. The AICCMTA, in consultation  
9 with OMES, is hereby authorized to transfer to the City any assets  
10 obtained by the Authority prior to its termination, including real  
11 property, personal property, intellectual property and intangible  
12 property, provided that measures are taken to ensure the tax-exempt  
13 status of outstanding bonds, and provided further that no such  
14 transfers shall take place in advance of the execution of the  
15 agreement contemplated by paragraph 5 of this subsection. For  
16 purposes of this paragraph, "outstanding bonds" shall include any  
17 bonds or other obligations issued by OCIA pursuant to Section ~~3 of~~  
18 ~~this act~~ 304.2 of Title 73 of the Oklahoma Statutes.

19 4. Unexpended funds held by the Authority for operational  
20 expenses of the Authority or to enable the payment of principal and  
21 interest on bonds or other obligations issued for the benefit of the  
22 Authority or the AICCM shall, upon termination of the Authority,  
23 transfer to the American Indian Cultural Center and Museum  
24

1 Postcompletion Revolving Fund created by Section ~~7 of this act~~  
2 1226.22 of this title.

3 5. With the exception of Section ~~5 of this act~~ 1226.20 of this  
4 title, ~~this act~~ Section 1226 et seq. of this title shall be null and  
5 void unless, prior to January 15, 2016, or not later than the  
6 expiration of sixty (60) days from such date with the approval of an  
7 extension of time, which may be less than sixty (60) days, by the  
8 Director of the Office of Management and Enterprise Services upon a  
9 showing by the parties that such extension is likely to result in  
10 the execution of a final agreement, the Authority, the City and OMES  
11 enter into a written agreement with the following minimum  
12 provisions:

13 a. with the exception of funds provided pursuant to law  
14 for the fiscal year ending June 30, 2016, neither the  
15 State of Oklahoma, the Authority nor any other state  
16 governmental entity shall have any responsibility for  
17 providing funds for operation or maintenance of the  
18 AICCM,

19 b. the City shall utilize all revenues derived from  
20 admissions, event income, merchandise sales, food and  
21 beverage sales at the AICCM and revenue from leases of  
22 the real property transferred to the City by paragraph  
23 2 of this subsection, for the operation,  
24 administration, management and maintenance of the

1 AICCM, for repairs and capital improvements thereto,  
2 for the repair, maintenance, development and operation  
3 of exhibits and cultural programs, and to provide  
4 reserve funds for such purposes,

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

- 12 (1) profits received by the City or its designee from  
13 food and beverage sales occurring at AICCM,
- 14 (2) profits received by the City or its designee from  
15 merchandise sales occurring at AICCM,
- 16 (3) profits received by the City or its designee from  
17 events conducted at the AICCM,
- 18 (4) gross revenues derived from admissions to the  
19 AICCM facility, and
- 20 (5) gross revenues derived from the lease of real  
21 property transferred from the Authority to the  
22 City pursuant to the provisions of paragraph 2 of  
23 this subsection.

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

- 18 d. no later than the transfers provided for in paragraph  
19 3 of this subsection, the City shall make payment to  
20 the American Indian Cultural Center and Museum  
21 Completion Fund created pursuant to Section ~~5 of this~~  
22 ~~act~~ 1226.20 of this title in the amount of Nine  
23 Million Dollars (\$9,000,000.00) toward completion of  
24 the AICCM,

1 e. the agreement shall specify a plan for completion that  
2 will result in the opening of the AICCM to the public  
3 using a combination of funds provided or committed by  
4 the state, the City and the other contributors to the  
5 project,

6 f. the City, the Authority or its successor and OMES  
7 shall enter into a separate operation, maintenance and  
8 management agreement concerning the real property  
9 described by the survey conducted pursuant to  
10 subsection C of Section ~~2 of this act~~ 1226.18 of this  
11 title and the improvements constructed thereon, which  
12 separate operation, maintenance and management  
13 agreement shall be executed prior to the termination  
14 of the Authority and include the following minimum  
15 terms:

16 (1) the term of the agreement shall be no less than  
17 the remaining term of outstanding bonds,  
18 including any bonds or other obligations issued  
19 by OCIA pursuant to Section ~~3 of this act~~ 304.2  
20 of Title 73 of the Oklahoma Statutes, or thirty  
21 (30) years, whichever is longer,

22 (2) the City shall operate and manage the AICCM or  
23 shall cause it to be operated and managed,  
24

- 1 (3) the state shall have no responsibility for the  
2 operations and maintenance costs of the AICCM,  
3 (4) the Authority or its successor shall deliver  
4 possession of the AICCM to the City,  
5 (5) the City shall have the right to make such  
6 alterations and further improvements as it deems  
7 necessary or desirable to further the success of  
8 the AICCM and the surrounding commercial  
9 development,  
10 (6) the City shall have the right to assign its  
11 rights under this agreement to a designee and to  
12 engage third parties to fulfill its obligations  
13 under this agreement,  
14 (7) the City shall use its revenues from the AICCM  
15 and the surrounding commercial development as  
16 provided by this section, and  
17 (8) within five (5) years after the date on which all  
18 outstanding bonds, including any bonds or other  
19 obligations issued by OCIA pursuant to Section ~~3~~  
20 ~~of this act~~ 304.2 of Title 73 of the Oklahoma  
21 Statutes, issued for the AICCM have been retired,  
22 the City shall accept title of the AICCM and the  
23 real property upon which it is located from the  
24 Authority or its successor, and

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

7 6. Notwithstanding anything herein provided, the City shall be  
8 authorized to transfer any assets, rights or responsibilities  
9 transferred to it pursuant to ~~this act~~ Section 1226 et seq. of this  
10 title to any of its instrumentalities, public trusts or designees as  
11 appropriate and, with respect to the real property described as  
12 provided for by subsection C of Section ~~2 of this act~~ 1226.18 of  
13 this title and improvements thereon, to contract with such public  
14 and private entities as it deems proper for the purpose of  
15 exercising its rights and carrying out its obligations pursuant to  
16 agreements contemplated by ~~this act~~ Section 1226 et seq. of this  
17 title between the State of Oklahoma and the City, and with respect  
18 to the property transferred by paragraph 2 of this subsection to  
19 contract with such public and private entities, including the  
20 leasing or transfer of property to such public or private entities,  
21 as it deems proper for the purpose of carrying out the commercial  
22 development of the unimproved property.

23 7. Contracts and privileges which have been issued, made,  
24 granted or allowed to become effective by the statutory entity that

1 may be terminated by the provisions of ~~this act~~ Section 1226 et seq.  
2 of this title or by any provision of law affected by ~~this act~~  
3 Section 1226 et seq. of this title shall continue in effect  
4 according to their terms until terminated or modified by operation  
5 of law; provided, that the City shall, upon termination of the  
6 Authority, be permitted to assume the Authority's interest in such  
7 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~~ September 1, 2015, by OCIA or other state  
11 instrumentalities for the benefit of the Authority and/or completion  
12 of the AICCM shall remain in full force and effect, and any  
13 obligation, moral or otherwise, to make payments under the lease or  
14 other agreements or to service the lease revenue bonds or other  
15 obligations shall remain unaffected and in full force and effect.  
16 It is the intent of the Legislature to appropriate sufficient monies  
17 to the Authority or its successor for deposit in the American Indian  
18 Cultural Center and Museum Postcompletion Revolving Fund created by  
19 ~~Section 7 of this act~~ 1226.22 of this title to cover the payment of  
20 all lease and other scheduled payments for the purpose of retiring  
21 such lease revenue bonds or other 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 D. The Authority shall elect one of its members as chairperson,  
14 and another as vice-chairperson, and also shall elect a secretary,  
15 treasurer and such other officers as the Authority may deem  
16 appropriate. A majority of the members of the Authority (exclusive  
17 of vacancies) shall constitute a quorum and the vote of a majority  
18 of the members (exclusive of vacancies) shall be necessary for any  
19 action taken by the Authority. No vacancy in the membership of the  
20 Authority shall impair the right of a quorum to exercise all the  
21 rights and perform all the duties of the Authority.

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

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

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

5 SECTION 2. AMENDATORY 74 O.S. 2011, Section 1226.17, as  
6 amended by Section 935, Chapter 304, O.S.L. 2012 (74 O.S. Supp.  
7 2017, Section 1226.17), is amended to read as follows:

8 Section 1226.17. There is hereby created in the State Treasury  
9 a revolving fund for the ~~Oklahoma Department of Commerce~~ Office of  
10 Management and Enterprise Services (OMES) to be designated the  
11 "Native American Cultural and Educational Authority Fund." The fund  
12 shall be a continuing fund, not subject to fiscal year limitations.  
13 The fund shall consist of all monies authorized by law for deposit  
14 in such fund including but not limited to appropriations, gifts,  
15 grants, private donations, fee revenues and funds by governmental or  
16 tribal government entities. Monies deposited or apportioned to the  
17 credit of the fund may be expended for the purposes authorized by  
18 law. All monies accruing to the credit of ~~said~~ the fund are hereby  
19 appropriated and may be budgeted and expended by the ~~Oklahoma~~  
20 ~~Department of Commerce~~ Office of Management and Enterprise Services  
21 (OMES). Expenditures from ~~said~~ the fund shall be made upon warrants  
22 issued by the State Treasurer against claims submitted to the  
23 Director of the Office of Management and Enterprise Services.

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

3 All funds currently held in the Native American Cultural and  
4 Educational Authority Fund shall remain in the fund and be available  
5 for use by the Office of Management and Enterprise Services (OMES)  
6 for the purposes identified in Section 1226.17 of Title 74 of the  
7 Oklahoma Statutes.

8 SECTION 4. This act shall become effective July 1, 2018.

9 SECTION 5. It being immediately necessary for the preservation  
10 of the public peace, health or safety, an emergency is hereby  
11 declared to exist, by reason whereof this act shall take effect and  
12 be in full force from and after its passage and approval.

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14 COMMITTEE REPORT BY: COMMITTEE ON RULES, dated 04/12/2018 - DO PASS.

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