

STATE OF OKLAHOMA

2nd Session of the 56th Legislature (2018)

SENATE BILL 1031

By: Brecheen

AS INTRODUCED

An Act relating to public finance; stating application of certain provisions; providing for selection of certain professionals for certain purposes; requiring Oklahoma State Bond Advisor to maintain certain lists; requiring Bond Advisor to provide certain list to issuers for a specified purpose; authorizing issuers to seek assistance of Oklahoma State Bond Advisor under certain circumstances; prohibiting the granting of certain inducements; requiring certain written justification to be provided to specific persons under certain circumstances; requiring certain report; 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 to be codified in the Oklahoma Statutes as Section 360 of Title 62, unless there is created a duplication in numbering, reads as follows:

A. The provisions of this section shall apply to the sale or placement of any lease-backed or lease revenue bond, note, lease or other obligation to construct or acquire any facility for the benefit of a local school district.

1 B. Prior to engaging the services of underwriters, bond or any
2 other legal counsel, financial advisors, consultants, or a financial
3 institution to serve as trustee, paying agent or in any fiduciary
4 capacity in connection with the sale or placement of the obligation,
5 a local authority, trust, or third-party issuer of the obligations
6 shall request proposals for the services from a plurality of
7 individuals or firms engaged in providing the particular services.
8 The selection of service providers shall be based on the individuals
9 or firms who will provide the most economical and competent service
10 which furthers the best interest of the local school district.

11 C. The Oklahoma State Bond Advisor shall maintain a list of
12 individuals and firms that have notified the Bond Advisor that they
13 have an interest in providing such services and shall provide the
14 list to issuers for their use in the competitive selection of
15 professional service providers under this section. In negotiating
16 requests for proposals to engage such services, the issuer may seek
17 the advice and assistance of the Bond Advisor. Under no
18 circumstances shall proprietary inducements be granted. In any case
19 where an issuer selects an individual or firm other than the low
20 bidder, written justification for the selection shall be provided to
21 the State Auditor and Inspector and the Oklahoma State Bond Advisor.

22 D. On or before January 15 of each year, the Bond Advisor shall
23 prepare a report of issuances of lease-backed or lease revenue
24 obligations. The Bond Advisor shall provide the report to the

1 Governor, President Pro Tempore of the Senate, Speaker of the House
2 of Representatives, and the State Department of Education which
3 shall distribute the report to every school district.

4 SECTION 2. This act shall become effective November 1, 2018.

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