

**OKLAHOMA STATE SENATE
JOINT
COMMITTEE REPORT**

May 16, 2017

JOINT COMMITTEE ON APPROPRIATIONS AND BUDGET

SB 872

By: David et al of the Senate and Osborn (Leslie) and Wallace of the House

Title: American Indian Cultural Center and Museum; modifying requirements for issuance of certain obligations; emergency.

Recommendation: **DO PASS**

Aye: Allen, Bergstrom, Bice, Boggs, Dahm, Dugger, Floyd, Fry, Griffin, Holt, Jech, Kidd, Leewright, Matthews, McCortney, Newhouse, Paxton, Pederson, Pemberton, Pittman, Pugh, Quinn, Rader, Scott, Sharp, Shaw, Simpson, Smalley, Sparks, Standridge, Stanislawski, Thompson, Fields, David

Nay: Brecheen, Daniels, Silk, Sykes

Pass:

Senator Kim David, Chair

OKLAHOMA HOUSE OF REPRESENTATIVES
COMMITTEE REPORT

JOINT COMMITTEE ON APPROPRIATIONS AND BUDGET

SB872

By: Osborn (Leslie) et al of the House

David et al of the Senate

Title: American Indian Cultural Center and Museum; modifying
requirements for issuance of certain obligations; emergency.

Coauthored By:

Recommendation: **DO PASS**

Amendments:

 Chr.
Representative Leslie Osborn

YEAS: 24

Biggs, Caldwell, Casey, Cockroft, Dunnington, Echols, Henke, Inman, Jordan, Kouplen, Loring,
O'Donnell, Ortega, Osborn (L), Ownbey, Pfeiffer, Proctor, Roberts (D), Russ, Sanders, Sears, Stone,
Virgin, Wallace

NAYS: 2

Bennett (J), Murphey

CONSTITUTIONAL PRIVILEGE: 0

STATE OF OKLAHOMA

1st Session of the 56th Legislature (2017)

SENATE BILL 872

By: David and Fields of the
Senate

and

Osborn (Leslie) and Wallace
of the House

AS INTRODUCED

An Act relating to the American Indian Cultural Center and Museum; amending Sections 3 and 4, Chapter 339, O.S.L. 2015 (73 O.S. Supp. 2016, Section 304.2 and 74 O.S. Supp. 2016, Section 1226.19), which relate to financing of the American Indian Cultural Center and Museum; updating statutory references; providing that requirements for issuance of additional obligations be deemed fully satisfied by certain actions; deleting date requirement for deposit of certain amount into American Indian Cultural Center and Museum Completion Fund; and declaring an emergency.

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

SECTION 1. AMENDATORY Section 3, Chapter 339, O.S.L. 2015 (73 O.S. Supp. 2016, Section 304.2), is amended to read as follows:

Section 304.2. A. In addition to any other authorization provided by law, and under the conditions herein expressed, the Oklahoma Capitol Improvement Authority (OCIA) is authorized to issue

1 additional obligations to provide funding for improvements to real
2 and personal property and for funding of further construction,
3 improvements, development and enhancement of the American Indian
4 Cultural Center and Museum (AICCM), to include personal property and
5 exhibits with debt retirement payments to be made as provided
6 herein; provided, however, that such obligations shall not be issued
7 until the Director of the Office of Management and Enterprise
8 Services (OMES) has certified that at least Ten Million Dollars
9 (\$10,000,000.00), in accordance with the requirements of paragraph 1
10 of subsection B of Section ~~4 of this act~~ 1226.19 of Title 74 of the
11 Oklahoma Statutes, has been deposited in the American Indian
12 Cultural Center and Museum Completion Fund created by Section ~~5 of~~
13 ~~this act~~ 1226.20 of Title 74 of the Oklahoma Statutes.

14 B. The obligations authorized under this section shall be
15 repaid from lease payments to be made by the Native American
16 Cultural and Educational Authority (Authority) until its termination
17 and thereafter by the American Indian Cultural Center and Museum
18 Trust Authority (AICCMTA) created by Section ~~6 of this act~~ 1226.21
19 of Title 74 of the Oklahoma Statutes or another designated state
20 agency for deposit to the American Indian Cultural Center and Museum
21 Postcompletion Revolving Fund created by Section ~~7 of this act~~
22 1226.22 of Title 74 of the Oklahoma Statutes, it being the express
23 intent of the Legislature to appropriate funds to such agencies in
24

1 sufficient amount to make lease payments which will provide for the
2 repayment of such obligations.

3 C. The obligations authorized under this section to provide
4 additional funding for the AICCM may be issued by OCIA, in one or
5 more series, in an aggregate amount sufficient to generate net
6 proceeds of Twenty-five Million Dollars (\$25,000,000.00) after
7 providing for costs of issuance, credit enhancement, reserves and
8 other associated expenses related to the financing. Net proceeds of
9 the financing will be deposited into a construction fund to provide
10 for the construction and acquisition of improvements described
11 herein. It is the intent of the Legislature to appropriate to the
12 Authority or, after its termination pursuant to Section 1226.2 of
13 Title 74 of the Oklahoma Statutes, to the AICCMTA or another
14 designated state agency for deposit to the American Indian Cultural
15 Center and Museum Postcompletion Revolving Fund, sufficient monies
16 to make payments for the purposes of retiring the obligations
17 created pursuant to this section. To the extent funds are available
18 from the proceeds of the borrowing authorized by this section, OCIA
19 shall provide for the payment of professional fees and associated
20 costs related to the projects authorized in subsection A of this
21 section.

22 D. OCIA is authorized to hire bond counsel, special tax
23 counsel, financial consultants and such other professionals as it
24 may deem necessary to provide for the efficient sale of the

1 obligations and may utilize a portion of the proceeds of any
2 borrowing to create such reserves as may be deemed necessary and to
3 pay costs associated with the issuance and administration of such
4 obligations.

5 E. The obligations authorized under this section may be sold at
6 either competitive or negotiated sale, as determined by OCIA, and in
7 such form and at such prices as may be authorized by OCIA. OCIA may
8 enter into agreements with such credit enhancers and liquidity
9 providers as may be determined necessary to efficiently market the
10 obligations. The obligations may mature and have such provisions
11 for redemption as shall be determined by OCIA, but in no event shall
12 the final maturity of such obligations occur later than thirty (30)
13 years from the first principal maturity date.

14 F. Any interest earnings on funds or accounts created for the
15 purposes of this section may be utilized as partial payment of the
16 annual debt service or for the purposes directed by OCIA.

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

22 H. OCIA may direct the investment of all monies in any funds or
23 accounts created in connection with the offering of the obligations
24 authorized under this section. Such investments shall be made in a

1 manner consistent with the investment guidelines of the State
2 Treasurer. OCIA may place additional restrictions on the investment
3 of such monies if necessary to enhance the marketability of the
4 obligations.

5 I. Insofar as they are not in conflict with the provisions of
6 this section, the provisions of Section 151 et seq. of ~~Title 73 of~~
7 ~~the Oklahoma Statutes~~ this title shall apply to this section.

8 J. The bonds or other obligations issued pursuant to this
9 section shall not at any time be deemed to constitute a debt of the
10 state or of any political subdivision thereof or a pledge of the
11 faith and credit of the state or of any such political subdivision.
12 Such bonds or other obligations shall contain on the face thereof a
13 statement that neither the faith and credit nor the taxing power of
14 the state or any political subdivision thereof is pledged, or may
15 hereafter be pledged, to the payment of the principal of or the
16 interest on such bonds.

17 K. The requirements for issuance of the additional obligations
18 described by this section shall be deemed to have been fully
19 satisfied by actions which include certification by the Director of
20 the Office of Management and Enterprise Services that at least Ten
21 Million Dollars (\$10,000,000.00) has been deposited in the American
22 Indian Cultural Center and Museum Completion Fund, in accordance
23 with the requirements of paragraph 1 of subsection B of Section
24 1226.19 of Title 74 of the Oklahoma Statutes.

1 SECTION 2. AMENDATORY Section 4, Chapter 339, O.S.L.
2 2015 (74 O.S. Supp. 2016, Section 1226.19), is amended to read as
3 follows:

4 Section 1226.19. A. Proceeds of the bonds or other obligations
5 issued pursuant to Section ~~3 of this act~~ 304.2 of Title 73 of the
6 Oklahoma Statutes shall only be expended for the purpose of
7 completing the American Indian Cultural Center and Museum (AICCM).

8 B. Proceeds of the bonds or other obligations issued pursuant
9 to Section ~~3 of this act~~ 304.2 of Title 73 of the Oklahoma Statutes
10 shall be expended according to the limits of this subsection.

11 1. Upon certification by the Office of Management and
12 Enterprise Services (OMES) that a specific amount exceeding Ten
13 Million Dollars (\$10,000,000.00) in nonstate and nonfederal
14 donations, contributions, gifts and bequests for the purpose of
15 completing the AICCM ~~have~~ has been deposited into the American
16 Indian Cultural Center and Museum Completion Fund created pursuant
17 to Section ~~5 of this act~~ 1226.20 of this title, the Oklahoma Capitol
18 Improvement Authority (OCIA) and the Native American Cultural and
19 Educational Authority (Authority) shall be authorized to expend an
20 amount to be certified by OMES from the proceeds of bonds or other
21 obligations issued pursuant to Section ~~3 of this act~~ 304.2 of Title
22 73 of the Oklahoma Statutes. ~~At least Ten Million Dollars~~
23 ~~(\$10,000,000.00) in nonstate and nonfederal donations,~~
24 ~~contributions, gifts and bequests for the purpose of completing the~~

1 ~~AICCM must be deposited into the American Indian Cultural Center and~~
2 ~~Museum Completion Fund no later than January 15, 2016.~~ The Nine
3 Million Dollars (\$9,000,000.00) committed by the City of Oklahoma
4 City (City) pursuant to Section 1226.2 of ~~Title 74 of the Oklahoma~~
5 ~~Statutes~~ this title shall not be included within the amount
6 certified pursuant to this paragraph, regardless of when such funds
7 are provided.

8 2. Following the initial certification provided by paragraph 1
9 of this subsection, OCIA and the Authority may expend additional
10 funds upon subsequent certifications by OMES that specific
11 additional amounts of nonstate and nonfederal donations,
12 contributions, gifts and bequests have been deposited into the
13 American Indian Cultural Center and Museum Completion Fund. OCIA or
14 the Authority may request such certifications at any time. Upon
15 such certifications, OCIA and the Authority shall be authorized to
16 expend equal amounts from the proceeds of bonds issued pursuant to
17 ~~Section 3 of this act~~ 304.2 of Title 73 of the Oklahoma Statutes.
18 In no event may total expenditures from the proceeds of bonds issued
19 pursuant to ~~Section 3 of this act~~ 304.2 of Title 73 of the Oklahoma
20 Statutes exceed the total amounts certified by OMES. The Nine
21 Million Dollars (\$9,000,000.00) committed by the City pursuant to
22 Section 1226.2 of ~~Title 74 of the Oklahoma Statutes~~ this title may
23 be included within the amounts certified pursuant to this paragraph.
24

1 SECTION 3. It being immediately necessary for the preservation
2 of the public peace, health or safety, an emergency is hereby
3 declared to exist, by reason whereof this act shall take effect and
4 be in full force from and after its passage and approval.

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