

1 ENGROSSED SENATE
2 BILL NO. 1262

By: Thompson of the Senate

3 and

4 Wallace of the House
5

6 An Act relating to bond defeasance; requiring funding
7 of a certain escrow account in an amount sufficient
8 for defeasance of specified bonds within stated time
9 period; authorizing employment of certain
10 professionals to defease bonds; specifying source of
11 funds necessary to defease bonds; prohibiting certain
12 entity from disbursing certain proceeds for purposes
13 other than funding escrow account; prohibiting
14 issuance of additional obligations; creating the
15 Obligation Defeasance Revolving Fund; requiring
16 transfer of certain amount of funds to specified
17 account for purposes of defeasing certain bonds;
18 providing for codification; and declaring an
19 emergency.
20
21
22
23
24

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

25 SECTION 1. NEW LAW A new section of law to be codified
26 in the Oklahoma Statutes as Section 168.10a of Title 73, unless
27 there is created a duplication in numbering, reads as follows:

28 A. Within one hundred eighty (180) days of the effective date
29 of this act, the Oklahoma Capitol Improvement Authority shall fund
30 an escrow account in an amount sufficient to provide for payment of
31 principal and interest on obligations, as they become due, issued
32 pursuant to Section 168.10 of Title 73 of the Oklahoma Statutes,
33 Oklahoma Capitol Improvement Authority State Facilities Lease
34

1 Revenue Bonds Series 2018A, for purposes of providing office space
2 to the Oklahoma Tourism and Recreation Department. The escrow
3 account shall be funded as provided in subsection C of this section
4 and shall be in an amount sufficient to defease the obligations.

5 B. The Authority is authorized to employ agents as may be
6 necessary to carry out the defeasance of the obligations issued
7 pursuant to Section 168.10 of Title 73 of the Oklahoma Statutes
8 including, but not limited to, legal counsel, escrow bidding agent,
9 escrow verification agent, and a trustee or paying agent.

10 C. The Authority shall utilize all unspent proceeds of
11 obligations issued pursuant to Section 168.10 of Title 73 of the
12 Oklahoma Statutes and any investment earnings thereon to fund the
13 escrow account. It is the intent of the Legislature to appropriate
14 the remainder of monies necessary to defease the obligations.

15 D. As of the effective date of this act, the Authority is
16 prohibited from disbursing the proceeds of obligations issued
17 pursuant to Section 168.10 of Title 73 of the Oklahoma Statutes or
18 any investment earnings thereon for any purpose other than the
19 purpose authorized in subsection C of this section. Nor shall the
20 Authority issue any additional obligations under the provisions of
21 Section 168.10 of Title 73 of the Oklahoma Statutes.

22 SECTION 2. NEW LAW A new section of law to be codified
23 in the Oklahoma Statutes as Section 168.10b of Title 73, unless
24 there is created a duplication in numbering, reads as follows:

1 There is hereby created in the State Treasury a revolving fund
2 for the Oklahoma Capitol Improvement Authority to be designated the
3 "Obligation Defeasance Revolving Fund". The fund shall be a
4 continuing fund, not subject to fiscal year limitations, and shall
5 consist of all appropriations and deposits made for the purpose of
6 fully defeasing obligations issued pursuant to Section 168.10 of
7 Title 73 of the Oklahoma Statutes. All monies accruing to the
8 credit of the fund are hereby appropriated and shall be transferred
9 to the escrow account established pursuant to the provisions of
10 Section 1 of this act.

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

15 Passed the Senate the 27th day of February, 2020.

16

17

Presiding Officer of the Senate

18

19 Passed the House of Representatives the ____ day of _____,
20 2020.

21

22

Presiding Officer of the House
of Representatives

23

24