

STATE OF OKLAHOMA

2nd Session of the 58th Legislature (2022)

CONFERENCE COMMITTEE
SUBSTITUTE
FOR ENGROSSED
HOUSE BILL NO. 3567

By: McBride of the House

and

Thompson of the Senate

CONFERENCE COMMITTEE SUBSTITUTE

An Act relating to the Oklahoma Capitol Improvement Authority; authorizing issuance of obligations; providing for authorized use of proceeds; providing for net proceeds amount; authorizing acquisition of title to certain assets by Oklahoma Capitol Improvement Authority; providing for transfer of title upon redemption or defeasance; authorizing Oklahoma Capitol Improvement Authority to borrow monies on credit of certain income or revenues; authorizing capitalization of interest for prescribed period of time; stating legislative intent with respect to appropriation of funds to the Office of Management and Enterprise Services; providing for payment of professional fees and costs; authorizing issuance of obligations in one or more series; specifying net proceeds amount; authorizing engagement of certain professional services; providing for competitive or negotiated sale of obligations; providing for agreements with credit enhancers or liquidity providers; prescribing final maturity; authorizing use of interest for certain purposes; providing for exemption from state and local taxation; providing for investment of funds; providing for restrictions; providing for applicability of certain statutory provisions; imposing time limit for issuance of obligations; providing for effect of termination of issuing

1 capacity on previously issued obligations; providing
2 for codification; and declaring an emergency.

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

4 SECTION 1. NEW LAW A new section of law to be codified
5 in the Oklahoma Statutes as Section 384 of Title 73, unless there is
6 created a duplication in numbering, reads as follows:

7 A. In addition to any other authorization provided by law, the
8 Oklahoma Capitol Improvement Authority is authorized to issue
9 obligations to acquire real property, together with improvements
10 located thereon, and personal property to construct improvements to
11 real property and to provide funding for repairs, refurbishments,
12 and improvements to real and personal property constituting the
13 tunnels underlying the State Capitol Office Complex and associated
14 fixtures and equipment in a total amount not to exceed Nineteen
15 Million Dollars (\$19,000,000.00). The funds shall be used for the
16 renovation, repair, and remodeling of the tunnels underlying the
17 State Capitol Office Complex.

18 B. The Authority may hold title to the property and
19 improvements until such time as any obligations issued for this
20 purpose are retired or defeased and may lease the property and
21 improvements to the Office of Management and Enterprise Services.
22 Upon final redemption or defeasance of the obligations created
23 pursuant to this section, title to the property and improvements
24

1 shall be transferred from the Oklahoma Capitol Improvement Authority
2 to the Office of Management and Enterprise Services.

3 C. For the purposes of paying the costs for construction of the
4 real property and improvements, and providing funding for the
5 project authorized in subsection A of this section, and for the
6 purpose authorized in subsection D of this section, the Authority is
7 hereby authorized to borrow monies on the credit of the income and
8 revenues to be derived from the leasing of such property and
9 improvements and, in anticipation of the collection of such income
10 and revenues, to issue negotiable obligations in a total amount not
11 to exceed Nineteen Million Dollars (\$19,000,000.00) whether issued
12 in one or more series. The Authority is authorized to capitalize
13 interest on the obligations issued pursuant to this section for a
14 period of not to exceed one (1) year from the date of issuance. For
15 subsequent fiscal years, it is the intent of the Legislature to
16 appropriate to the Office of Management and Enterprise Services
17 sufficient monies to make rental payments for the purpose of
18 retiring the obligations created pursuant to this section. To the
19 extent funds are available from the proceeds of the borrowing
20 authorized by this subsection, the Oklahoma Capitol Improvement
21 Authority shall provide for the payment of professional fees and
22 associated costs related to the project authorized in subsection A
23 of this section; provided, that no such fees or costs may be paid if
24

1 such payments would jeopardize the tax-advantaged status of the
2 bonds under federal law.

3 D. The Authority may issue obligations in one or more series
4 and in conjunction with other issues of the Authority. The
5 Authority is authorized to hire bond counsel, financial consultants,
6 and such other professionals as it may deem necessary to provide for
7 the efficient sale of the obligations and may utilize a portion of
8 the proceeds of any borrowing to create such reserves as may be
9 deemed necessary and to pay costs associated with the issuance and
10 administration of such obligations.

11 E. The obligations authorized under this section may be sold at
12 either competitive or negotiated sale, as determined by the
13 Authority, and in such form and at such prices as may be authorized
14 by the Authority. The Authority may enter into agreements with such
15 credit enhancers and liquidity providers as may be determined
16 necessary to efficiently market the obligations. The obligations
17 may mature and have such provisions for redemption as shall be
18 determined by the Authority, but in no event shall the final
19 maturity of such obligations occur later than twenty-five (25) years
20 from the first principal maturity date.

21 F. Any interest earnings on funds or accounts created for the
22 purposes of this section may be utilized as partial payment of the
23 annual debt service or for the purposes directed by the Authority.

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

6 H. The Authority may direct the investment of all monies in any
7 funds or accounts created in connection with the offering of the
8 obligations authorized under this section. Such investments shall
9 be made in a manner consistent with the investment guidelines of the
10 State Treasurer. The Authority may place additional restrictions on
11 the investment of such monies if necessary to enhance the
12 marketability of the obligations.

13 I. Insofar as they are not in conflict with the provisions of
14 this section, the provisions of Section 151 et seq. of Title 73 of
15 the Oklahoma Statutes shall apply to this section.

16 J. Unless at least fifty percent (50%) of the proceeds
17 authorized by the provisions of this section have been obtained by
18 sale of obligations by the Authority within three (3) years from the
19 effective date of this act, the provisions of this section shall
20 cease to have the force or effect of law with respect to any further
21 issuance of obligations by the Authority otherwise authorized by
22 this section. The provisions of this subsection shall not be
23 construed to limit the liability of the Authority with respect to
24 obligations issued pursuant to this section if the obligations were

1 issued prior to the termination of the remaining issuing capacity
2 nor shall the provisions of this subsection be construed in any way
3 to impair rights of any person or entity which has purchased any
4 obligations of the Authority pursuant to the provisions of this
5 section which were authorized at the time of such purchase.

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

10

11 58-2-11613 MAH 05/19/22

12

13

14

15

16

17

18

19

20

21

22

23

24