

STATE OF OKLAHOMA

2nd Session of the 58th Legislature (2022)

COMMITTEE SUBSTITUTE
FOR ENGROSSED
SENATE BILL NO. 1780

By: Jech, Daniels, Pemberton,
Murdock, Dossett (J.J.),
Pederson, David, Coleman,
Quinn, Rader, Floyd,
Bergstrom, Kirt, Kidd, and
Burns of the Senate

and

Frix, Dobrinski,
Patzkowsky, Luttrell, and
Mize of the House

COMMITTEE SUBSTITUTE

[public finance - Oklahoma Capitol Improvement
Authority - museums - Oklahoma Historical Society -
obligations - 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 312 of Title 73, unless there is
created a duplication in numbering, reads as follows:

A. In addition to any other authorization provided by law, the
Oklahoma Capitol Improvement Authority is authorized to issue
obligations to acquire real property, together with improvements

1 located thereon, and personal property, for purposes of
2 construction, repair and rehabilitation, and improvements to real
3 and personal property, of existing Oklahoma Historical Society
4 facilities in a total amount necessary to generate net proceeds of
5 Forty-six Million Dollars (\$46,000,000.00) after providing for cost
6 of issuance, credit enhancement, reserves, and other associated
7 expenses related to the financing. Provided, no proceeds authorized
8 by this section shall be expended on the Oklahoma Museum of Popular
9 Culture created by Section 2294 of Title 74 of the Oklahoma
10 Statutes.

11 B. The Authority may hold title to the real and personal
12 property and improvements until such time as any obligations issued
13 for this purpose are retired or defeased and may lease the real
14 property and improvements and the tangible personal property the
15 acquisition of which or improvement or refurbishment of which is
16 authorized by subsection A and subsection J of this section to the
17 Oklahoma Historical Society, museums, and sites. Upon final
18 redemption or defeasance of the obligations created pursuant to this
19 section, title to the real and personal property and improvements
20 shall be transferred from the Authority to the Oklahoma Historical
21 Society.

22 C. For the purpose of paying the costs for acquisition and
23 construction of the real property and improvements and personal
24 property and making the repairs, planning, staging, refurbishments

1 and improvements to real and personal property, and for the purpose
2 authorized in subsection D of this section, the Authority is hereby
3 authorized to borrow monies on the credit of the income and revenues
4 to be derived from the leasing of such real and personal property,
5 parking facilities and improvements and, in anticipation of the
6 collection of such income and revenues, to issue negotiable
7 obligations in a total amount necessary to generate Forty-six
8 Million Dollars (\$46,000,000.00) in project funds, whether issued in
9 one or more series. The Authority is authorized to capitalize
10 interest on the obligations issued pursuant to the authority granted
11 by this section for a period not to exceed two (2) years from the
12 date of issuance. Excluding any capitalized interest period, it is
13 the intent of the Legislature to appropriate to the Oklahoma
14 Historical Society sufficient monies to make rental payments for the
15 purposes of retiring the obligations created pursuant to this
16 section. To the extent funds are available from the proceeds of the
17 borrowing authorized by this subsection, the Authority shall provide
18 for the payment of professional fees and associated costs related to
19 the projects authorized in this act.

20 D. The Authority may issue obligations in one or more series
21 and in conjunction with other issues of the Authority. The
22 Authority is authorized to hire bond counsel, financial consultants,
23 and such other professionals as it may deem necessary to provide for
24 the efficient sale of the obligations and may utilize a portion of

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

4 E. The obligations authorized under this section may be sold at
5 either competitive or negotiated sale, as determined by the
6 Authority, and in such form and at such prices as may be authorized
7 by the Authority. The Authority may enter into agreements with such
8 credit enhancers and liquidity providers as may be determined
9 necessary to efficiently market the obligations. The obligations
10 may mature and have such provisions for redemption as shall be
11 determined by the Authority, but in no event shall the final
12 maturity of such obligations occur later than twenty-five (25) years
13 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 the Authority.

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 this state, or by any county, municipality,
21 or political subdivision therein.

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

1 be made in a manner consistent with the investment guidelines of the
2 State Treasurer. The Authority may place additional restrictions on
3 the investment of such monies if necessary to enhance the
4 marketability of the obligations.

5 I. Insofar as they are not in conflict with the provisions of
6 this section, the provisions of Sections 151 through 186 of Title 73
7 of the Oklahoma Statutes shall apply to this section.

8 J. Unless at least fifty percent (50%) of the proceeds
9 authorized by the provisions of this section have been obtained by
10 sale of obligations by the Authority within three (3) years from the
11 effective date of this act, the provisions of this section shall
12 cease to have the force or effect of law with respect to any further
13 issuance of obligations by the Authority otherwise authorized by
14 this section. The provisions of this subsection shall not be
15 construed to limit the liability of the Authority with respect to
16 obligations issued pursuant to this section if the obligations were
17 issued prior to the termination of the remaining issuing capacity
18 nor shall the provisions of this subsection be construed in any way
19 to impair rights of any person or entity which has purchased any
20 obligations of the Authority pursuant to the provisions of this
21 section which were authorized at the time of such purchase.

22 SECTION 2. This act shall become effective November 1, 2022.
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