

1 ENGROSSED SENATE
2 BILL NO. 1083

By: Thompson and Hall of the
Senate

3 and

4 Wallace and Hilbert of the
5 House

6
7 An Act relating to public finance; amending Section
8 1, Chapter 338, O.S.L. 2017 (73 O.S. Supp. 2020,
9 Section 347), which relates to financing authority
10 for construction of the State Health Laboratory;
11 providing certain deadline for authorized actions;
12 providing an effective date; and declaring an
13 emergency.

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

15 SECTION 1. AMENDATORY Section 1, Chapter 338, O.S.L.
16 2017 (73 O.S. Supp. 2020, Section 347), is amended to read as
17 follows:

18 Section 347. A. The Oklahoma Capitol Improvement Authority is
19 authorized to issue notes, bonds, or other evidences of obligation
20 in an amount necessary to generate net proceeds of Fifty-eight
21 Million Five Hundred ~~and~~ Fifty-five Thousand Dollars
22 (\$58,555,000.00) after providing for costs of issuance, credit
23 enhancement, reserves, and other associated expenses related to
24 financing. Net proceeds of the financing will be deposited into a
construction fund to provide for the financing of acquisition of

1 real property, together with improvements located thereon, and
2 personal property, to construct buildings and other improvements to
3 real property and to acquire property for office space and to
4 provide funding for the construction of a new State Health
5 Laboratory for the State Department of Health with debt retirement
6 payments to be made as provided in this section.

7 B. The Authority may hold title to the real and personal
8 property and improvements until such time as any obligations issued
9 for this purpose are retired or defeased and may lease the real
10 property and improvements to the State Department of Health. Upon
11 final redemption or defeasance of the obligations created pursuant
12 to this section, title to the real and personal property and
13 improvements shall be transferred from the Authority to the
14 Department.

15 C. For the purpose of paying the costs for acquisition and
16 construction of the real property and improvements and personal
17 property and providing funding for the project authorized in
18 subsection A of this section, and for the purpose authorized in
19 subsection D of this section, the Authority is hereby authorized to
20 borrow monies on the credit of the income and revenues to be derived
21 from the leasing of such real and personal property and improvements
22 and, in anticipation of the collection of such income and revenues,
23 to issue negotiable obligations in one or more series. The
24 Authority is authorized to capitalize interest on the obligations

1 issued pursuant to this section for a period of time not to exceed
2 one (1) year from the date of issuance. Excluding any capitalized
3 interest period, it is the intent of the Legislature to appropriate
4 to the State Department of Health sufficient monies to make rental
5 payments for the purposes of retiring obligations created pursuant
6 to this section.

7 D. To the extent funds are available from the proceeds of the
8 borrowing authorized by subsection C of this section, the Authority
9 shall provide for the payment of professional fees and associated
10 costs related to the project authorized in subsection A of this
11 section.

12 E. The Authority may issue obligations in one or more series
13 and in conjunction with other issues of Authority. The Authority is
14 authorized to hire bond counsel, financial consultants, and other
15 professionals as it may deem necessary to provide for the efficient
16 sale of the obligations and may utilize a portion of the proceeds of
17 any borrowing to create such reserves as may be deemed necessary and
18 to pay costs associated with the issuance and administration of such
19 obligations.

20 F. The obligations authorized under this section may be sold at
21 either competitive or negotiated sale, as determined by the
22 Authority, and in such form and at such prices as may be authorized
23 by the Authority. The Authority may enter into agreements with such
24 credit enhancers and liquidity providers as may be determined

1 necessary to efficiently market the obligations. The obligations
2 may mature and have such provisions for redemption as shall be
3 determined by the Authority, but in no event shall the final
4 maturity of such obligations occur later than twenty (20) years from
5 the first principal maturity date.

6 G. Any interest earnings on funds or accounts created for the
7 purposes of this section may be utilized as partial payment of the
8 annual debt service or for the purposes directed by the Authority.

9 H. The obligations issued under this section, the transfer
10 thereof and the interest earned on such obligations, including any
11 profit derived from the sale thereof, shall not be subject to
12 taxation of any kind by the State of Oklahoma, or by any county,
13 municipality or political subdivision therein.

14 I. The Authority may direct the investment of all monies in any
15 funds created in connection with the offering of the obligations
16 authorized under this section. The investments shall be made in a
17 manner consistent with the investment guidelines of the State
18 Treasurer. The Authority may place additional restrictions on the
19 investment of such monies if necessary to enhance the marketability
20 of the obligations.

21 J. Insofar as they are not in conflict with the provisions of
22 this section, the provisions of Section 151 et seq. of Title 73 of
23 the Oklahoma Statutes shall apply to this section.

K. Upon the effective date of this act, if the Oklahoma Capitol Improvement Authority has not issued notes, bonds or other evidences of obligation authorized pursuant to this section on or before July 1, 2025, the provisions of this section shall cease to be operative after July 1, 2025.

SECTION 2. This act shall become effective July 1, 2021.

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

Passed the Senate the 18th day of May, 2021.

Presiding Officer of the Senate

Passed the House of Representatives the ____ day of _____,
2021.

Presiding Officer of the House
of Representatives