

An Act

ENROLLED HOUSE
BILL NO. 3571

By: McBride of the House

and

Thompson of the Senate

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 capacity on previously issued obligations; creating Jim Thorpe Repair Expenditure Oversight Committee; providing for membership; specifying powers and duties; requiring plans; providing for solicitation of proposals; specifying content of final plan; providing for oversight; imposing duty on Office of

Management and Enterprise Services; providing for codification; and declaring an emergency.

SUBJECT: Oklahoma Capitol Improvement Authority

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 382 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 located thereon, and personal property to construct improvements to real property and to provide funding for repairs, refurbishments, and improvements to real and personal property of the Jim Thorpe Office Building and associated furniture, fixtures, and equipment in a total amount not to exceed Seventy Million Dollars (\$70,000,000.00). The funds shall be used for the renovation, repair, and remodeling of the Jim Thorpe Office Building.

B. The Authority may hold title to the property and improvements until such time as any obligations issued for this purpose are retired or defeased and may lease the property and improvements to the Office of Management and Enterprise Services. Upon final redemption or defeasance of the obligations created pursuant to this section, title to the property and improvements shall be transferred from the Oklahoma Capitol Improvement Authority to the Office of Management and Enterprise Services.

C. For the purposes of paying the costs for construction of the real property and improvements, and providing funding for the project authorized in subsection A of this section, and for the purpose authorized in subsection D of this section, the Authority is hereby authorized to borrow monies on the credit of the income and revenues to be derived from the leasing of such property and improvements and, in anticipation of the collection of such income and revenues, to issue negotiable obligations in a total amount not to exceed Seventy Million Dollars (\$70,000,000.00) whether issued in one or more series. The Authority is authorized to capitalize interest on the obligations issued pursuant to this section for a period of not to exceed one (1) year from the date of issuance. For subsequent fiscal years, it is the intent of the Legislature to

appropriate to the Office of Management and Enterprise Services sufficient monies to make rental payments for the purpose of retiring the obligations created pursuant to this section. To the extent funds are available from the proceeds of the borrowing authorized by this subsection, the Oklahoma Capitol Improvement Authority shall provide for the payment of professional fees and associated costs related to the project authorized in subsection A of this section; provided, that no such fees or costs may be paid if such payments would jeopardize the tax-advantaged status of the bonds under federal law.

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

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

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

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

H. The Authority may direct the investment of all monies in any funds or accounts created in connection with the offering of the obligations authorized under this section. Such investments shall be made in a manner consistent with the investment guidelines of the

State Treasurer. The Authority may place additional restrictions on the investment of such monies if necessary to enhance the marketability of the obligations.

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

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

K. There is hereby created a Jim Thorpe Repair Expenditure Oversight Committee. The proceeds from the sale of obligations issued pursuant to the provisions of this section that are needed for repairs to the interior and exterior of the Jim Thorpe Office Building shall be subject to the approval of the Jim Thorpe Repair Expenditure Oversight Committee; provided, however, the expenditure of those proceeds shall be subject to a request for proposal process.

The Committee shall be composed of nine (9) members as follows:

1. Three persons to be appointed by the Governor, one of whom shall serve as chair of the Committee;

2. Three legislators to be appointed by the Speaker of the Oklahoma House of Representatives, two of whom shall be members of the majority political party and one of whom shall be a member of the minority political party; and

3. Three legislators to be appointed by the President Pro Tempore of the Oklahoma State Senate, two of whom shall be members of the majority political party and one of whom shall be a member of

the minority political party. Five members of the Committee shall constitute a quorum and the vote of five members shall be necessary for any action taken by the Committee. The Committee shall be staffed by employees of the Office of Management and Enterprise Services. The Committee shall be subject to the Oklahoma Open Meeting Act.

L. The Committee shall deliver a preliminary plan for the renovation, repair, and remodeling of the Jim Thorpe Office Building to the Director of the Office of Management and Enterprise Services no later than December 31, 2022. The preliminary plan shall include the following components:

1. Establishment of the Office of Management and Enterprise Services' goal and criteria for use by the vendor; and

2. Selection criteria for the design-build team vendor to be selected through a Request For Proposal process.

M. Following receipt of the preliminary plan as approved by the Committee, the Office of Management and Enterprise Services shall solicit Requests For Proposals to select the vendor for the project.

N. The Committee shall deliver a final plan to the Director of the Office of Management and Enterprise Services no later than June 30, 2023. The final plan shall include the following components:

1. Approval of the final scope of work developed by the vendor; and

2. Approval of the project phasing developed by the vendor.

O. Following delivery of the final plan, the Committee shall continue to oversee the expenditure of proceeds from the sale of obligations issued pursuant to the provisions of this section until completion of the renovation, repair, and remodeling of the Jim Thorpe Office Building. The Committee may also propose and approve amendments to the plan as it deems appropriate.

P. The Director of the Office of Management and Enterprise Services shall have responsibility to substantially implement the plan as presented by the Committee.

SECTION 2. 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 House of Representatives the 18th day of May, 2022.

Presiding Officer of the House
of Representatives

Passed the Senate the 28th day of April, 2022.

Presiding Officer of the Senate

OFFICE OF THE GOVERNOR

Received by the Office of the Governor this _____

day of _____, 20_____, at _____ o'clock _____ M.

By: _____

Approved by the Governor of the State of Oklahoma this _____

day of _____, 20_____, at _____ o'clock _____ M.

Governor of the State of Oklahoma

OFFICE OF THE SECRETARY OF STATE

Received by the Office of the Secretary of State this _____

day of _____, 20_____, at _____ o'clock _____ M.

By: _____