

1                   **HOUSE OF REPRESENTATIVES - FLOOR VERSION**

2                               STATE OF OKLAHOMA

3                               2nd Session of the 58th Legislature (2022)

4   HOUSE BILL 3571

                              By: McBride of the House

5   and

6   **Thompson** of the Senate

7  
8  
9                               AS INTRODUCED

10           **[ Oklahoma Capitol Improvement Authority -**

11                   **authorizing acquisition of title to certain assets**

12                   **by Oklahoma Capitol Improvement Authority -**

13                   **effective date ]**

14  
15  
16  
17   BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

18           SECTION 1.       NEW LAW       A new section of law to be codified  
19   in the Oklahoma Statutes as Section 382 of Title 73, unless there is  
20   created a duplication in numbering, reads as follows:

21           A.   In addition to any other authorization provided by law, the  
22   Oklahoma Capitol Improvement Authority is authorized to issue  
23   obligations to acquire real property, together with improvements  
24   located thereon, and personal property to construct improvements to

1 real property and to provide funding for repairs, refurbishments,  
2 and improvements to real and personal property of the Jim Thorpe  
3 Office Building and associated furniture, fixtures, and equipment in  
4 a total amount not to exceed Seventy Million Dollars  
5 (\$70,000,000.00). The funds shall be used for the renovation,  
6 repair, and remodeling of the Jim Thorpe Office Building.

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

15 C. For the purposes of paying the costs for construction of the  
16 real property and improvements, and providing funding for the  
17 project authorized in subsection A of this section, and for the  
18 purpose authorized in subsection D of this section, the Authority is  
19 hereby authorized to borrow monies on the credit of the income and  
20 revenues to be derived from the leasing of such property and  
21 improvements and, in anticipation of the collection of such income  
22 and revenues, to issue negotiable obligations in a total amount not  
23 to exceed Seventy Million Dollars (\$70,000,000.00) whether issued in  
24 one or more series. The Authority is authorized to capitalize

1 interest on the obligations issued pursuant to this section for a  
2 period of not to exceed one (1) year from the date of issuance. For  
3 subsequent fiscal years, it is the intent of the Legislature to  
4 appropriate to the Office of Management and Enterprise Services  
5 sufficient monies to make rental payments for the purpose of  
6 retiring the obligations created pursuant to this section. To the  
7 extent funds are available from the proceeds of the borrowing  
8 authorized by this subsection, the Oklahoma Capitol Improvement  
9 Authority shall provide for the payment of professional fees and  
10 associated costs related to the project authorized in subsection A  
11 of this section; provided, that no such fees or costs may be paid if  
12 such payments would jeopardize the tax-advantaged status of the  
13 bonds under federal law.

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

22 E. The obligations authorized under this section may be sold at  
23 either competitive or negotiated sale, as determined by the  
24 Authority, and in such form and at such prices as may be authorized

1 by the Authority. The Authority may enter into agreements with such  
2 credit enhancers and liquidity providers as may be determined  
3 necessary to efficiently market the obligations. The obligations  
4 may mature and have such provisions for redemption as shall be  
5 determined by the Authority, but in no event shall the final  
6 maturity of such obligations occur later than twenty-five (25) years  
7 from the first principal maturity date.

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

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

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

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

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

18 SECTION 2. This act shall become effective November 1, 2022.  
19

20 COMMITTEE REPORT BY: COMMITTEE ON APPROPRIATIONS AND BUDGET, dated  
21 03/02/2022 - DO PASS, As Amended and Coauthored.  
22  
23  
24