

BILL SUMMARY
2nd Session of the 58th Legislature

Bill No.:	HB 4099
Version:	INT
Request Number:	10218
Author:	Rep. Frix
Date:	2/14/2022
Impact:	Annual Lease Payments

Determined by Structure of Issuance

Research Analysis

HB4099, as introduced, authorizes up to \$46 million in bonds to construct, repair, rehab and improve existing property managed by the Oklahoma Historical Society.

The measure also prohibits bond proceeds from being used for the Oklahoma Museum of Popular Culture.

Prepared By: Quyen Do

Fiscal Analysis

The measure authorizes the Oklahoma Capitol Improvement Authority (OCIA) to issue obligations necessary to generate \$46,000,000 in project funds for the benefit of the Oklahoma Historical Society.

OCIA lease revenue obligations involve appropriations made to beneficiary agencies sufficient for annual lease payments. The lease payments are used by the authority to make timely payment of principal and interest on the issued obligations.

The amount of annual lease payments will depend on the structure of any issuance (duration, single or multiple series, etc.) and the market conditions at the time of issuance. For example only, were the obligations to be issued in a single series [with a total issuance of \$47.5 million to net \$46.0 million] with a 20 year duration at an assumed average interest rate of 2.5 percent, the estimated annual lease payments would approach \$3.0 million.

Prepared By: Mark Tygret

Other Considerations

None.