

1 STATE OF OKLAHOMA

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

3 SENATE BILL 1780

By: Jech

6 AS INTRODUCED

7 An Act relating to public finance; authorizing the  
8 Oklahoma Capitol Improvement Authority to issue  
9 obligations to provide funding for repairs,  
10 acquisition, refurbishments, and improvements to real  
11 and personal property for the museums and sites of  
12 Oklahoma Historical Society; providing for debt  
13 retirement payments; directing how title is to be  
14 held and when it is to be transferred; authorizing  
15 lease of property; authorizing the borrowing of  
16 monies on certain credit and to issue negotiable  
17 obligations in certain amount; authorizing Authority  
18 to capitalize interest for certain period; stating  
19 legislative intent; authorizing payment of certain  
20 costs contingent upon availability of funds;  
21 providing methods for issuance of obligations;  
22 authorizing hiring certain professionals for certain  
23 purpose; providing for sale of obligations by certain  
24 methods; authorizing the Authority to enter certain  
25 agreements; limiting period of maturity of  
26 obligations; providing for utilization of certain  
27 interest earnings; providing tax exemption; providing  
28 for investment of certain monies; requiring  
29 compliance with certain statutory provisions;  
30 requiring provision to cease the effect of law if  
31 certain portion of proceeds authorized are obtained  
32 in certain period; prohibiting the interpretation of  
33 limiting certain liability of the Authority or  
34 certain impairment of rights; providing for  
35 codification; and providing an effective date.

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

1           SECTION 1.           NEW LAW

2           A new section of law to be codified  
3 in the Oklahoma Statutes as Section 312 of Title 73, unless there is  
4 created a duplication in numbering, reads as follows:

5           A. In addition to any other authorization provided by law, the  
6 Oklahoma Capitol Improvement Authority is authorized to issue  
7 obligations to acquire real property, together with improvements  
8 located thereon, and to acquire personal property, to develop and  
9 construct buildings, parking facilities and other improvements to  
10 real property, to provide funding for repairs, planning, staging,  
11 and refurbishments for museums and sites of the Oklahoma Historical  
12 Society in a total amount necessary to generate Forty-six Million  
13 Dollars (\$46,000,000.00) in project funds with debt retirement  
14 payments to be made as provided in this section.

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

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

23 D. The Authority may issue obligations in one or more series  
24 and in conjunction with other issues of the Authority. The

1 Authority is authorized to hire bond counsel, financial consultants,  
2 and such other professionals as it may deem necessary to provide for  
3 the efficient sale of the obligations and may utilize a portion of  
4 the proceeds of any borrowing to create such reserves as may be  
5 deemed necessary and to pay costs associated with the issuance and  
6 administration of such obligations.

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

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

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

1       H. The Authority may direct the investment of all monies in any  
2 funds or accounts created in connection with the offering of the  
3 obligations authorized under this section. Such investments shall  
4 be made in a manner consistent with the investment guidelines of the  
5 State Treasurer. The Authority may place additional restrictions on  
6 the investment of such monies if necessary to enhance the  
7 marketability of the obligations.

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

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

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

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