

1 STATE OF OKLAHOMA

2 2nd Session of the 60th Legislature (2026)

3 SENATE BILL 1952

By: Standridge

6 AS INTRODUCED

7 An Act relating to the Oklahoma Turnpike Authority;
8 amending 69 O.S. 2021, Section 1709, which relates to
turnpike revenue bonds; establishing a bond debt
9 ceiling; updating statutory language; updating
statutory references; and providing an effective
date.

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

13 SECTION 1. AMENDATORY 69 O.S. 2021, Section 1709, is
14 amended to read as follows:

15 Section 1709. A. The Oklahoma Turnpike Authority may provide
16 by resolution, at one time or from time to time, for the issuance of
turnpike revenue bonds of the Authority for the purpose of paying
17 all or any part of the cost of any one or more turnpike projects in
18 such amount or amounts not to exceed Four Billion Dollars
19 (\$4,000,000,000.00) in total aggregate indebtedness outstanding at
20 any time. The Authority, when it finds that it would be economical
21 and beneficial to do so, may combine two or more, or any part
22 thereof, or all of its proposed projects into one unit and consider
23 the same as one project to the same extent and with like effect as

1 if the same were a single project. The principal of and the
2 interest on the bonds shall be payable solely from the funds
3 provided for such payment. The bonds of each issue shall be dated,
4 shall bear interest at such rate or rates not exceeding the
5 limitations pertaining to public trust indebtedness from time to
6 time expressed in subsection ~~E~~ G of Section 176 of Title 60 of the
7 Oklahoma Statutes, shall mature at such time or times not exceeding
8 forty (40) years from their date or dates, as may be determined by
9 the Authority, and may be made redeemable before maturity at the
10 option of the Authority at such price or prices and pursuant to such
11 terms and conditions as may be fixed by the Authority prior to the
12 issuance of the bonds. The Authority shall determine the form of
13 the bonds, including any interest coupons to be attached thereto,
14 and the manner of execution of the bonds, and shall fix the
15 denomination or denominations of the bonds and the place or places
16 of payment of principal and interest, which may be at any bank or
17 trust company within or without the state. If any officer whose
18 signature or facsimile of whose signature appears on any bonds or
19 coupons shall cease to be ~~said~~ such officer before the delivery of
20 the bonds, the signature or the facsimile shall nevertheless be
21 valid and sufficient for all purposes the same as if the person had
22 remained in office until such delivery. All bonds issued pursuant
23 to the provisions of ~~this article~~ Section 1701 et seq. of this title
24 shall have all the qualities and incidents of negotiable instruments

1 subject to the negotiable instruments law of this state. The bonds
2 may be issued in coupon or in registered form, or both, as the
3 Authority may determine, and provisions may be made for the
4 registration of any coupon bonds as to principal alone and also as
5 to both principal and interest, and for the reconversion into coupon
6 bonds of any bonds registered as to both principal and interest.
7 The Authority may sell the bonds in such amounts and in such manner,
8 either at public or private sale, and for such price, as it may
9 determine to be in the best interest of this state, but in no event
10 at a discount in excess of that from time to time expressed in ~~said~~
11 subsection ~~E~~ G of Section 176 of Title 60 of the Oklahoma Statutes.

12 B. The proceeds of the bonds of each issue shall be used solely
13 for the payment of the cost of the turnpike project for which such
14 bonds have been issued, and shall be disbursed in such manner and
15 pursuant to such restrictions, if any, as the Authority may provide
16 in the resolution authorizing the issuance of such bonds or in the
17 trust agreement securing the same. If the proceeds of the bonds of
18 any issue, by error of estimates or otherwise, shall be less than
19 such cost, additional bonds may in like manner be issued to provide
20 the amount of such deficit, and, unless otherwise provided for in
21 the resolution authorizing the issuance of such bonds or in the
22 trust agreement securing the same, shall be deemed to be of the same
23 issue and shall be entitled to payment from the same fund without
24 preference or priority of the bonds first issued. If the proceeds

1 of the bonds of any issue shall exceed such cost, the surplus shall
2 be deposited to the credit of the sinking fund for such bonds, or
3 shall be used by the Authority in implementing any other power
4 expressly granted to the Authority in ~~this article~~ Section 1701 et
5 seq. of this title.

6 C. Prior to the preparation of definitive bonds, the Authority,
7 subject to like restrictions, may issue interim receipts or
8 temporary bonds, with or without coupons, exchangeable for
9 definitive bonds when such bonds have been executed and are
10 available for delivery. The Authority may also provide for the
11 replacement of any bonds which have become mutilated or were
12 destroyed or lost. Bonds may be issued pursuant to the provisions
13 of ~~this article~~ Section 1701 et seq. of this title without obtaining
14 the consent of any department, division, commission, board, bureau,
15 or agency of this state, and without any other proceedings or the
16 occurrence of any other conditions or things than those proceedings,
17 conditions, or things that are specifically required by ~~this article~~
18 Section 1701 et seq. of this title.

19 D. The Authority is hereby authorized to provide that the
20 bonds:

21 1. Be made payable from time to time on demand or tender for
22 purchase by the owner provided a credit facility supports such
23 bonds, unless the Authority specifically determines that a credit
24 facility is not required;

1 2. Be additionally supported by a credit facility;

2 3. Be made subject to redemption prior to maturity, with or
3 without premium, on such notice and at such time or times and with
4 such redemption provisions as may be determined by the Authority or
5 with such variations as may be permitted in connection with a par
6 formula;

7 4. Bear interest at a rate or rates that may vary as permitted
8 pursuant to a par formula and for such period or periods of time,
9 all as may be determined by the Authority; and

10 5. Be made the subject of a remarketing agreement whereby an
11 attempt is made to remarket the bonds to new purchasers prior to
12 their presentment for payment to the provider of the credit facility
13 or to the Authority.

14 No credit facility, repayment agreement, par formula, or
15 remarketing agreement shall become effective without the approval of
16 the Authority.

17 E. As used in this section, the following terms shall have the
18 following meanings:

19 1. "Credit facility" means an agreement entered into by the
20 Authority with any bank, savings and loan association, or other
21 banking institution; an insurance company, reinsurance company,
22 surety company, or other insurance institution; a corporation,
23 investment banker, or other investment institution; or any other
24 financial institution providing for prompt payment of all or any

1 part of the principal, whether at maturity, presentment for
2 purchase, redemption or acceleration, redemption premium, if any,
3 and interest on any bonds payable on demand or tender by the owner
4 issued in accordance with this section, in consideration of the
5 Authority's agreeing to repay the provider of such credit facility
6 in accordance with the terms and provisions of such repayment
7 agreement; provided, that any such repayment agreement shall provide
8 that the obligation of the Authority thereunder shall have only such
9 sources of payment as are permitted for the payment of the bonds
10 issued under ~~this article~~ Section 1701 et seq. of this title; and

11 2. "Par formula" means any provision or formula adopted by the
12 Authority to provide for the adjustment, from time to time, of the
13 interest rate or rates borne by any such bonds so that the purchase
14 price of such bonds in the open market would be as close to par as
15 possible.

16 F. Nothing in any law ~~heretofore~~ previously enacted or enacted
17 at the present session of the Legislature shall be deemed to limit
18 or restrict the right of the Authority to issue bonds or other
19 obligations on which the interest income, in whole or in part, ~~on~~
20 ~~which~~ is subject, directly or indirectly, to federal income
21 taxation.

22 G. The Authority may enter into transactions utilizing
23 derivative products, and other financial products intended to hedge
24 interest rate risk, including any option to enter into or terminate

1 any of them, that the Authority deems to be necessary or desirable
2 in connection with any bonds issued prior to, at the same time as,
3 or after entering into such arrangement and containing terms and
4 provisions, and may be with such parties, as determined by the
5 Authority. Provided, any action taken by the Authority pursuant to
6 this subsection must first be approved by the ~~Oklahoma State Bond~~
7 ~~Adviser Deputy Treasurer for Debt Management~~ and the Council of Bond
8 Oversight pursuant to the provisions of the Oklahoma Bond Oversight
9 and Reform Act.

10 SECTION 2. This act shall become effective November 1, 2026.

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