

1 ENGROSSED HOUSE
2 BILL NO. 2944

By: Wallace and Hilbert of the
House

3 and

4 Thompson and Hall of the
5 Senate

6
7
8 An Act relating to the Oklahoma Capitol Improvement
9 Authority; authorizing issuance of obligations;
10 providing for authorized use of proceeds; providing
11 for net proceeds amount; authorizing acquisition of
12 title to certain assets by Oklahoma Capitol
13 Improvement Authority; providing for transfer of
14 title upon redemption or defeasance; authorizing
15 Oklahoma Capitol Improvement authority to borrow
16 monies on credit of certain income or revenues;
17 authorizing capitalization of interest for prescribed
18 period of time; stating legislative intent with
19 respect to appropriation of funds to the Oklahoma
20 Military Department; providing for payment of
21 professional fees and costs; authorizing issuance of
22 obligations in one or more series; authorizing
23 engagement of certain professional services;
24 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;
authorizing use of surplus net proceeds for
acquisition and improvement of real property for
joint operations center by the Oklahoma Military
Department; imposing time limit for issuance of
obligations; providing for effect of termination of
issuing capacity on previously issued obligations;
providing for codification; providing an effective
date; and declaring an emergency.

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

2 SECTION 1. NEW LAW A new section of law to be codified
3 in the Oklahoma Statutes as Section 381 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 refurbishments, and for funding of construction of a new Oklahoma
12 National Guard Museum in a total amount necessary to generate Forty-
13 five Million Dollars (\$45,000,000.00) in project funds with debt
14 retirement 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 Military Department. Upon final redemption or defeasance
22 of the obligations created pursuant to this section, title to the
23 real and personal property and improvements shall be transferred
24 from the Authority to the Oklahoma Military Department.

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-five
11 Million Dollars (\$45,000,000.00) 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 Military Department sufficient monies to make rental payments for
18 the 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 the State of Oklahoma, or by any county,
24 municipality 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. To the extent net proceeds from the issuance of obligations
12 authorized by this section are in excess of authorized or required
13 expenditures for the projects as described by subsection A of this
14 section, the balance of such net proceeds shall be utilized for the
15 acquisition and improvements to real property to be used by the
16 Oklahoma Military Department for a joint operations center.

17 K. Unless at least fifty percent (50%) of the proceeds
18 authorized by the provisions of this section have been obtained by
19 sale of obligations by the Authority within three (3) years from the
20 effective date of this act, the provisions of this section shall
21 cease to have the force or effect of law with respect to any further
22 issuance of obligations by the Authority otherwise authorized by
23 this section. The provisions of this subsection shall not be
24 construed to limit the liability of the Authority with respect to

1 obligations issued pursuant to this section if the obligations were
2 issued prior to the termination of the remaining issuing capacity
3 nor shall the provisions of this subsection be construed in any way
4 to impair rights of any person or entity which has purchased any
5 obligations of the Authority pursuant to the provisions of this
6 section which were authorized at the time of such purchase.

7 SECTION 2. This act shall become effective July 1, 2021.

8 SECTION 3. It being immediately necessary for the preservation
9 of the public peace, health or safety, an emergency is hereby
10 declared to exist, by reason whereof this act shall take effect and
11 be in full force from and after its passage and approval.

12 Passed the House of Representatives the 18th day of May, 2021.

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14 _____
15 Presiding Officer of the House
16 of Representatives

17 Passed the Senate the ____ day of _____, 2021.

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19 _____
20 Presiding Officer of the Senate

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