

1 ENGROSSED HOUSE  
2 BILL NO. 3298

By: Newton, Sanders and  
Pfeiffer of the House

3 and

4 Jech of the Senate

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7 [ flood control structures - authorizing Oklahoma  
8 Capitol Improvement Authority to issue certain  
9 obligations - prescribing procedures related to  
10 sale of obligations - providing for investment of  
11 bond proceeds -

12 emergency ]

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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 343.1 of Title 73, unless there  
20 is created a duplication in numbering, reads as follows:

21 A. The Oklahoma Capitol Improvement Authority (OCIA) is hereby  
22 authorized to acquire real property or interests therein, together  
23 with improvements located thereon, and personal property and invest  
24 capital into improvements for purposes of construction, repair and

1 rehabilitation of flood-control dams through and with the assistance  
2 of local conservation districts, all pursuant to the Conservation  
3 District Act, with debt retirement payments to be made by the  
4 Oklahoma Conservation Commission.

5 The OCIA may hold title to the real property and improvements  
6 until such time as any obligations issued for this purpose are  
7 retired or defeased and may lease the real property and improvements  
8 to the Oklahoma Conservation Commission. Upon final redemption or  
9 defeasance of the obligations created pursuant to this section,  
10 title to the real property and improvements shall be transferred  
11 from the OCIA to the Oklahoma Conservation Commission.

12 B. For the purpose of paying the costs for acquisition of the  
13 real property and improvements and personal property authorized in  
14 subsection A of this section, and for the purpose authorized in  
15 subsection C of this section, the OCIA is hereby authorized to  
16 borrow monies on the credit of the income and revenues to be derived  
17 from the leasing of such real property and improvements and, in  
18 anticipation of collection of such income and revenues, issue  
19 negotiable obligations in the amount sufficient to generate net  
20 proceeds of Seventeen Million Five Hundred Thousand Dollars  
21 (\$17,500,000.00) after providing for costs of issuance, credit  
22 enhancement, reserves and other associated expenses related to the  
23 financing. It is the intent of the Legislature to appropriate to  
24 the Oklahoma Conservation Commission sufficient monies to make

1 rental payments for the purposes of retiring the obligations created  
2 pursuant to this section.

3 C. To the extent funds are available, the OCIA shall provide  
4 for the payment of professional fees and associated costs approved  
5 by the OCIA.

6 D. The OCIA may issue obligations in one or more series and in  
7 conjunction with other issues of the OCIA. The OCIA is authorized  
8 to hire bond counsel, financial consultants and such other  
9 professionals as it may deem necessary to provide for the efficient  
10 sale of the obligations and may utilize a portion of the proceeds of  
11 any borrowing to create such reserves as may be deemed necessary and  
12 to pay costs associated with the issuance and administration of such  
13 obligations.

14 E. The obligations authorized under this section may be sold at  
15 either competitive or negotiated sale, as determined by the OCIA,  
16 and in such form and at such prices as may be authorized by the  
17 OCIA. The OCIA may enter into agreements with such credit enhancers  
18 and liquidity providers as may be determined necessary to  
19 efficiently market the obligations. The obligations may mature and  
20 have such provisions for redemption as shall be determined by the  
21 OCIA, but in no event shall the final maturity of such obligations  
22 occur later than fifteen (15) years from the first principal  
23 maturity date.

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1 F. Any interest earnings on funds or accounts created for the  
2 purposes of this section may be utilized as partial payment of the  
3 annual debt service or for the purposes directed by the OCIA.

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

9 H. The OCIA may direct the investment of all monies in any  
10 funds or accounts created in connection with the offering of the  
11 obligations authorized under this section. Such investments shall  
12 be made in a manner consistent with the investment guidelines of the  
13 State Treasurer. The OCIA may place additional restrictions on the  
14 investment of such monies if necessary to enhance the marketability  
15 of the obligations.

16 SECTION 2. It being immediately necessary for the preservation  
17 of the public peace, health or safety, an emergency is hereby  
18 declared to exist, by reason whereof this act shall take effect and  
19 be in full force from and after its passage and approval.

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1 Passed the House of Representatives the 2nd day of March, 2020.

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4 Presiding Officer of the House  
of Representatives

5 Passed the Senate the \_\_\_\_ day of \_\_\_\_\_, 2020.

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9 Presiding Officer of the Senate