

1 STATE OF OKLAHOMA

2 1st Session of the 56th Legislature (2017)

3 SENATE BILL 7

By: Brecheen

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5
6 AS INTRODUCED

7 An Act relating to public finance; stating
8 application of certain provisions; providing for
9 selection of certain professionals for certain
10 purposes; requiring Oklahoma State Bond Advisor to
11 maintain certain lists; requiring Bond Advisor to
12 provide certain list to issuers for a specified
13 purpose; authorizing issuers to seek assistance of
14 Oklahoma State Bond Advisor under certain
15 circumstances; prohibiting the granting of certain
16 inducements; requiring certain written justification
17 to be provided to specific persons under certain
18 circumstances; requiring certain report; providing
19 for codification; and providing an effective date.

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

21 SECTION 1. NEW LAW A new section of law to be codified
22 in the Oklahoma Statutes as Section 360 of Title 62, unless there is
23 created a duplication in numbering, reads as follows:

24 A. The provisions of this section shall apply to the sale or
placement of any lease-backed or lease revenue bond, note, lease or
other obligation to construct or acquire any facility for the
benefit of a local school district or municipality.

1 B. Prior to engaging the services of underwriters, bond or any
2 other legal counsel, financial advisors, consultants, or a financial
3 institution to serve as trustee, paying agent or in any fiduciary
4 capacity in connection with the sale or placement of the obligation,
5 a local authority, trust, or third-party issuer of the obligations
6 shall request proposals for the services from a plurality of
7 individuals or firms engaged in providing the particular services.
8 The selection of service providers shall be based on the individuals
9 or firms who will provide the most economical and competent service
10 which furthers the best interest of the local school district or
11 municipality.

12 C. The Oklahoma State Bond Advisor shall maintain a list of
13 individuals and firms that have notified the Bond Advisor that they
14 have an interest in providing such services and shall provide the
15 list to issuers for their use in the competitive selection of
16 professional service providers under this section. In negotiating
17 requests for proposals to engage such services, the issuer may seek
18 the advice and assistance of the Bond Advisor. Under no
19 circumstances shall proprietary inducements be granted. In any case
20 where an issuer selects an individual or firm other than the low
21 bidder, written justification for the selection shall be provided to
22 the State Auditor and Inspector and the Oklahoma State Bond Advisor.

23 D. On or before January 15 of each year, the Bond Advisor shall
24 prepare a report of issuances of lease-backed or lease revenue

1 obligations. The Bond Advisor shall provide the report to the
2 Governor, President Pro Tempore of the Senate, Speaker of the House
3 of Representatives, and the State Department of Education which
4 shall distribute the report to every school district.

5 SECTION 2. This act shall become effective November 1, 2017.

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