

1 SECTION 1. NEW LAW A new section of law to be codified
2 in the Oklahoma Statutes as Section 187A of Title 73, unless there
3 is created a duplication in numbering, reads as follows:

4 A. Sections 1 and 2 of this act shall be known and may be cited
5 as the "Legacy Capital Financing Act".

6 B. The purpose of the Legacy Capital Financing Act is to
7 provide increased self-financing and liquidity options to the state
8 in order to facilitate advanced financing for current and future
9 capital needs of the state's agencies, departments, and subdivisions
10 to enable, maintain, or improve the performance of the duties and
11 missions assigned to such entities benefiting the health, safety,
12 and welfare of the citizens of Oklahoma. Such advanced financing
13 provides a benefit to the state by reducing or eliminating related
14 financing and interest costs associated with private financing, as
15 well as accelerating the timeline of project completions.

16 SECTION 2. NEW LAW A new section of law to be codified
17 in the Oklahoma Statutes as Section 187B of Title 73, unless there
18 is created a duplication in numbering, reads as follows:

19 A. There is hereby created in the State Treasury a revolving
20 fund for the Oklahoma Capitol Improvement Authority to be designated
21 the "Legacy Capital Financing Fund". The fund shall be a continuing
22 fund, not subject to fiscal year limitations, and shall consist of
23 all monies received by the Oklahoma Capitol Improvement Authority
24 eligible under law and directed for deposit. All monies accruing to

1 the credit of said fund are hereby appropriated and may be budgeted
2 and expended by the Oklahoma Capitol Improvement Authority for
3 capital projects specifically and exclusively as authorized by law.
4 Such budgeting and expenditure shall strictly adhere to the specific
5 terms, limitations, purposes, and requirements described in such
6 authorizations and in this act. Expenditures from said fund shall
7 be made upon warrants issued by the State Treasurer against claims
8 filed as prescribed by law with the Director of the Office of
9 Management and Enterprise Services for approval and payment.

10 B. 1. The Oklahoma Capitol Improvement Authority shall be
11 authorized to enter into memoranda of understanding with agencies,
12 departments, and subdivisions of the state as provided by law and as
13 deemed necessary by the Authority to administer expenditures from
14 and deposits to the Legacy Capital Financing Fund; provided that
15 such memoranda of understanding do not conflict with or impede the
16 administration of capital projects specifically authorized by law.
17 Such memoranda of understanding shall not constitute a legal
18 obligation of the State of Oklahoma.

19 2. a. Unless specified otherwise in the applicable
20 authorizing legislation, all distributions from the
21 Legacy Capital Financing Fund shall be returned to the
22 Fund over a twenty-year period. Such distributions
23 shall be returned in the form of LCF Recapitalization
24

1 Payments as provided in subparagraph b of this
2 paragraph.

3 b. The annual LCF Recapitalization Payment required of
4 entities in receipt of Legacy Capital Financing Fund
5 distributions shall be equal to one-twentieth (1/20th)
6 of the amount distributed to the entity. Such payment
7 shall be collected by the Oklahoma Capitol Improvement
8 Authority in equal monthly installments and deposited
9 to the Legacy Capital Financing Fund; provided, that
10 in the year of initial distribution no monthly payment
11 shall be made until the second month after such
12 distribution. Upon such second month, all monthly
13 payments for such state fiscal year up to that point
14 shall become payable.

15 c. (1) By authorizing distributions from the Legacy
16 Capital Financing Fund and making recipients of
17 such funds responsible for LCF Recapitalization
18 Payments, the Legislature voluntarily subjects
19 itself to the moral obligation that the
20 Legislature shall appropriate to recipient state
21 agencies, otherwise receiving legislative
22 appropriations, the first annual required LCF
23 Recapitalization Payment for the state fiscal
24 year for which the distribution was authorized,

1 and that such appropriated amount shall remain in
2 the agency's appropriation base for the duration
3 of the LCF Recapitalization period for such
4 project.

5 (2) The Legislature as it deems necessary for the
6 best interests of the state, may suspend or
7 restructure for a period of time such LCF
8 Recapitalization Payments through the adoption of
9 a concurrent resolution.

10 C. Limited to the extent required for projects specifically
11 authorized through the Legacy Capital Financing Act, the Oklahoma
12 Capitol Improvement Authority shall be authorized to:

13 1. Acquire real property together with improvements located
14 thereon and personal property;

15 2. Provide for the construction of improvements to real
16 property and to provide funding for repairs, refurbishments, and
17 improvements to real and personal property;

18 3. Hold title to property and improvements as necessary to
19 comply with legal directives and authorizations; and

20 4. Lease, transfer, and otherwise legally dispose of property
21 and improvements as necessary to comply with legal directives and
22 authorizations.

23 D. No later than January 15th annually, the Oklahoma Capital
24 Improvement Authority shall submit electronically to the Governor,

1 the Speaker of the Oklahoma House of Representatives, the President
2 Pro Tempore of the Oklahoma State Senate, the Appropriations and
3 Budget Chair of the Oklahoma House of Representatives, and the
4 Appropriations Chair of the Oklahoma State Senate a report detailing
5 impacts to the balance of the Legacy Capital Financing Fund
6 occurring in the prior calendar year, including but not limited to,
7 all distributions, expenditures, collections, deposits and
8 investment returns of the Legacy Capital Financing Fund.

9 SECTION 3. AMENDATORY 73 O.S. 2021, Section 161, is
10 amended to read as follows:

11 Section 161. In addition to all other powers expressly
12 conferred, the Authority is hereby authorized and empowered:

13 1. To adopt bylaws for the regulation of its affairs and the
14 conduct of its business;

15 2. To adopt an official seal and alter the same at pleasure;

16 3. To fix and revise from time to time rent for the use of any
17 Authority building; provided that the rents when so fixed, plus
18 revenues derived from other sources, shall produce sufficient
19 revenue:

20 a. to pay the annual cost of the operation, maintenance,
21 and repair of such building,

22 b. to pay as and when due the principal and interest on
23 the bonds issued to pay for such building, and

24 c. to accumulate and maintain reserves for such purposes;

1 4. To acquire, hold and dispose of real and personal property
2 in the exercise of its powers and the performance of its duties
3 under this act;

4 5. To acquire by purchase or otherwise, on such terms and
5 conditions and in such manner as it may deem proper, or by the
6 exercise of the power of condemnation in the manner hereinafter
7 provided, such public or private property and interests therein as
8 it may deem necessary for carrying out the provisions of this act.
9 The exercise of the power of condemnation shall be in accordance
10 with and subject to the provisions of any and all existing laws and
11 statutes applicable to the exercise of the power of condemnation of
12 property for public use. In any condemnation proceedings the court
13 having jurisdiction of the suit, action or proceeding may make such
14 orders as may be just to the Authority and to the owners of the
15 property to be condemned and may require an undertaking or other
16 security to secure such owners against any loss or damage by reason
17 of the failure of the Authority to accept and pay for the property,
18 but neither such undertaking or security nor any act or obligation
19 of the Authority shall impose any liability upon the state or the
20 Authority except such as may be paid from the funds provided under
21 the provisions of the act;

22 6. To make and enter into all contracts and agreements
23 necessary or incidental to the performance of its duties and the
24 execution of its powers under this act, and particularly to make and

1 enter into contracts and agreements with the departments and
2 agencies of the State of Oklahoma and/or federal government relating
3 to the rent, amortization of cost and use of the building by such
4 departments and agencies, or relating to the construction,
5 improvement, repair, and maintenance of the highway infrastructure
6 in this state;

7 7. To employ employees and agents as may be necessary in its
8 judgment, including but not limited to legal counsel and such other
9 professionals as may be needed for the issuance and administration
10 of bonds issued under the provisions of this title and to fix their
11 compensation; provided, that all such expenses shall be payable
12 solely from the proceeds of bonds issued under this act or from
13 revenues derived from the building;

14 8. To receive and accept from any federal agency grants or
15 payments for or in aid of the construction of any project, and to
16 receive and accept aid or contributions from any source of either
17 money, property, labor or other things of value to be held, used and
18 applied only for the purposes for which such grants and
19 contributions may be made;

20 9. To do any and all things necessary to comply with rules,
21 regulations or requirements of any state or federal agency
22 administering any law enacted by the Congress of the United States
23 to aid or encourage the construction or use of such building; and
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1 10. To do all things necessary or convenient to carry out the
2 powers expressly granted in this act; and

3 11. To administer the Legacy Capital Financing Act.

4 SECTION 4. It being immediately necessary for the preservation
5 of the public peace, health or safety, an emergency is hereby
6 declared to exist, by reason whereof this act shall take effect and
7 be in full force from and after its passage and approval.

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9 COMMITTEE REPORT BY: COMMITTEE ON JOINT COMMITTEE ON APPROPRIATIONS
10 AND BUDGET, dated 05/23/2023 - DO PASS, As Amended.

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