

1 STATE OF OKLAHOMA

2 2nd Session of the 55th Legislature (2016)

3 HOUSE BILL 2788

By: Derby

4
5
6 AS INTRODUCED

7 An Act relating to roads and bridges; ordering a
8 legislative referendum pursuant to the Oklahoma
9 Constitution; amending 69 O.S. 2011, Sections 1705,
10 as amended by Section 1, Chapter 282, O.S.L. 2013 (69
11 O.S. Supp. 2015, Section 1705), 1709, 1717 and 1719,
12 which relate to the Oklahoma Turnpike Authority;
13 limiting the Authority's authority to issue bonds
14 under certain circumstances; limiting the utilization
15 of certain tolls to pay for certain issuances after
16 certain date; clarifying references; providing ballot
17 title; and directing filing.

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1 Section 1705. The Oklahoma Turnpike Authority is hereby
2 authorized and empowered:

3 (a) To adopt bylaws for the regulation of its affairs and
4 conduct of its business.

5 (b) To adopt an official seal and alter the same at pleasure.

6 (c) To maintain an office at such place or places within the
7 state as it may designate.

8 (d) To sue and be sued in contract, reverse condemnation,
9 equity, mandamus and similar actions in its own name, plead and be
10 impleaded; provided, that any and all actions at law or in equity
11 against the Authority shall be brought in the county in which the
12 principal office of the Authority shall be located, or in the county
13 of the residence of the plaintiff, or the county where the cause of
14 action arose. All privileges granted to the Authority and duties
15 enjoined upon the Authority by the provisions of Sections 1701
16 through 1734 of this title may be enforced in a court of competent
17 jurisdiction in an action in mandamus.

18 (e) To construct, maintain, repair and operate turnpike
19 projects and highways, with their access and connecting roads, at
20 such locations and on such routes as it shall determine to be
21 feasible and economically sound; provided, that until specifically
22 authorized by the Legislature, the Authority shall be authorized to
23 construct and operate toll turnpikes only at the following
24 locations:

- 1 (1) The Turner Turnpike between Oklahoma City and Tulsa.
- 2 (2) The Southwestern (H.E. Bailey) Turnpike between Oklahoma
3 City and Wichita Falls, Texas.
- 4 (3) The Northeastern (Will Rogers) Turnpike between Tulsa and
5 Joplin, Missouri.
- 6 (4) The Eastern (Indian Nation) Turnpike between Tulsa and
7 Paris, Texas, including all or any part thereof between McAlester
8 and the Red River south of Hugo.
- 9 (5) The Cimarron Turnpike between Tulsa and Interstate Highway
10 35 north of Perry, including a connection to Stillwater.
- 11 (6) The Muskogee Turnpike between Broken Arrow and Interstate
12 Highway 40 west of Webbers Falls.
- 13 (7) All or any part of an extension of the Muskogee Turnpike,
14 beginning at a point on Interstate Highway 40 near the present south
15 terminus of the Muskogee Turnpike, and extending in a southeasterly
16 direction on an alignment near Stigler, Poteau and Heavener to the
17 vicinity of the Arkansas State Line to furnish access to Hot
18 Springs, Texarkana, Shreveport and New Orleans.
- 19 (8) A tollgate on the Turner Turnpike in the vicinity of
20 Luther, Oklahoma, and in the vicinity of the intersection of State
21 Highway 33 and Turner Turnpike in Creek County, Oklahoma, or in the
22 vicinity of the intersection of State Highway 33 and Turner Turnpike
23 or U.S. Highway 66 in Creek County, Oklahoma, from any monies
24 available to the Authority.

1 (9) Add on the Will Rogers Turnpike a northbound automatic
2 tollgate onto State Highway 28 and a southbound on-ramp from State
3 Highway 28.

4 (10) A turnpike or any part or parts thereof beginning in the
5 vicinity of Duncan extending east to the vicinity of the City of
6 Davis, and extending in a northeasterly direction, by way of the
7 vicinity of the City of Ada, to a connection in the vicinity of
8 Henryetta or in the vicinity of the intersection of State Highway 48
9 and Interstate 40; and a turnpike or any part or parts thereof from
10 the vicinity of Snyder extending north to the vicinity of Woodward.

11 (11) A turnpike or any part or parts thereof beginning at a
12 point in the vicinity of Ponca City, or at a point on the Kansas-
13 Oklahoma state boundary line east of the Arkansas River and west of
14 the point where Oklahoma State Highway No. 18 intersects said state
15 boundary line, and extending in a southeasterly direction to a
16 connection with the Tulsa Urban Expressway System in the general
17 area of the Port of Catoosa.

18 (12) All or any part of an Oklahoma City toll expressway system
19 connecting the residential, industrial and State Capitol Complex in
20 the north part of Oklahoma City with the residential, industrial and
21 Will Rogers World Airport Complex in the south and southwest parts
22 of Oklahoma City.

23 (13) A turnpike (The Industrial Parkway) or any part or parts
24 thereof beginning at a point on the Oklahoma-Kansas state boundary

1 line between the point where U.S. Highway 66 intersects the boundary
2 line and the northeast corner of Oklahoma and ending by means of a
3 connection or connections with Shreveport, Louisiana, and Houston,
4 Texas, in southeastern Oklahoma and at no point to exceed thirty
5 (30) miles west of the Missouri or Arkansas border.

6 (14) A turnpike or any part or parts thereof beginning in the
7 vicinity of Velma or County Line to a point intersecting with
8 Interstate 35 in the area south of Davis.

9 (15) A turnpike or any part or parts thereof beginning in the
10 vicinity of Watonga and extending south and/or east to the vicinity
11 of north and/or west Oklahoma City.

12 (16) A tollgate on the Will Rogers Turnpike near the
13 intersection of State Highway 137 and the Will Rogers Turnpike,
14 located south of Quapaw.

15 (17) A tollgate on the Muskogee Turnpike in the vicinity of
16 Porter, Oklahoma, a tollgate on the Will Rogers Turnpike in the
17 vicinity of Adair, Oklahoma, a tollgate on the Turner Turnpike in
18 the vicinity of Luther, Oklahoma, and a tollgate on the H.E. Bailey
19 Turnpike at Elgin, Oklahoma, from any monies available to the
20 Authority.

21 (18) A tollgate on the Turner Turnpike in the vicinity of
22 Wellston, Oklahoma, from any monies available to the Authority.

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1 (19) A tollgate on the Muskogee Turnpike in the vicinity of
2 Brushy Mountain, Oklahoma, and in the vicinity of Elm Grove,
3 Oklahoma, from any monies available to the Authority.

4 (20) All or any part of an Oklahoma City Outer Loop expressway
5 system beginning in the vicinity of I-35 and the Turner Turnpike and
6 extending west into Canadian County and then south to I-40; and then
7 south and east to I-35 in the vicinity of Moore and Norman; and then
8 extending east and north to I-40 east of Tinker Field; and then
9 extending north to the Turner Turnpike to complete the Outer Loop.

10 (21) All or any part of the Tulsa south bypass expressway
11 system beginning in the vicinity of the Turner Turnpike near Sapulpa
12 and extending south and east to U.S. 75 in the vicinity of 96th
13 Street to 121st Street; and then east across the Arkansas River to a
14 connection with the Mingo Valley Expressway; and then south and/or
15 east to a point on the Tulsa-Wagoner County Line near 131st street
16 south in the city of Broken Arrow.

17 (22) A new turnpike or any part thereof from near the west gate
18 of the Will Rogers Turnpike south to the west end of south Tulsa
19 Turnpike at the Tulsa-Wagoner County Line.

20 (23) A new turnpike or any parts thereof from the vicinity of
21 the connection between State Highway 33 and U.S. 69 easterly to the
22 Arkansas State Line.

23 (24) A four-lane extension of the Muskogee Turnpike from
24 Interstate Highway 40 west of Webbers Falls to the Poteau vicinity.

1 (25) A new turnpike or any part or parts thereof beginning at a
2 point in the vicinity of northwest Tulsa, and extending in a
3 northwesterly direction, by means of a connection or connections
4 with the cities of Pawhuska and Newkirk, to a point intersecting in
5 the vicinity of US Highway No. 77 and the Kansas State Line.

6 (26) A full access interchange on the Indian Nation Turnpike
7 south of Interstate 40, in the vicinity of Henryetta, Oklahoma, and
8 in the vicinity of the proposed theme park, museum or an industrial
9 facility which qualifies for the Oklahoma Quality Jobs Program Act,
10 from any monies available to the Authority.

11 (27) A new turnpike beginning at a point directly west of the
12 Arkansas line and four-laning Highway 70 from that point to the
13 farthest western reach of Highway 70 creating a southern route
14 through Oklahoma.

15 (28) A new turnpike and bridge or any parts thereof from a
16 point in the vicinity of the city of Mustang southerly across the
17 South Canadian River to the H.E. Bailey Turnpike in the vicinity of
18 the city of Tuttle; and then easterly across the South Canadian
19 River to a point in the vicinity of the city of Norman.

20 (29) A new turnpike or any parts thereof beginning at a point
21 in the vicinity of the city of Altus and extending in a
22 northwesterly direction to a point in the vicinity of the city of
23 Sayre.

1 (30) A new turnpike or any parts thereof beginning at a point
2 in the vicinity of the city of Enid and extending in a westerly
3 direction to a point in the vicinity of the city of Woodward.

4 (31) An on- and off-ramp or any parts thereof at Fletcher,
5 Oklahoma, in the vicinity of the Interstate 44 and State Highway 277
6 intersection. Any existing on- or off-ramp or any parts thereof in
7 the vicinity of Fletcher, Oklahoma, shall not be removed and shall
8 be maintained pursuant to Section 1701 et seq. of this title.

9 (32) A new bridge crossing the Arkansas River between South
10 Delaware Avenue and Memorial Drive in Tulsa County. This project
11 shall commence upon a determination by the Oklahoma Transportation
12 Authority that such bridge shall be self-sufficient at some point
13 over a thirty-year time period from the toll charges associated with
14 the bridge project.

15 (33) An exit ramp or any parts thereof from the eastbound lane
16 of the Turner Turnpike at 96th Street in Tulsa.

17 (34) An on- and off-ramp or any parts thereof on the Cimarron
18 Turnpike in the vicinity of the northside of the Glencoe, Oklahoma,
19 municipal limits.

20 (35) A new turnpike or any parts thereof beginning at
21 Interstate 44 at or near its intersection with 49th West Avenue,
22 past State Highway 64/412, turning northeasterly, crossing 41st West
23 Avenue, and continuing eastward to the L.L. Tisdale Expressway in
24 Tulsa, Oklahoma.

1 All access roads, interchanges, or lead roads connecting such
2 turnpikes with existing highways must be built by funds furnished by
3 the Authority.

4 The minimum and maximum wages for the construction of the roads,
5 highways and projects provided for in Sections 1701 through 1734 of
6 this title shall be in accordance with the schedules of wages used
7 or adopted by the Commission in construction of state highways.

8 The Authority is hereby authorized to enter into contracts or
9 agreements with agencies and instrumentalities of other states or
10 the national government for construction, maintenance and operation
11 of interstate turnpikes or highways.

12 The Authority is hereby required to construct and install
13 automatic tollgates on the Will Rogers Turnpike at State Highway No.
14 28 near Adair.

15 (f) ~~To~~ Except as provided by subsection C of Section 1717 of
16 this title, to issue turnpike revenue bonds of the Authority,
17 payable solely from revenues, including the revenues accruing to the
18 trust fund created by Sections 1701 through 1734 of this title, for
19 the purpose of paying all or any part of the cost of any one or more
20 turnpike projects. Provided that any bonds issued for the
21 construction of the proposed turnpike referred to in subparagraphs
22 (10), (20), (21) and (22) of paragraph (e) of this section shall be
23 issued as one issue for all four of the proposed turnpikes and shall
24 be financed, constructed and operated under one bond indenture.

1 (g) To fix and revise from time to time tolls for the use of
2 any turnpike projects.

3 Any common carrier having authority at the time of opening any
4 turnpike project to operate upon a highway approximately paralleling
5 the turnpike project shall be granted without further showing
6 authority to operate over the turnpike project to all municipalities
7 which such carrier is serving at the time the turnpike project is
8 opened to traffic. But nothing herein shall be construed as
9 granting any new operation rights to any common carriers.

10 (h) To acquire, hold, and dispose of real and personal property
11 in the exercise of its powers and the performance of its duties.

12 (i) To acquire in the name of the Authority by purchase or
13 otherwise on such terms and conditions and in such manner as it may
14 deem proper, or by exercise of the right of condemnation in manner
15 hereinafter provided, such public or private lands, including public
16 parks, playgrounds, or reservations, or parts thereof or rights
17 therein, rights-of-way, property, rights, easements, and interests,
18 as it may deem necessary for carrying out the provisions of Sections
19 1701 through 1734 of this title; provided, that all public property
20 damaged in carrying out the powers granted by Sections 1701 through
21 1734 of this title shall be restored or repaired and placed in its
22 original condition as nearly as practicable.

23 (j) To designate, except as is provided for herein, the
24 location, and establish, limit and control such points of ingress to

1 and egress from each turnpike project as may be necessary or
2 desirable in the judgment of the Authority to insure the proper
3 operation and maintenance of such project, and to prohibit entrance
4 to such project from any point or points not so designated.

5 (k) To make and enter into all contracts and agreements
6 necessary or incidental to the performance of its duties and the
7 execution of its powers, and to employ consulting engineers,
8 attorneys, accountants, construction and financial experts,
9 superintendents, managers, and such other employees and agents as
10 may be necessary in its judgment, and to fix their compensation;
11 provided, that all such expenses shall be payable solely from the
12 proceeds of turnpike revenue bonds issued under the provisions of
13 Sections 1701 through 1734 of this title or from revenues; provided,
14 further, no attorney employed by the Authority, nor any member of
15 any law firm of which the attorney may be connected, shall ever be
16 paid any fee or compensation for any special or extraordinary
17 services.

18 (l) To receive and accept from any federal agency grants for or
19 in aid of the construction of any turnpike project, provided, the
20 acceptance of such grants will not reduce the amount of federal aid
21 for the construction, repair, or maintenance of farm-to-market roads
22 and other highways and bridges in this state; and to receive and
23 accept aid or contributions from any source of either money,
24 property, labor, or other things of value, to be held, used, and

1 applied only for the purposes for which such grants and
2 contributions may be made.

3 (m) To adopt such rules, and to do any and all things necessary
4 to comply with rules, regulations, or requirements of the Bureau of
5 Public Roads, Multistate Economic Development Regional Commission,
6 as defined in Sections 1151 through 1153, inclusive, of Title 74 of
7 the Oklahoma Statutes, Ozarka Region Commission or any other federal
8 agency administering any law enacted by the Congress of the United
9 States to aid or encourage the construction of highways.

10 (n) To do all things necessary or convenient to carry out the
11 powers expressly granted in Sections 1701 through 1734 of this
12 title. The design standards for all paving shall comply with the
13 design standards of the American Association of State Highway and
14 Transportation Officials as modified by the Oklahoma Department of
15 Transportation. All contracts for construction work on turnpike
16 projects shall be let to the lowest responsible bidder, or bidders,
17 after notice by publication in a newspaper published in the county
18 where the work is to be done in two consecutive weekly issues of the
19 newspaper. In all cases where more than eight (8) miles of
20 construction is let at the same time and is not an advertisement for
21 a surface-treatment-only project, such advertisement shall provide
22 for bids on sections of the turnpike not to exceed eight (8) miles.
23 If the project advertised is a surface-treatment-only project of
24 more than twenty (20) miles of road, the advertisement shall provide

1 for bids on sections of the road no longer than twenty (20) miles,
2 as well as bids on the project as a whole. Subject to the following
3 restrictions and limitations, the Authority shall, when contracting
4 for construction work, divide such work into paving projects, bridge
5 projects, including underpasses and overpasses, and earthmoving or
6 miscellaneous projects, according to the type of work to be done.
7 Each project shall be let under a separate contract or contracts and
8 no contract or project shall include more than one of such types of
9 construction work. Each contract for construction work shall
10 contain a provision that ninety percent (90%) of all labor employed
11 on the project shall be residents of Oklahoma. However, contracts
12 for bridges may include earthwork and structures for the approaches
13 thereto.

14 (o) It shall be unlawful for any member, officer or employee of
15 the Authority to transact with the Authority, either directly or
16 indirectly, any business for profit of such member, officer, or
17 employee; and any person, firm, or corporation knowingly
18 participating therein shall be equally liable for violation of this
19 provision.

20 The term "business for profit" shall include, but not be limited
21 to, the acceptance or payment of any fee, commission, gift, or
22 consideration to such member, officer, or employee.

23 Violation of this provision shall constitute a felony punishable
24 by incarceration in the State Penitentiary for a term not to exceed

1 five (5) years or a fine of not less than Five Hundred Dollars
2 (\$500.00) and not more than Five Thousand Dollars (\$5,000.00), or
3 both such imprisonment and fine.

4 (p) In the event of a national emergency, the Authority,
5 subject to any vested rights or claims, may enter into contracts
6 with the federal government or any authorized agency thereof to
7 allow the federal government or agency thereof to use such turnpikes
8 partly or exclusively during the existence of such emergency,
9 provided, that the federal government agrees in such contract to
10 pay, during the term of such contract, an amount sufficient, when
11 added to any tolls collected, to meet all operating and maintenance
12 expenses, interest payments, and the minimum sinking fund and
13 reserve requirements of the trust agreement for the turnpike covered
14 by the contract.

15 (q) All meetings of the Authority shall be open public
16 meetings, and all records shall be public records, except when
17 considering personnel or litigation.

18 SECTION 3. AMENDATORY 69 O.S. 2011, Section 1709, is
19 amended to read as follows:

20 Section 1709. A. ~~The~~ Except as provided by subsection C of
21 Section 1717 of this title, the Oklahoma Turnpike Authority may
22 provide by resolution, at one time or from time to time, for the
23 issuance of turnpike revenue bonds of the Authority for the purpose
24 of paying all or any part of the cost of any one or more turnpike

1 projects. ~~The~~ Except as provided by subsection C of Section 1717 of
2 this title, the Authority, when it finds that it would be economical
3 and beneficial to do so, may combine two or more, or any part
4 thereof, or all of its proposed projects into one unit and consider
5 the same as one project to the same extent and with like effect as
6 if the same were a single project. The principal of and the
7 interest on the bonds shall be payable solely from the funds
8 provided for such payment. The bonds of each issue shall be dated,
9 shall bear interest at such rate or rates not exceeding the
10 limitations pertaining to public trust indebtedness from time to
11 time expressed in subsection E of Section 176 of Title 60 of the
12 Oklahoma Statutes, shall mature at such time or times not exceeding
13 forty (40) years from their date or dates, as may be determined by
14 the Authority, and may be made redeemable before maturity at the
15 option of the Authority at such price or prices and pursuant to such
16 terms and conditions as may be fixed by the Authority prior to the
17 issuance of the bonds. The Authority shall determine the form of
18 the bonds, including any interest coupons to be attached thereto,
19 and the manner of execution of the bonds, and shall fix the
20 denomination or denominations of the bonds and the place or places
21 of payment of principal and interest, which may be at any bank or
22 trust company within or without the state. If any officer whose
23 signature or facsimile of whose signature appears on any bonds or
24 coupons shall cease to be said officer before the delivery of the

1 bonds, the signature or the facsimile shall nevertheless be valid
2 and sufficient for all purposes the same as if the person had
3 remained in office until such delivery. All bonds issued pursuant
4 to the provisions of this article shall have all the qualities and
5 incidents of negotiable instruments subject to the negotiable
6 instruments law of this state. The bonds may be issued in coupon or
7 in registered form, or both, as the Authority may determine, and
8 provisions may be made for the registration of any coupon bonds as
9 to principal alone and also as to both principal and interest, and
10 for the reconversion into coupon bonds of any bonds registered as to
11 both principal and interest. The Authority may sell the bonds in
12 such amounts and in such manner, either at public or private sale,
13 and for such price, as it may determine to be in the best interest
14 of this state, but in no event at a discount in excess of that from
15 time to time expressed in said subsection E of Section 176 of Title
16 60 of the Oklahoma Statutes.

17 B. The proceeds of the bonds of each issue shall be used solely
18 for the payment of the cost of the turnpike project for which such
19 bonds have been issued, and shall be disbursed in such manner and
20 pursuant to such restrictions, if any, as the Authority may provide
21 in the resolution authorizing the issuance of such bonds or in the
22 trust agreement securing the same. If the proceeds of the bonds of
23 any issue, by error of estimates or otherwise, shall be less than
24 such cost, additional bonds may in like manner be issued to provide

1 the amount of such deficit, and, unless otherwise provided for in
2 the resolution authorizing the issuance of such bonds or in the
3 trust agreement securing the same, shall be deemed to be of the same
4 issue and shall be entitled to payment from the same fund without
5 preference or priority of the bonds first issued. If the proceeds
6 of the bonds of any issue shall exceed such cost, the surplus shall
7 be deposited to the credit of the sinking fund for such bonds, or
8 shall be used by the Authority in implementing any other power
9 expressly granted to the Authority in this article.

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

22 D. The Authority is hereby authorized to provide that the
23 bonds:

24

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

5 2. Be additionally supported by a credit facility;

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

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

14 5. Be made the subject of a remarketing agreement whereby an
15 attempt is made to remarket the bonds to new purchasers prior to
16 their presentment for payment to the provider of the credit facility
17 or to the Authority.

18 No credit facility, repayment agreement, par formula or
19 remarketing agreement shall become effective without the approval of
20 the Authority.

21 E. As used in this section, the following terms shall have the
22 following meanings:

23 1. "Credit facility" means an agreement entered into by the
24 Authority with any bank, savings and loan association or other

1 banking institution; an insurance company, reinsurance company,
2 surety company, or other insurance institution; a corporation,
3 investment banker or other investment institution; or any other
4 financial institution providing for prompt payment of all or any
5 part of the principal, whether at maturity, presentment for
6 purchase, redemption or acceleration, redemption premium, if any,
7 and interest on any bonds payable on demand or tender by the owner
8 issued in accordance with this section, in consideration of the
9 Authority's agreeing to repay the provider of such credit facility
10 in accordance with the terms and provisions of such repayment
11 agreement; provided, that any such repayment agreement shall provide
12 that the obligation of the Authority thereunder shall have only such
13 sources of payment as are permitted for the payment of the bonds
14 issued under this article; and

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

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

1 G. The Authority may enter into transactions utilizing
2 derivative products, and other financial products intended to hedge
3 interest rate risk, including any option to enter into or terminate
4 any of them, that the Authority deems to be necessary or desirable
5 in connection with any bonds issued prior to, at the same time as,
6 or after entering into such arrangement and containing terms and
7 provisions, and may be with such parties, as determined by the
8 Authority. Provided, any action taken by the Authority pursuant to
9 this subsection must first be approved by the Oklahoma State Bond
10 Advisor and the Council of Bond Oversight pursuant to the provisions
11 of the Oklahoma Bond Oversight and Reform Act.

12 SECTION 4. AMENDATORY 69 O.S. 2011, Section 1717, is
13 amended to read as follows:

14 Section 1717. A. When all bonds issued under the provisions of
15 this article and the interest thereon shall have been paid or a
16 sufficient amount for the payment of all such bonds and the interest
17 thereon to the maturity thereof shall have been set aside in trust
18 for the benefit of the bondholders, such projects, if then in good
19 condition and repair to the satisfaction of the Transportation
20 Commission, shall become part of the state highway system and shall
21 thereafter be maintained by the Commission free of tolls. ~~Provided,~~
22 ~~that~~

23 B. Except as provided in subsection C of this section, when all
24 bonds for any turnpike project and the interest thereon shall have

1 | been paid or such provision for payment made, prior to payment of
2 | the bonds and interest on any other project or projects, such
3 | project shall continue to be operated as a toll facility at toll
4 | rates not less than the lowest rate being charged on any project,
5 | until all bonds issued by the Oklahoma Turnpike Authority and the
6 | interest thereon shall have been paid or such provisions for payment
7 | made. The revenues of such paid-out projects shall be used and
8 | applied by the Authority in paying the obligations or depositing in
9 | the sinking fund of such other turnpike projects in the following
10 | order: (a) To any project or projects in default on interest: (b) to
11 | any project or projects in default on principal; (c) to any project
12 | or projects having insufficient reserves or sinking fund under its
13 | trust agreement. If all such other projects have sufficient
14 | reserves then the revenues from such paid-out project shall be
15 | prorated between such other projects on the basis of the outstanding
16 | bonds of each project. If two ~~(2)~~ or more projects fall within any
17 | of the above categories, then the revenues shall be prorated between
18 | them on the basis of the outstanding bonds of each project.

19 | C. All bonds issued by the Authority for any turnpike project,
20 | initiated on or after January 1, 2017, shall only be paid from the
21 | tolls collected from such project until the bonds and the interest
22 | thereon have been paid. No tolls collected from any other turnpike
23 | project shall be used to pay for any bonds issued:

24 |

1 1. By the Authority for any projects initiated on or after
2 January 1, 2017;

3 2. As a means of refinancing any project existing before
4 January 1, 2017, that results in a longer maturation period than the
5 bonds being refinanced; or

6 3. As a combination of paragraphs 1 and 2 of this subsection.

7 SECTION 5. AMENDATORY 69 O.S. 2011, Section 1719, is
8 amended to read as follows:

9 Section 1719. (a) ~~The~~ Except as provided by subsection C of
10 section 1717 of this title, the Oklahoma Turnpike Authority is
11 hereby authorized to provide by resolution for the issuance of
12 turnpike revenue refunding bonds of the Authority for the purpose of
13 refunding any bonds then outstanding which shall have been issued
14 under the provisions of this article including the payment of any
15 redemption premium thereon and any interest accrued or to accrue to
16 the date of redemption of such bonds, and, if the Authority shall so
17 determine, for the additional purpose of constructing improvements,
18 extensions, or enlargements of the turnpike project or projects in
19 connection with which the bonds to be refunded shall have been
20 issued. ~~The~~ Except as provided by subsection C of Section 1717 of
21 this title, the Authority is further authorized to provide for the
22 issuance of its turnpike revenue bonds for the combined purpose of
23 (a) refunding any bonds then outstanding which shall have been
24 issued under the provisions of this article, including the payment

1 of any redemption premium thereon and any interest accrued, or to
2 accrue to the date of redemption of such bonds, and (b) paying all
3 or any part of the cost of any additional turnpike project or
4 projects as authorized by this article. The issuance of such bonds,
5 the maturities and other details thereof, the rights of the holders
6 thereof, and the rights, duties, and obligations of the Authority in
7 respect of the same, shall be governed by the provisions of this
8 article insofar as the same may be applicable.

9 (b) ~~Bonds~~ Except as provided by subsection C of Section 1717 of
10 this title, bonds may be issued by the Authority under the
11 provisions of this section at any time prior to the maturity or
12 maturities or the date selected for the redemption of the bonds
13 being refunded thereby. Pending the application of the proceeds of
14 such refunding bonds, with any other available funds, to the payment
15 of the principal, accrued interest, and any redemption premium of
16 the bonds being refunded, and if so provided or permitted in the
17 resolution authorizing the issuance of such refunding bonds or in
18 the trust agreement securing the same, to the payment of any
19 interest on such refunding bonds, and any expenses in connection
20 with such refunding, such proceeds may be invested in direct
21 obligations of, or obligations the principal of and the interest on
22 which are unconditionally guaranteed by, the United States of
23 America which shall mature or which shall be subject to redemption
24 by the holder thereof at the option of such holder, not later than

1 the respective dates when the proceeds, together with the interest
2 accruing thereon, will be required for the purposes intended, or, in
3 lieu of such investments, all or any part of such proceeds may be
4 placed in interest bearing time deposits or other similar
5 arrangements may be made with regard thereto which will assure that
6 such proceeds, together with the interest accruing thereon, will be
7 available when required for the purposes intended.

8 SECTION 6. The Ballot Title for the proposed act shall be in
9 the following form:

10 BALLOT TITLE

11 Legislative Referendum No. _____ State Question No. _____

12 THE GIST OF THE PROPOSITION IS AS FOLLOWS:

13 This measure amends the Oklahoma Statutes. It amends Sections
14 1705, 1709, 1717 and 1719 of Title 69. It would change the way
15 the Oklahoma Turnpike Authority pays its debt. It requires that
16 debt connected to future turnpike projects be paid only by tolls
17 from those projects. It prohibits the use of tolls collected
18 from one turnpike to be used to pay for debt related to other
19 turnpike projects or for refinancing debt that results in a
20 longer than original maturity date.

21 SHALL THE PROPOSAL BE APPROVED?

22 FOR THE PROPOSAL - YES _____

23 AGAINST THE PROPOSAL - NO _____

24

1 SECTION 7. The Chief Clerk of the House of Representatives,
2 immediately after the passage of this act, shall prepare and file
3 one copy thereof, including the Ballot Title set forth in SECTION 6
4 hereof, with the Secretary of State and one copy with the Attorney
5 General.

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7 55-2-8825 JM 01/19/16

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