

An Act

ENROLLED HOUSE
BILL NO. 2944

By: Wallace and Hilbert of the
House

and

Thompson and Hall of the
Senate

An Act relating to the Oklahoma Capitol Improvement Authority; authorizing issuance of obligations; providing for authorized use of proceeds; providing for net proceeds amount; authorizing acquisition of title to certain assets by Oklahoma Capitol Improvement Authority; providing for transfer of title upon redemption or defeasance; authorizing Oklahoma Capitol Improvement Authority to borrow monies on credit of certain income or revenues; authorizing capitalization of interest for prescribed period of time; stating legislative intent with respect to appropriation of funds to the Oklahoma Military Department; providing for payment of professional fees and costs; authorizing issuance of obligations in one or more series; authorizing engagement of certain professional services; 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.

SUBJECT: Oklahoma Capitol Improvement Authority

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

SECTION 1. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 381 of Title 73, unless there is created a duplication in numbering, reads as follows:

A. In addition to any other authorization provided by law, the Oklahoma Capitol Improvement Authority is authorized to issue obligations to acquire real property, together with improvements located thereon, and to acquire personal property, to develop and construct buildings, parking facilities and other improvements to real property, to provide funding for repairs, planning, staging, refurbishments, and for funding of construction of a new Oklahoma National Guard Museum in a total amount necessary to generate Forty-five Million Dollars (\$45,000,000.00) in project funds with debt retirement payments to be made as provided in this section.

B. The Authority may hold title to the real and personal property and improvements until such time as any obligations issued for this purpose are retired or defeased and may lease the real property and improvements and the tangible personal property the acquisition of which or improvement or refurbishment of which is authorized by subsection A and subsection J of this section to the Oklahoma Military Department. Upon final redemption or defeasance of the obligations created pursuant to this section, title to the real and personal property and improvements shall be transferred from the Authority to the Oklahoma Military Department.

C. For the purpose of paying the costs for acquisition and construction of the real property and improvements and personal property and making the repairs, planning, staging, refurbishments and improvements to real and personal property, and for the purpose authorized in subsection D of this section, the Authority is hereby authorized to borrow monies on the credit of the income and revenues to be derived from the leasing of such real and personal property, parking facilities and improvements and, in anticipation of the collection of such income and revenues, to issue negotiable obligations in a total amount necessary to generate Forty-five Million Dollars (\$45,000,000.00) in project funds, whether issued in one or more series. The Authority is authorized to capitalize interest on the obligations issued pursuant to the authority granted by this section for a period not to exceed two (2) years from the

date of issuance. Excluding any capitalized interest period, it is the intent of the Legislature to appropriate to the Oklahoma Military Department sufficient monies to make rental payments for the purposes of retiring the obligations created pursuant to this section. To the extent funds are available from the proceeds of the borrowing authorized by this subsection, the Authority shall provide for the payment of professional fees and associated costs related to the projects authorized in this act.

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

E. The obligations authorized under this section may be sold at either competitive or negotiated sale, as determined by the Authority, and in such form and at such prices as may be authorized by the Authority. The Authority may enter into agreements with such credit enhancers and liquidity providers as may be determined necessary to efficiently market the obligations. The obligations may mature and have such provisions for redemption as shall be determined by the Authority, but in no event shall the final maturity of such obligations occur later than twenty-five (25) years from the first principal maturity date.

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

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

H. The Authority may direct the investment of all monies in any funds or accounts created in connection with the offering of the obligations authorized under this section. Such investments shall be made in a manner consistent with the investment guidelines of the State Treasurer. The Authority may place additional restrictions on

the investment of such monies if necessary to enhance the marketability of the obligations.

I. Insofar as they are not in conflict with the provisions of this section, the provisions of Sections 151 through 186 of Title 73 of the Oklahoma Statutes shall apply to this section.

J. To the extent net proceeds from the issuance of obligations authorized by this section are in excess of authorized or required expenditures for the projects as described by subsection A of this section, the balance of such net proceeds shall be utilized for the acquisition and improvements to real property to be used by the Oklahoma Military Department for a joint operations center.

K. Unless at least fifty percent (50%) of the proceeds authorized by the provisions of this section have been obtained by sale of obligations by the Authority within three (3) years from the effective date of this act, the provisions of this section shall cease to have the force or effect of law with respect to any further issuance of obligations by the Authority otherwise authorized by this section. The provisions of this subsection shall not be construed to limit the liability of the Authority with respect to obligations issued pursuant to this section if the obligations were issued prior to the termination of the remaining issuing capacity nor shall the provisions of this subsection be construed in any way to impair rights of any person or entity which has purchased any obligations of the Authority pursuant to the provisions of this section which were authorized at the time of such purchase.

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

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

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

Presiding Officer of the House
of Representatives

Passed the Senate the 20th day of May, 2021.

Presiding Officer of the Senate

OFFICE OF THE GOVERNOR

Received by the Office of the Governor this _____

day of _____, 20_____, at _____ o'clock _____ M.

By: _____

Approved by the Governor of the State of Oklahoma this _____

day of _____, 20_____, at _____ o'clock _____ M.

Governor of the State of Oklahoma

OFFICE OF THE SECRETARY OF STATE

Received by the Office of the Secretary of State this _____

day of _____, 20_____, at _____ o'clock _____ M.

By: _____