

1 STATE OF OKLAHOMA

2 1st Session of the 55th Legislature (2015)

3 SENATE JOINT
4 RESOLUTION 14

By: Crain

5
6 AS INTRODUCED

7 A Joint Resolution directing the Secretary of State
8 to refer to the people for their approval or
9 rejection a proposed amendment to the Constitution of
10 the State of Oklahoma by adding a new Section 44 to
11 Article X; authorizing issuance of obligations;
12 specifying maximum amount of net proceeds; directing
13 use of net proceeds; prescribing maximum maturity;
14 providing for issuance by the Oklahoma Building Bonds
15 Commission; providing method for repayment of
16 obligations; prescribing repayment to be made from
17 levy of certain sales tax; providing exemption from
18 certain statutory limits; prescribing procedures for
19 repayment; providing exemption from certain taxation;
20 imposing duties upon the Oklahoma Building Bonds
21 Commission; directing certain investment; providing
22 ballot title; and directing filing.
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BE IT RESOLVED BY THE SENATE AND THE HOUSE OF REPRESENTATIVES OF THE
1ST SESSION OF THE 55TH OKLAHOMA LEGISLATURE:

SECTION 1. The Secretary of State shall refer to the people for
their approval or rejection, as and in the manner provided by law,
the following proposed amendment to the Oklahoma Constitution by
adding a new Section 44 to Article X to read as follows:

1 Section 44. A. The State of Oklahoma shall be authorized to
2 become indebted in an amount not to exceed Two and One-Half Billion
3 Dollars (\$2,500,000,000) in order to provide:

4 1. Support for research and faculty positions and endowed
5 chairs in fields related to science, technology, engineering,
6 mathematics and medicine at institutions within the Oklahoma State
7 System of Higher Education;

8 2. Tuition assistance for students studying the fields related
9 to science, technology, engineering, mathematics and medicine at
10 institutions within the Oklahoma State System of Higher Education,
11 if the students agree to reside in Oklahoma for five (5) years
12 following graduation; and

13 3. Support for research foundations conducting research in the
14 fields of science, technology, engineering, mathematics and medicine
15 that are associated with institutions within the Oklahoma State
16 System of Higher Education.

17 B. The maximum maturity for any obligation issued pursuant to
18 the provisions of this section shall not exceed thirty (30) years.

19 C. The Oklahoma Building Bonds Commission shall be the entity
20 responsible for issuance of the obligations authorized pursuant to
21 the provisions of this section.

22 D. The payment and discharge of the principal of such debt,
23 together with principal and interest on such indebtedness, shall be
24 paid from the levy of sales tax imposed as authorized pursuant to

1 Section 1350 et seq. of Title 68 of the Oklahoma Statutes, as
2 amended. Such debt service shall be exempt from any statutory
3 limits.

4 E. To the extent funds are available from the proceeds of the
5 borrowing authorized by this section, the Oklahoma Building Bonds
6 Commission shall provide for the payment of professional fees and
7 associated costs related to the issuance of obligations authorized
8 in subsection A of this section.

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

16 G. The obligations authorized under this section may be sold at
17 either competitive or negotiated sale, as determined by the
18 Commission, and in such form and at such prices as may be authorized
19 by the Commission. The Commission may enter into agreements with
20 such credit enhancers and liquidity providers as may be determined
21 necessary to efficiently market the obligations. The obligations
22 may mature and have such provisions for redemption as shall be
23 determined by the Commission, but in no event shall the final
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1 maturity of such obligations occur later than thirty (30) years from
2 the first principal maturity date.

3 H. Any interest earnings on funds or accounts created for the
4 purposes of this section may be utilized as provided for in
5 subsection A of this section.

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

11 J. The Commission may direct the investment of all monies in
12 any funds or accounts created in connection with the offering of the
13 obligations authorized under this section. In making such
14 investments, judgment and care shall be exercised, under
15 circumstances then prevailing, which persons of prudence, discretion
16 and intelligence exercise in the management of their own affairs,
17 not for speculation, but with regard to the permanent disposition of
18 their funds, considering the probable safety of their capital as
19 well as the probable income to be derived. The Commission may place
20 additional restrictions on the investment of such monies if
21 necessary to enhance the marketability of the obligations.

22 K. Insofar as they are not in conflict with the provisions of
23 this section, the provisions of Section 151 et seq. of Title 73 of
24 the Oklahoma Statutes shall apply to this section.

1 SECTION 2. The Ballot Title for the proposed Constitutional
2 amendment as set forth in SECTION 1 of this resolution shall be in
3 the following form:

4 BALLOT TITLE

5 Legislative Referendum No. _____ State Question No. _____

6 THE GIST OF THE PROPOSITION IS AS FOLLOWS:

7 This measure amends the Oklahoma Constitution. It would add a
8 new Section 44 to Article 10. It would authorize the State of
9 Oklahoma to incur debt. The debt would be for the purpose of
10 supporting science, technology, engineering, mathematics and
11 medicine research and faculty positions at institutions of
12 higher education. The debt would also be used to provide
13 tuition assistance to students studying science, technology,
14 engineering, mathematics and medicine at institutions of higher
15 education if they agree to stay in Oklahoma for a certain amount
16 of time after graduation. The debt would also be used to
17 support research foundations associated with institutions of
18 higher education. Bonds or other obligations could be issued in
19 an amount not exceeding \$2,500,000,000 for this purpose. The
20 bonds or other obligations would have to be repaid in not more
21 than thirty (30) years. The repayment would be made using
22 monies from the sales tax.

23 SHALL THE PROPOSAL BE APPROVED?

24 FOR THE PROPOSAL - YES _____

1 AGAINST THE PROPOSAL - NO _____

2 SECTION 3. The President Pro Tempore of the Senate shall,
3 immediately after the passage of this resolution, prepare and file
4 one copy thereof, including the Ballot Title set forth in SECTION 2
5 hereof, with the Secretary of State and one copy with the Attorney
6 General.

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