

1 STATE OF OKLAHOMA

2 2nd Session of the 57th Legislature (2020)

3 COMMITTEE SUBSTITUTE
4 FOR

5 SENATE BILL NO. 1941

By: Thompson and Rader of the
Senate

6 and

7 Wallace and Hilbert of the
8 House

9
10 COMMITTEE SUBSTITUTE

11 An Act relating to Oklahoma state parks; authorizing
12 Oklahoma Capitol Improvement Authority to acquire
13 title to certain property; authorizing Oklahoma
14 Capitol Improvement Authority to issue certain
15 obligations; authorizing capitalization of interest
16 for a specified time period; stating legislative
17 intent with respect to certain debt payments;
18 providing for payment of professional expenses or
19 fees; requiring issuance of obligations in two-part
20 series; stating amounts of series; requiring Quartz
21 Mountain to be included in first phase of repairs;
22 prescribing procedures related to sale of
23 obligations; prescribing maturity; authorizing use of
24 interest for certain partial payment; providing for
exemption from income tax; providing for investment
of bond proceeds; providing for codification; and
declaring an emergency.

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 360 of Title 73, unless there is
created a duplication in numbering, reads as follows:

1 A. The Oklahoma Capitol Improvement Authority is hereby
2 authorized to acquire real property or interests therein, together
3 with improvements located thereon, and personal property and invest
4 capital into improvements for purposes of construction, repair and
5 rehabilitation of state parks.

6 The Authority may hold title to the real property and
7 improvements until such time as any obligations issued for this
8 purpose are retired or defeased and may lease the real property and
9 improvements to the Oklahoma Department of Tourism and Recreation.
10 Upon final redemption or defeasance of the obligations created
11 pursuant to this section, title to the real property and
12 improvements shall be transferred from the Authority to the Oklahoma
13 Department of Tourism and Recreation.

14 B. For the purpose of paying the costs for acquisition of the
15 real property and improvements and personal property authorized in
16 subsection A of this section, and for the purpose authorized in
17 subsection C of this section, the Authority is hereby authorized to
18 borrow monies on the credit of the income and revenues to be derived
19 from the leasing of such real property and improvements and, in
20 anticipation of collection of such income and revenues, issue
21 negotiable obligations in the amount sufficient to generate net
22 proceeds of Forty-eight Million Six Hundred Thousand Dollars
23 (\$48,600,000.00) after providing for costs of issuance, credit
24 enhancement, reserves and other associated expenses related to the

1 financing. The Authority is authorized to capitalize interest on the
2 obligations issued pursuant to the authority granted by this section
3 for a period not to exceed one (1) year from the date of issuance. It
4 is the intent of the Legislature to appropriate to the Oklahoma
5 Department of Tourism and Recreation sufficient monies to make
6 rental payments for the purposes of retiring the obligations created
7 pursuant to this section.

8 C. To the extent funds are available, the Authority shall
9 provide for the payment of professional fees and associated costs
10 approved by the Authority.

11 D. The Authority may issue obligations in one or more series
12 and in conjunction with other issues of the Authority. Provided,
13 the first net proceeds in the amount of Twenty Million Five Hundred
14 Twenty Thousand Dollars (\$20,520,000.00) issued pursuant to this act
15 shall be utilized for purposes of construction, repair and
16 rehabilitation of the Quartz Mountain Nature Park. The remaining
17 net proceeds in the amount of Twenty-eight Million Eighty Thousand
18 Dollars (\$28,080,000.00) issued pursuant to this act shall be
19 utilized for purposes of construction, repair and rehabilitation of
20 state park facilities. The Authority is authorized to hire bond
21 counsel, financial consultants and such other professionals as it
22 may deem necessary to provide for the efficient sale of the
23 obligations and may utilize a portion of the proceeds of any
24 borrowing to create such reserves as may be deemed necessary and to

1 pay costs associated with the issuance and administration of such
2 obligations.

3 E. The obligations authorized under this section may be sold at
4 either competitive or negotiated sale, as determined by the
5 Authority, and in such form and at such prices as may be authorized
6 by the Authority. The Authority may enter into agreements with such
7 credit enhancers and liquidity providers as may be determined
8 necessary to efficiently market the obligations. The obligations
9 may mature and have such provisions for redemption as shall be
10 determined by the Authority, but in no event shall the final
11 maturity of such obligations occur later than twenty (20) years from
12 the first principal maturity date.

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

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

21 H. The Authority may direct the investment of all monies in any
22 funds or accounts created in connection with the offering of the
23 obligations authorized under this section. Such investments shall
24 be made in a manner consistent with the investment guidelines of the

1 State Treasurer. The Authority may place additional restrictions on
2 the investment of such monies if necessary to enhance the
3 marketability of the obligations.

4 SECTION 2. 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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