

1 STATE OF OKLAHOMA

2 1st Session of the 57th Legislature (2019)

3 COMMITTEE SUBSTITUTE
4 FOR

5 SENATE BILL 1070

6 By: Thompson and Rader of the
7 Senate

8 and

9 Wallace and Hilbert of the
10 House

11 COMMITTEE SUBSTITUTE

12 An Act relating to the Oklahoma Department of
13 Veterans Affairs; providing short title; amending
14 Section 2, Chapter 100, O.S.L. 2018 (72 O.S. Supp.
15 2018, Section 229.1), which relates to the
16 authorization to plan, develop and construct a long-
17 term care facility; increasing the number of certain
18 authorized facilities; modifying purposes; specifying
19 applicability of certain authorization; modifying
20 sources of property; specifying location of
21 additional facility; providing that location and site
22 of both facilities shall be determined by the
23 Oklahoma Veterans Commission; amending Section 4,
24 Chapter 100, O.S.L. 2018 (73 O.S. Supp. 2018, Section
348), which relates to the authorization to acquire
property and issue obligations; increasing the number
of certain authorized facilities; updating statutory
references; providing for noncodification; providing
an effective date; and declaring an emergency.

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

SECTION 1. NEW LAW A new section of law not to be
codified in the Oklahoma Statutes reads as follows:

1 This act shall be known and may be cited as the "Oklahoma
2 Veterans Facility Renewal Act of 2019".

3 SECTION 2. AMENDATORY Section 2, Chapter 100, O.S.L.
4 2018 (72 O.S. Supp. 2018, Section 229.1), is amended to read as
5 follows:

6 Section 229.1. A. The Oklahoma Department of Veterans Affairs
7 is authorized to plan, develop and construct ~~a~~ two long-term care
8 ~~facility~~ facilities for the ~~purpose of assuming~~ following purposes:

9 1. To assume the operations of the Oklahoma Veterans Center
10 established in Talihina pursuant to Section 229 of ~~Title 72 of the~~
11 ~~Oklahoma Statutes.~~ The this title; and

12 2. To replace the Oklahoma Veterans Center established in
13 Ardmore pursuant to Section 221 of this title.

14 B. For the two long-term care facilities authorized in
15 subsection A of this section, the Department may construct new
16 facilities or refurbish any existing facilities on property
17 currently owned by the State of Oklahoma or on property purchased or
18 donated from other sources, including but not limited to private
19 owners, tribal entities or other governmental or municipal entities.

20 ~~B.~~ C. The location of the ~~facilities~~ facility referenced in
21 paragraph 1 of subsection A of this section shall be subject only to
22 such geographical constraints as are imposed by the United States
23 Department of Veterans Affairs to preserve and continue recognition
24 and certification of the facility as a State Veterans Home. The

1 facility referenced in paragraph 2 of subsection A of this section
2 shall be located within the corporate limits of the city of Ardmore
3 or within five (5) miles of the corporate limits of the city of
4 Ardmore.

5 ~~C.~~ D. The ~~location~~ locations and ~~site~~ sites of the ~~facility~~ two
6 facilities referenced in subsection A of this section shall be
7 determined by the Oklahoma Veterans Commission. The Oklahoma
8 Veterans Commission may consider any and all criteria which, in its
9 sole discretion, further the interests of Oklahoma veterans.

10 ~~D.~~ E. Operations of the Oklahoma Veterans Center established in
11 Talihina pursuant to Section 229 of ~~Title 72 of the Oklahoma~~
12 ~~Statutes~~ this title shall continue until such time as its operations
13 are transferred to the location identified pursuant to the authority
14 conferred upon the Oklahoma Veterans Commission under subsection ~~A~~ D
15 of this section.

16 SECTION 3. AMENDATORY Section 4, Chapter 100, O.S.L.
17 2018 (73 O.S. Supp. 2018, Section 348), is amended to read as
18 follows:

19 Section 348. A. In addition to any other authorization
20 provided by law, the Oklahoma Capitol Improvement Authority is
21 authorized to issue obligations to acquire real property, together
22 with improvements located thereon, and personal property, to plan,
23 develop and construct buildings, parking facilities and other
24 improvements to real property, and to provide funding for repairs,

1 planning, staging, refurbishments and improvements to real and
2 personal property, and for funding for construction of the two long-
3 term care ~~facility~~ facilities authorized in subsection A of Section
4 ~~2 of this act~~ 229.1 of Title 72 of the Oklahoma Statutes in a total
5 amount necessary to generate Thirty-five Million Dollars
6 (\$35,000,000.00) in project funds with debt retirement payments to
7 be made as provided in this section.

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

16 C. For the purpose of paying the costs for acquisition and
17 construction of the real property and improvements and personal
18 property and making the repairs, planning, staging, refurbishments
19 and improvements to real and personal property, and providing
20 funding for the two long-term care ~~facility~~ facilities authorized in
21 subsection A of Section ~~2 of this act~~ 229.1 of Title 72 of the
22 Oklahoma Statutes, and for the purpose authorized in subsection D of
23 this section the Authority is hereby authorized to borrow monies on
24 the credit of the income and revenues to be derived from the leasing

1 of such real and personal property, parking facilities and
2 improvements and, in anticipation of the collection of such income
3 and revenues, to issue negotiable obligations in a total amount
4 necessary to generate Thirty-five Million Dollars (\$35,000,000.00)
5 in project funds, whether issued in one or more series. The
6 Authority is authorized to capitalize interest on the obligations
7 issued pursuant to the authority granted by this section for a
8 period not to exceed two (2) years from the date of issuance.
9 Excluding any capitalized interest period, it is the intent of the
10 Legislature to appropriate to the Oklahoma Department of Veterans
11 Affairs sufficient monies to make rental payments for the purposes
12 of retiring the obligations created pursuant to this section. To
13 the extent funds are available from the proceeds of the borrowing
14 authorized by this subsection, the Authority shall provide for the
15 payment of professional fees and associated costs related to the
16 projects authorized in this act.

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

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

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

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

19 H. The Authority may direct the investment of all monies in any
20 funds or accounts created in connection with the offering of the
21 obligations authorized under this section. Such investments shall
22 be made in a manner consistent with the investment guidelines of the
23 State Treasurer. The Authority may place additional restrictions on
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1 the investment of such monies if necessary to enhance the
2 marketability of the obligations.

3 I. The Legislature anticipates that the Oklahoma Department of
4 Veterans Affairs will make the rental payments for the purpose of
5 retiring the obligations created pursuant to the provisions of this
6 section from current appropriations received by the Oklahoma
7 Department of Veterans Affairs.

8 J. Insofar as they are not in conflict with the provisions of
9 this section, the provisions of Sections 151 through 186 of ~~Title 73~~
10 ~~of the Oklahoma Statutes~~ this title shall apply to this section.

11 SECTION 4. This act shall become effective July 1, 2019.

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

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