

1 STATE OF OKLAHOMA

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

3 HOUSE BILL 3968

By: McBride

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6 AS INTRODUCED

7 An Act relating to endowed chair funding; amending 70
8 O.S. 2011, Section 4019, which relates to issuance of
9 certain obligations; modifying maximum amount of
10 outstanding principal with respect to obligations of
11 the Oklahoma Capitol Improvement Authority; providing
12 an effective date; and declaring an emergency.

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

14 SECTION 1. AMENDATORY 70 O.S. 2011, Section 4019, is
15 amended to read as follows:

16 Section 4019. A. The Oklahoma Capitol Improvement Authority is
17 hereby authorized, consistent with the statutes pertaining to the
18 Oklahoma State Regents' Endowment Trust Fund, to establish a program
19 to provide for the advance funding of the state's contribution to
20 endowed chairs, professorships, lectureships and positions for
21 artists in residence as provided in Section 3952 of this title at
22 the various institutions in The Oklahoma State System of Higher
23 Education. The Oklahoma State Regents for Higher Education are
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1 authorized to enter into agreements with the Authority to provide
2 security for any obligations issued for such purpose.

3 B. The Authority is hereby authorized to issue and sell
4 obligations in such amounts as shall be needed from time to time for
5 the purposes of obtaining funds for the state's matching
6 contribution for endowed chairs, professorships, lectureships and
7 positions for artists in residence; provided, however, that the
8 total principal amount of such obligations shall not exceed in the
9 aggregate ~~One Hundred Fifty Million Dollars (\$150,000,000.00)~~ Two
10 Hundred Fifty Million Dollars (\$250,000,000.00) outstanding at any
11 one time for the purpose of funding endowed chairs. At least fifty
12 percent (50%) of the endowed chair, professorship or lectureship
13 positions funded as provided for in this subsection shall be for
14 positions that involve research and development. No obligations
15 shall be issued for any endowment account for which matching monies
16 specified in subsection E of Section 3952 of this title have not
17 been received.

18 C. It is the intent of the Legislature that payments for the
19 purpose of retiring the obligations created pursuant to this section
20 be made by the State Regents from the lump-sum appropriation made
21 pursuant to Section 3 of Article XIII-A of the Oklahoma
22 Constitution. Further, it is the intent of the Legislature to
23 appropriate to the State Regents sufficient monies to allow the
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1 State Regents to make payments for the purpose of retiring the
2 obligations created pursuant to this section.

3 D. The Authority may issue obligations in one or more series
4 and in conjunction with other issues of the Authority.

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

15 F. The authority is authorized to issue bonds, notes, and other
16 obligations for the purpose of refinancing or restructuring the
17 outstanding obligations authorized under this section.

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

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

3 I. The Authority may direct the investment of all monies in any
4 funds or accounts created in connection with the offering of the
5 obligations authorized under this section. This shall not include
6 monies in the Oklahoma State Regents Endowment Trust Fund. The
7 State Regents may place additional restrictions on the investment of
8 such monies if necessary to enhance the marketability of the
9 obligations.

10 SECTION 2. This act shall become effective July 1, 2020.

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

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