

1 **HOUSE OF REPRESENTATIVES - FLOOR VERSION**

2 STATE OF OKLAHOMA

3 2nd Session of the 59th Legislature (2024)

4 COMMITTEE SUBSTITUTE
5 FOR
6 HOUSE BILL NO. 2915

By: Wallace and Caldwell (Trey)
of the House

and

Hall and Rosino of the
Senate

12 COMMITTEE SUBSTITUTE

13 An Act relating to transportation infrastructure
14 finance; authorizing issuance of certain obligations
15 by the Oklahoma Capitol Improvement Authority;
16 authorizing the Oklahoma Capitol Improvement
17 Authority to enter into loan agreements with the
18 United States Department of Transportation; stating
19 amount of net proceeds; imposing certain restrictions
20 related to timing of issuance; clarifying the
21 treatment of capitalized interest; requiring certain
22 deposit of proceeds; providing for the use of net
23 proceeds; specifying authorized use of proceeds;
24 providing for priority of expenditures; providing for
 disposition of certain earnings; authorizing
 agreements between the Oklahoma Capitol Improvement
 Authority and Transportation Commission or the
 Department of Transportation; specifying content of
 agreements; providing for effect of redemption or
 defeasance; authorizing borrowing of monies and
 issuance of negotiable obligations; authorizing
 issuance in series; stating legislative intent with
 respect to appropriations to the Department of
 Transportation; authorizing payment of certain fees
 and costs; authorizing the hiring of professionals to

1 perform certain services; authorizing utilization of
2 proceeds portion for certain purpose; authorizing the
3 pledging of revenues as security; providing
4 obligations not general obligations of the State of
5 Oklahoma; providing full faith and credit not pledged
6 to repayment; requiring certain statement be
7 contained on the obligations face; prescribing
8 procedures for sale of obligations; authorizing
9 credit enhancement and liquidity agreements;
10 requiring final maturation within certain period;
11 providing for disposition of interest earnings;
12 providing an exemption from taxation; requiring
13 initial exclusion within certain time period;
14 limiting time period for authorization; providing an
15 exception; providing for investment of proceeds;
16 providing for applicability of certain statutory
17 provisions and clarifying legislative intent with
18 respect to such applicability; authorizing Oklahoma
19 Capitol Improvement Authority to initiate certain
20 judicial proceedings; providing for codification; and
21 declaring an emergency.

22
23
24
25
26
27
28
29
30
31
32
33
34
35
36
37
38
39
40
41
42
43
44
45
46
47
48
49
50
51
52
53
54
55
56
57
58
59
60
61
62
63
64
65
66
67
68
69
70
71
72
73
74
75
76
77
78
79
80
81
82
83
84
85
86
87
88
89
90
91
92
93
94
95
96
97
98
99
100
101
102
103
104
105
106
107
108
109
110
111
112
113
114
115
116
117
118
119
120
121
122
123
124
125
126
127
128
129
130
131
132
133
134
135
136
137
138
139
140
141
142
143
144
145
146
147
148
149
150
151
152
153
154
155
156
157
158
159
160
161
162
163
164
165
166
167
168
169
170
171
172
173
174
175
176
177
178
179
180
181
182
183
184
185
186
187
188
189
190
191
192
193
194
195
196
197
198
199
200
201
202
203
204
205
206
207
208
209
210
211
212
213
214
215
216
217
218
219
220
221
222
223
224
225
226
227
228
229
230
231
232
233
234
235
236
237
238
239
240
241
242
243
244
245
246
247
248
249
250
251
252
253
254
255
256
257
258
259
260
261
262
263
264
265
266
267
268
269
270
271
272
273
274
275
276
277
278
279
280
281
282
283
284
285
286
287
288
289
290
291
292
293
294
295
296
297
298
299
300
301
302
303
304
305
306
307
308
309
310
311
312
313
314
315
316
317
318
319
320
321
322
323
324
325
326
327
328
329
330
331
332
333
334
335
336
337
338
339
340
341
342
343
344
345
346
347
348
349
350
351
352
353
354
355
356
357
358
359
360
361
362
363
364
365
366
367
368
369
370
371
372
373
374
375
376
377
378
379
380
381
382
383
384
385
386
387
388
389
390
391
392
393
394
395
396
397
398
399
400
401
402
403
404
405
406
407
408
409
410
411
412
413
414
415
416
417
418
419
420
421
422
423
424
425
426
427
428
429
430
431
432
433
434
435
436
437
438
439
440
441
442
443
444
445
446
447
448
449
450
451
452
453
454
455
456
457
458
459
460
461
462
463
464
465
466
467
468
469
470
471
472
473
474
475
476
477
478
479
480
481
482
483
484
485
486
487
488
489
490
491
492
493
494
495
496
497
498
499
500
501
502
503
504
505
506
507
508
509
510
511
512
513
514
515
516
517
518
519
520
521
522
523
524
525
526
527
528
529
530
531
532
533
534
535
536
537
538
539
540
541
542
543
544
545
546
547
548
549
550
551
552
553
554
555
556
557
558
559
560
561
562
563
564
565
566
567
568
569
570
571
572
573
574
575
576
577
578
579
580
581
582
583
584
585
586
587
588
589
590
591
592
593
594
595
596
597
598
599
600
601
602
603
604
605
606
607
608
609
610
611
612
613
614
615
616
617
618
619
620
621
622
623
624
625
626
627
628
629
630
631
632
633
634
635
636
637
638
639
640
641
642
643
644
645
646
647
648
649
650
651
652
653
654
655
656
657
658
659
660
661
662
663
664
665
666
667
668
669
670
671
672
673
674
675
676
677
678
679
680
681
682
683
684
685
686
687
688
689
690
691
692
693
694
695
696
697
698
699
700
701
702
703
704
705
706
707
708
709
710
711
712
713
714
715
716
717
718
719
720
721
722
723
724
725
726
727
728
729
730
731
732
733
734
735
736
737
738
739
740
741
742
743
744
745
746
747
748
749
750
751
752
753
754
755
756
757
758
759
760
761
762
763
764
765
766
767
768
769
770
771
772
773
774
775
776
777
778
779
780
781
782
783
784
785
786
787
788
789
790
791
792
793
794
795
796
797
798
799
800
801
802
803
804
805
806
807
808
809
810
811
812
813
814
815
816
817
818
819
820
821
822
823
824
825
826
827
828
829
830
831
832
833
834
835
836
837
838
839
840
841
842
843
844
845
846
847
848
849
850
851
852
853
854
855
856
857
858
859
860
861
862
863
864
865
866
867
868
869
870
871
872
873
874
875
876
877
878
879
880
881
882
883
884
885
886
887
888
889
890
891
892
893
894
895
896
897
898
899
900
901
902
903
904
905
906
907
908
909
910
911
912
913
914
915
916
917
918
919
920
921
922
923
924
925
926
927
928
929
930
931
932
933
934
935
936
937
938
939
940
941
942
943
944
945
946
947
948
949
950
951
952
953
954
955
956
957
958
959
960
961
962
963
964
965
966
967
968
969
970
971
972
973
974
975
976
977
978
979
980
981
982
983
984
985
986
987
988
989
990
991
992
993
994
995
996
997
998
999
1000

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

A. Subject to the limitations with respect to the authorized
date of issuance provided by this subsection, the Oklahoma Capitol
Improvement Authority is authorized to issue notes, bonds, or other
evidences of obligation, and to execute federal loans with the
United States Department of Transportation pursuant to the
Transportation Infrastructure Finance and Innovation Act (codified

1 as 23 U.S.C., Sections 601 through 609), in an amount necessary to
2 generate net proceeds not to exceed the amount of Five Hundred
3 Million Dollars (\$500,000,000.00), no earlier than July 1, 2024,
4 after providing for costs of issuance, credit enhancement, reserves,
5 capitalized interest and other associated expenses related to
6 financing. The principal amount of any note, bond, or other
7 evidence of obligation issued to the United States Department of
8 Transportation in connection with any federal loan authorized
9 hereunder may be increased following the disbursement of loan
10 proceeds by the amount of interest that may be capitalized and added
11 to principal in accordance with the terms of the federal loan
12 agreement.

13 B. Net proceeds of the financing shall be deposited into a
14 construction fund to provide for the financing of the acquisition of
15 real property, together with improvements located thereon, and
16 personal property, to construct, maintain and improve those state
17 highway and state bridge assets identified as follows:

- 18 1. The bridge on U.S. Highway 70 over Lake Texoma in Marshall
19 and Bryan Counties;
- 20 2. U.S. Highway 81 realignment in Grady County near Chickasha;
- 21 3. Interstate 35 in Cleveland, McClain, Garvin, Murray, Carter
22 and Love Counties.

23 C. The Transportation Commission or the Department of
24 Transportation shall use the proceeds for projects described in

1 subsection B of this section in order to facilitate the completion
2 of the enumerated projects, giving consideration to the ability to
3 match federal funding and such other factors as the Transportation
4 Commission or the Department of Transportation shall deem fiscally
5 prudent.

6 D. Earnings that result from the investment of the construction
7 fund may be used for the projects authorized in this section or for
8 other legal purposes approved by the Authority.

9 E. The Authority and the Transportation Commission or the
10 Department of Transportation are authorized to enter into such
11 agreements as may be necessary to authorize the Authority to hold
12 title to the real and personal property and improvements until any
13 obligation issued for the purpose set forth in subsection B of this
14 section are retired or defeased. The Authority may lease the real
15 property and improvements to the Transportation Commission or the
16 Department of Transportation for the purposes authorized by this
17 section. Upon final redemption of defeasance of the obligations
18 created pursuant to this section, title to the real and personal
19 property and improvements shall be transferred from the Oklahoma
20 Capitol Improvement Authority to the Transportation Commission or
21 the Department of Transportation.

22 F. For the purpose of paying the costs for acquisition and
23 construction of the real property and improvements and personal
24 property and making the repairs, refurbishments, and improvements to

1 real and personal property, and providing funding for the projects
2 authorized in this section, and for the purpose authorized in
3 subsection H of this section, the Authority is hereby authorized to
4 borrow monies on the credit of the income and revenues to be derived
5 from the leasing of such real and personal property and improvements
6 and, in anticipation of the collection of such income and revenues,
7 to issue negotiable obligations in one or more series.

8 G. It is the intent of the Legislature to appropriate to the
9 Department of Transportation sufficient monies to make rental
10 payments for the purposes of retiring the obligations created
11 pursuant to this section.

12 H. To the extent funds are available from the proceeds of the
13 borrowing authorized by subsection A of this section, the Oklahoma
14 Capitol Improvement Authority shall provide for the payment of the
15 professional fees and associated costs related to the projects
16 authorized in this section.

17 I. 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 or the issuance of obligations
22 to the United States Department of Transportation in connection with
23 federal loans, as described in subsection A of this section, and may
24 utilize a portion of the proceeds of any borrowing to create such

1 reserves as may be deemed necessary and to pay costs associated with
2 the issuance and administration of such obligations.

3 J. The bond indenture or other instrument pursuant to which the
4 Oklahoma Capitol Improvement Authority becomes obligated for the
5 repayment of principal and interest of the proceeds from the sale of
6 obligations or the execution of a loan with the United States
7 Department of Transportation authorized in subsection A of this
8 section shall provide that all obligations are to be repaid from the
9 source of revenue specified in this section. Such bond indenture or
10 other instrument may provide for the pledge of such revenue and the
11 associated funds and accounts established thereunder as security for
12 paying such obligations.

13 K. The bonds or other obligations issued pursuant to this
14 section shall not at any time be deemed to constitute a debt of the
15 state or any political subdivision thereof or a pledge of the faith
16 and credit of the state or any such political subdivision.

17 L. Such bonds or other obligations shall contain on the face
18 thereof a statement that neither the faith and credit nor the taxing
19 power of the state or any political subdivision thereof is pledged,
20 or may thereafter be pledged, to the payment of the principal of or
21 the interest on such bonds or other obligations.

22 M. The obligations authorized under this section may be sold at
23 either competitive, negotiated sale or directly placed with the
24 United States Department of Transportation as determined by the

1 Authority and in such form and at such prices as may be authorized
2 by the Authority. The Authority may enter into agreements with such
3 credit enhancers and liquidity providers to market the obligations
4 efficiently. The obligations may mature and have such provisions
5 for redemption as shall be determined by the Authority, but in no
6 event shall the final maturity of such obligations occur later than
7 thirty (30) years from the first principal maturity date.

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

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

16 P. Obligations authorized under this section shall have an
17 initial execution no later than five (5) years from the effective
18 date of this act. If no obligations have been issued by the end of
19 such five-year period, the authorization provided by this section
20 shall be null and void. Provided that an issuance of a portion of
21 the obligations authorized in subsection A of this section during
22 such five-year period shall satisfy the issuance requirement of this
23 subsection.

24

1 Q. The Authority may direct the investment of all monies in any
2 funds or accounts created in connection with the offering of the
3 obligations authorized under this section. Such investments shall
4 be made in a manner consistent with the investment guidelines of the
5 State Treasurer. The Authority may place additional restrictions on
6 the investment of such monies, if necessary, to enhance the
7 marketability of the obligations.

8 R. Insofar as they are not in conflict with provisions of this
9 section, Section 151 et seq. of Title 73 of the Oklahoma Statutes
10 shall apply to this section. The Legislature intends that the
11 Oklahoma Capitol Improvement Authority shall have the same powers to
12 require the Oklahoma Department of Transportation to use and occupy
13 the capital improvements and real property financed by the Oklahoma
14 Capitol Improvement Authority, and to pay rent for such use and
15 occupancy, as the Oklahoma Capitol Improvement Authority has under
16 paragraph 3 of Section 161 and Section 163 of Title 73 of the
17 Oklahoma Statutes with respect to buildings.

18 S. The Oklahoma Capitol Improvement Authority may initiate
19 proceedings for purposes of validating the obligations authorized
20 pursuant to the provision of this section according to the
21 provisions of Section 14.1 of Title 20 of the Oklahoma Statutes not
22 later than one hundred twenty (120) days after the effective date of
23 this act.
24

1 SECTION 2. It being immediately necessary for the preservation
2 of the public peace, health or safety, an emergency is hereby
3 declared to exist, by reason whereof this act shall take effect and
4 be in full force from and after its passage and approval.

5

6 COMMITTEE REPORT BY: COMMITTEE ON JOINT COMMITTEE ON APPROPRIATIONS
7 AND BUDGET, dated 05/27/2024 - DO PASS, As Amended.

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24