

1 **SENATE FLOOR VERSION**

2 February 11, 2025

3 SENATE BILL NO. 479

By: Grellner

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5
6 An Act relating to the State Capitol Building;
7 amending 73 O.S. 2021, Sections 345 and 346, which
8 relate to the renovation, repair, and remodeling of
9 the State Capitol Building; dissolving the State
10 Capitol Repair Expenditure Oversight Committee;
11 updating statutory language; updating statutory
12 reference; and providing an effective date.

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

14 SECTION 1. AMENDATORY 73 O.S. 2021, Section 345, is
15 amended to read as follows:

16 Section 345. A. In addition to any other authorization
17 provided by law, the Oklahoma Capitol Improvement Authority is
18 authorized to issue obligations to acquire real property, together
19 with improvements located thereon, and personal property to
20 construct improvements to real property and to provide funding for
21 repairs, refurbishments and improvements to real and personal
22 property of the State Capitol Building in a total amount not to
23 exceed One Hundred Twenty Million Dollars (\$120,000,000.00). The
24 funds shall be used for the renovation, repair and remodeling of the
State Capitol Building.

1 B. The Authority may hold title to the property and
2 improvements until such time as any obligations issued for this
3 purpose are retired or defeased and may lease the property and
4 improvements to the Office of Management and Enterprise Services.
5 Upon final redemption or defeasance of the obligations created
6 pursuant to this section, title to the property and improvements
7 shall be transferred from the Oklahoma Capitol Improvement Authority
8 to the Office of Management and Enterprise Services.

9 C. For the purposes of paying the costs for construction of the
10 real property and improvements, and providing funding for the
11 project authorized in subsection A of this section, and for the
12 purpose authorized in subsection D of this section, the Authority is
13 hereby authorized to borrow monies on the credit of the income and
14 revenues to be derived from the leasing of such property and
15 improvements and, in anticipation of the collection of such income
16 and revenues, to issue negotiable obligations in a total amount not
17 to exceed One Hundred Twenty Million Dollars (\$120,000,000.00)
18 whether issued in one or more series. The Authority is authorized
19 to capitalize interest on the obligations issued pursuant to this
20 section for a period ~~of~~ not to exceed one (1) year from the date of
21 issuance. For subsequent fiscal years, it is the intent of the
22 Legislature to appropriate to the Office of Management and
23 Enterprise Services sufficient monies to make rental payments for
24 the purpose of retiring the obligations created pursuant to this

1 section. To the extent funds are available from the proceeds of the
2 borrowing authorized by this subsection, the Oklahoma Capitol
3 Improvement Authority shall provide for the payment of professional
4 fees and associated costs related to the project authorized in
5 subsection A of this section.

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

14 E. The obligations authorized under this section may be sold at
15 either competitive or negotiated sale, as determined by the
16 Authority, and in such form and at such prices as may be authorized
17 by the Authority. The Authority may enter into agreements with such
18 credit enhancers and liquidity providers as may be determined
19 necessary to efficiently market the obligations. The obligations
20 may mature and have such provisions for redemption as shall be
21 determined by the Authority, but in no event shall the final
22 maturity of such obligations occur later than ten (10) years from
23 the first principal maturity date.

24

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

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

9 H. The Authority may direct the investment of all monies in any
10 funds or accounts created in connection with the offering of the
11 obligations authorized under this section. Such investments shall
12 be made in a manner consistent with the investment guidelines of the
13 State Treasurer. The Authority may place additional restrictions on
14 the investment of such monies if necessary to enhance the
15 marketability of the obligations.

16 ~~I. There is hereby created a State Capitol Repair Expenditure~~
17 ~~Oversight Committee. The proceeds from the sale of obligations~~
18 ~~issued pursuant to the provisions of this section and Section 1 of~~
19 ~~Enrolled House Bill No. 3168 of the 2nd Session of the 55th Oklahoma~~
20 ~~Legislature that are needed for repairs to the interior and exterior~~
21 ~~of the State Capitol shall be subject to the approval of the State~~
22 ~~Capitol Repair Expenditure Oversight Committee; provided, however,~~
23 ~~the expenditure of those proceeds shall be subject to a request for~~
24 ~~proposal process.~~

1 ~~The Committee shall be composed of nine (9) members as follows:~~

2 ~~1. Three persons to be appointed by the Governor, one of whom~~
3 ~~shall serve as chair of the Committee;~~

4 ~~2. Three legislators to be appointed by the Speaker of the~~
5 ~~House of Representatives, two of whom shall be members of the~~
6 ~~majority political party and one of whom shall be a member of the~~
7 ~~minority political party; and~~

8 ~~3. Three legislators to be appointed by the President Pro~~
9 ~~Tempore of the Senate, two of whom shall be members of the majority~~
10 ~~political party and one of whom shall be a member of the minority~~
11 ~~political party. Five members of the Committee shall constitute a~~
12 ~~quorum and the vote of five members shall be necessary for any~~
13 ~~action taken by the Committee. The Committee shall be staffed by~~
14 ~~employees of the Office of Management and Enterprise Services. The~~
15 ~~Committee shall be subject to the Oklahoma Open Meeting Act.~~

16 ~~J. The Committee shall deliver a preliminary plan for the~~
17 ~~renovation, repair and remodeling of the State Capitol to the~~
18 ~~Director of the Office of Management and Enterprise Services no~~
19 ~~later than December 31, 2014. The preliminary plan shall include~~
20 ~~the following components:~~

21 ~~1. Establishment of the Office of Management and Enterprise~~
22 ~~Services' goal and criteria for use by the vendor; and~~

23 ~~2. Selection criteria for the design-build team vendor to be~~
24 ~~selected through a Request For Proposal process.~~

1 ~~K. Following receipt of the preliminary plan as approved by the~~
2 ~~Committee, the Office of Management and Enterprise Services shall~~
3 ~~solicit Requests For Proposals to select the vendor for the project.~~

4 ~~L. The Committee shall deliver a final plan to the Director of~~
5 ~~the Office of Management and Enterprise Services no later than June~~
6 ~~30, 2015. The final plan shall include the following components:~~

7 ~~1. Approval of the final scope of work developed by the vendor;~~
8 ~~and~~

9 ~~2. Approval of the project phasing developed by the vendor.~~

10 ~~M. Following delivery of the final plan, the Committee shall~~
11 ~~continue to oversee the expenditure of proceeds from the sale of~~
12 ~~obligations issued pursuant to the provisions of this section and~~
13 ~~Section 1 of Enrolled House Bill No. 3168 of the 2nd Session of the~~
14 ~~55th Legislature, until completion of the renovation, repair and~~
15 ~~remodeling of the State Capitol. The Committee may also propose and~~
16 ~~approve amendments to the plan as it deems appropriate.~~

17 ~~N. The Director of the Office of Management and Enterprise~~
18 ~~Services shall have responsibility to substantially implement the~~
19 ~~plan as presented by the Committee; provided, the President Pro~~
20 ~~Tempore of the Senate or the Speaker of the House of Representatives~~
21 ~~shall approve all proposed designs related to renovation, repair and~~
22 ~~remodeling of space within the State Capitol Building under the~~
23 ~~management and control of the Legislature and allocated to that~~
24 ~~officer's house of the Legislature pursuant to the provisions of~~

1 ~~Section 15.1 of this title, and any subsequent changes to such~~
2 ~~plans. Joint approval of the President Pro Tempore of the Senate~~
3 ~~and the Speaker of the House of Representatives shall be required~~
4 ~~for such plans for space under the management and control of the~~
5 ~~Legislature and not allocated to a specific house of the~~
6 ~~Legislature. Such approval shall be in writing.~~

7 ~~Ø.~~ Insofar as they are not in conflict with the provisions of
8 this section, the provisions of Section 151 et seq. of this title
9 shall apply to this section.

10 SECTION 2. AMENDATORY 73 O.S. 2021, Section 346, is
11 amended to read as follows:

12 Section 346. A. In addition to any other authorization
13 provided by law, the Oklahoma Capitol Improvement Authority is
14 authorized to issue obligations to acquire real property, together
15 with improvements located thereon, and personal property to
16 construct improvements to real property and to provide funding for
17 repairs, refurbishments and improvements to real and personal
18 property of the State Capitol Building and associated furniture,
19 fixtures and equipment in a total amount not to exceed One Hundred
20 Twenty-five Million Dollars (\$125,000,000.00). The funds shall be
21 used for the renovation, repair and remodeling of the State Capitol
22 Building.

23 B. The Authority may hold title to the property and
24 improvements until such time as any obligations issued for this

1 purpose are retired or defeased and may lease the property and
2 improvements to the Office of Management and Enterprise Services.
3 Upon final redemption or defeasance of the obligations created
4 pursuant to this section, title to the property and improvements
5 shall be transferred from the Oklahoma Capitol Improvement Authority
6 to the Office of Management and Enterprise Services.

7 C. For the purposes of paying the costs for construction of the
8 real property and improvements, and providing funding for the
9 project authorized in subsection A of this section, and for the
10 purpose authorized in subsection D of this section, the Authority is
11 hereby authorized to borrow monies on the credit of the income and
12 revenues to be derived from the leasing of such property and
13 improvements and, in anticipation of the collection of such income
14 and revenues, to issue negotiable obligations in a total amount not
15 to exceed One Hundred Twenty-five Million Dollars (\$125,000,000.00)
16 whether issued in one or more series. The Authority is authorized
17 to capitalize interest on the obligations issued pursuant to this
18 section for a period ~~of~~ not to exceed one (1) year from the date of
19 issuance. For subsequent fiscal years, it is the intent of the
20 Legislature to appropriate to the Office of Management and
21 Enterprise Services sufficient monies to make rental payments for
22 the purpose of retiring the obligations created pursuant to this
23 section. To the extent funds are available from the proceeds of the
24 borrowing authorized by this subsection, the Oklahoma Capitol

1 Improvement Authority shall provide for the payment of professional
2 fees and associated costs related to the project authorized in
3 subsection A of this section; provided, that no such fees or costs
4 may be paid if such payments would jeopardize the tax-advantaged
5 status of the bonds under federal law.

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

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

1 occur no later than eighteen (18) months from its delivery date. No
2 bonds shall be delivered prior to July 1, 2018.

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

6 G. 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~~ this state, or by any
10 county, municipality or political subdivision therein.

11 H. The Authority may direct the investment of all monies in any
12 funds or accounts created in connection with the offering of the
13 obligations authorized under this section. Such investments shall
14 be made in a manner consistent with the investment guidelines of the
15 State Treasurer. The Authority may place additional restrictions on
16 the investment of such monies if necessary to enhance the
17 marketability of the obligations.

18 I. ~~The proceeds from the sale of obligations issued pursuant to~~
19 ~~the provisions of this section that are needed for repairs,~~
20 ~~refurbishments and improvements to real and personal property of the~~
21 ~~State Capitol Building, and associated furniture, fixtures and~~
22 ~~equipment for the State Capitol shall be subject to the approval of~~
23 ~~the State Capitol Repair Expenditure Oversight Committee created~~
24 ~~pursuant to Section 345 of Title 73 of the Oklahoma Statutes.~~

1 ~~J.~~ Insofar as they are not in conflict with the provisions of
2 this section, the provisions of Section 151 et seq. of ~~Title 73 of~~
3 ~~the Oklahoma Statutes~~ this title shall apply to this section.

4 SECTION 3. This act shall become effective November 1, 2025.

5 COMMITTEE REPORT BY: COMMITTEE ON RETIREMENT AND GOVERNMENT
6 RESOURCES
7 February 11, 2025 - DO PASS

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