An Act

ENROLLED SENATE
BILL NO. 1374

By: Johnson (Mike), Crutchfield, Myers and Adelson of the Senate

and

Miller, Jones, Jett and Dorman of the House

An Act relating to public finance; authorizing the Oklahoma Capitol Improvement Authority to issue obligations for the Native American cultural center and museum for the Native American Cultural and Educational Authority, the Oklahoma Conservation Commission, and the River Parks Authority; providing for transfer of title upon occurrence of certain events; authorizing the borrowing of money for certain purposes; stating legislative intent; providing for payment of certain fees and costs; authorizing procedure for issuance and hiring of certain professionals; providing for use of certain interest earnings; exempting certain obligations, transfers, and interest from taxation; providing for investment and oversight; 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 304.1 of Title 73, unless there is created a duplication in numbering, reads as follows:

A. In addition to any other authorization provided by law, the Oklahoma Capitol Improvement Authority (OCIA) is authorized to issue obligations to acquire real property, together with improvements located thereon, and personal property, to construct buildings and other improvements to real property and to provide funding for improvements to real and personal property and for funding of further construction, improvements, development and enhancement of a Native American cultural center and museum for the Native American Cultural and Educational Authority, to include personal property and exhibits in a total amount not to exceed Twenty-five Million Dollars ($25,000,000.00) with debt retirement payments to be made as provided herein.

B. The OCIA may hold title to or a leasehold interest in the real and personal property and improvements until such time as any obligations issued for this purpose are retired or defeased and may lease the real property and improvements to the Native American Cultural and Educational Authority. Upon final redemption or defeasance of the obligations created pursuant to this section, title to the real and personal property and improvements shall be transferred from the OCIA to the Native American Cultural and Educational Authority.

C. For the purpose of paying the costs for acquisition and construction of the real property and improvements and personal property and making the improvements to real and personal property, and providing funding for the project authorized in subsection A of this section, the OCIA is hereby authorized to borrow monies on the credit of the income and revenues to be derived from the leasing of such real and personal property and improvements and, in anticipation of the collection of such income and revenues, to issue negotiable obligations, in one or more series, in an amount sufficient to generate net proceeds of Twenty-five Million Dollars ($25,000,000.00) after providing for costs of issuance, credit enhancement, reserves, and other associated expenses related to the financing. Net proceeds of the financing will be deposited into a construction fund to provide for the construction and acquisition of improvements described herein. It is the intent of the Legislature to appropriate to the Native American Cultural and Educational Authority sufficient monies to make rental payments for the purposes of retiring the obligations created pursuant to this section. To the extent funds are available from the proceeds of the borrowing

authorized by this subsection, the OCIA shall provide for the payment of professional fees and associated costs related to the projects authorized in subsection A of this section.

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

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

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

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

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

I. Insofar as they are not in conflict with the provisions of this section, the provisions of Section 151 et seq. of Title 73 of the Oklahoma Statutes shall apply to this section.

SECTION 2. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 333 of Title 73, unless there is created a duplication in numbering, reads as follows:

A. The Oklahoma Capitol Improvement Authority (OCIA) is authorized to acquire real property or interests therein, together with improvements located thereon, and personal property for purposes of construction, repair and rehabilitation of flood control dams, repair of roadside water erosion, riparian restoration and purchase of necessary equipment in various counties through and with the assistance of local conservation districts, including restoration of flood-damaged areas, all pursuant to the Conservation District Act, with debt retirement payments to be made by the Oklahoma Conservation Commission, which is hereby authorized to borrow money from the OCIA for the purposes in this section.

The OCIA may hold title to the real property and improvements until such time as any obligations issued for this purpose are retired or defeased and may lease the real property and improvements to the Oklahoma Conservation Commission. Upon final redemption or defeasance of the obligations created pursuant to this section, title to the real property and improvements shall be transferred from the Oklahoma Capitol Improvement Authority, to the Oklahoma Conservation Commission.

B. For the purpose of paying the costs for acquisition of the real property and improvements and personal property authorized in subsection A of this section, and for the purpose authorized in subsection C of this section, the OCIA is hereby authorized to borrow monies on the credit of the income and revenues to be derived from the leasing of such real property and improvements and, in anticipation of the collection of such income and revenues, to issue negotiable obligations in an amount sufficient to generate net proceeds of Twenty-five Million Dollars ($25,000,000.00) after providing for costs of issuance, credit enhancement, reserves, and other associated expenses related to the financing. It is the intent of the Legislature to appropriate to the Oklahoma Conservation Commission sufficient monies to make rental payments

for the purposes of retiring the obligations created pursuant to this section.

C. To the extent funds are available from the proceeds of the borrowing authorized by subsection B of this section, the OCIA shall provide for the payment of professional fees and associated costs approved by the OCIA.

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

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

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

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

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

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

SECTION 3. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 334 of Title 73, unless there is created a duplication in numbering, reads as follows:

A. The Oklahoma Capitol Improvement Authority (OCIA) is authorized to acquire real property, together with improvements located thereon, and personal property for purposes of construction of Zink Dam improvements, stream bank stabilization and construction of two additional low water dams on the Arkansas River in Tulsa County. The project will be coordinated with representatives of the City of Tulsa, Tulsa County and surrounding communities, the Indian Nations Council of Governments and the United States Army Corps of Engineers. The said projects herein described are hereby determined to be in the best interests of the State of Oklahoma and will accomplish an important public purpose. The OCIA may acquire and hold title to the real property and improvements, or any interest therein, until such time as any obligations issued for this purpose are retired or defeased and may lease the real property and improvements to the River Parks Authority, a public trust in Tulsa County. Upon final redemption or defeasance of the obligations created pursuant to this section, title to the real property and improvements shall be transferred from the Oklahoma Capitol Improvement Authority, to the River Parks Authority.

B. For the purpose of paying the costs for acquisition of the real property and improvements and personal property authorized in subsection A of this section, and for the purpose authorized in subsection C of this section, the OCIA is hereby authorized to borrow monies on the credit of the income and revenues to be derived from the leasing of such real property and improvements and, in anticipation of the collection of such income and revenues, to issue negotiable obligations, in one or more series, in an amount sufficient to generate net proceeds of Twenty-five Million Dollars ($25,000,000.00) after providing for costs of issuance, credit enhancement, reserves and other associated expenses related to the financing. It is the intent of the Legislature to appropriate to the Department of Central Services sufficient monies to make rental

payments for the purposes of retiring the obligations created pursuant to this section.

C. To the extent funds are available from the proceeds of the borrowing authorized by subsection B of this section, the OCIA shall provide for the payment of professional fees and associated costs approved by the OCIA.

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

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

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

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

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

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

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

Passed the Senate the 23rd day of May, 2008.

Presiding Officer of the Senate

Passed the House of Representatives the 23rd day of May, 2008.

Presiding Officer of the House of Representatives

OFFICE OF THE GOVERNOR

Received by the Governor this 23rd

day of May, 2008,

at 10:32 o'clock P M.

By: [signature]

Approved by the Governor of the State of Oklahoma the 5th day of

June, 2008, at 4:00 o'clock P M.

[signature]

Governor of the State of Oklahoma

OFFICE OF THE SECRETARY OF STATE

Received by the Secretary of State this

10th day of June, 2008,

at 12:40 o'clock P M.

By: M. Susan Savage