

# An Act

ENROLLED SENATE  
BILL NO. 1262

By: Thompson of the Senate

and

Wallace of the House

An Act relating to bond defeasance; requiring funding of a certain escrow account in an amount sufficient for defeasance of specified bonds within stated time period; authorizing employment of certain professionals to defease bonds; specifying source of funds necessary to defease bonds; prohibiting certain entity from disbursing certain proceeds for purposes other than funding escrow account; prohibiting issuance of additional obligations; creating the Obligation Defeasance Revolving Fund; requiring transfer of certain amount of funds to specified account for purposes of defeasing certain bonds; providing for codification; and declaring an emergency.

SUBJECT: Bond defeasance

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 168.10a of Title 73, unless there is created a duplication in numbering, reads as follows:

A. Within one hundred eighty (180) days of the effective date of this act, the Oklahoma Capitol Improvement Authority shall fund an escrow account in an amount sufficient to provide for payment of principal and interest on obligations, as they become due, issued pursuant to Section 168.10 of Title 73 of the Oklahoma Statutes, Oklahoma Capitol Improvement Authority State Facilities Lease

Revenue Bonds Series 2018A, for purposes of providing office space to the Oklahoma Tourism and Recreation Department. The escrow account shall be funded as provided in subsection C of this section and shall be in an amount sufficient to defease the obligations.

B. The Authority is authorized to employ agents as may be necessary to carry out the defeasance of the obligations issued pursuant to Section 168.10 of Title 73 of the Oklahoma Statutes including, but not limited to, legal counsel, escrow bidding agent, escrow verification agent, and a trustee or paying agent.

C. The Authority shall utilize all unspent proceeds of obligations issued pursuant to Section 168.10 of Title 73 of the Oklahoma Statutes and any investment earnings thereon to fund the escrow account. It is the intent of the Legislature to appropriate the remainder of monies necessary to defease the obligations.

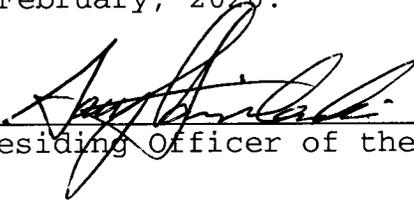
D. As of the effective date of this act, the Authority is prohibited from disbursing the proceeds of obligations issued pursuant to Section 168.10 of Title 73 of the Oklahoma Statutes or any investment earnings thereon for any purpose other than the purpose authorized in subsection C of this section. Nor shall the Authority issue any additional obligations under the provisions of Section 168.10 of Title 73 of the Oklahoma Statutes.

SECTION 2. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 168.10b of Title 73, unless there is created a duplication in numbering, reads as follows:

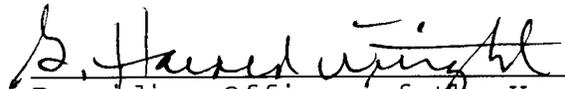
There is hereby created in the State Treasury a revolving fund for the Oklahoma Capitol Improvement Authority to be designated the "Obligation Defeasance Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all appropriations and deposits made for the purpose of fully defeasing obligations issued pursuant to Section 168.10 of Title 73 of the Oklahoma Statutes. All monies accruing to the credit of the fund are hereby appropriated and shall be transferred to the escrow account established pursuant to the provisions of Section 1 of this act.

SECTION 3. It being immediately necessary for the preservation of the public peace, health or 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 27th day of February, 2020.

  
Presiding Officer of the Senate

Passed the House of Representatives the 12th day of May, 2020.

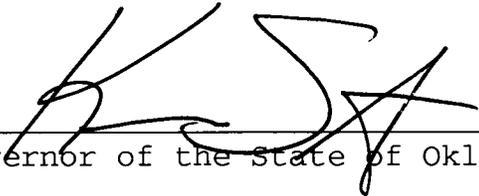
  
Presiding Officer of the House  
of Representatives

OFFICE OF THE GOVERNOR

Received by the Office of the Governor this 13<sup>th</sup>  
day of May, 20 20, at 11:47 o'clock a. M.

By: Sumner Curry

Approved by the Governor of the State of Oklahoma this 19<sup>th</sup>  
day of May, 20 20, at 9:26 o'clock a. M.

  
Governor of the State of Oklahoma

OFFICE OF THE SECRETARY OF STATE

Received by the Office of the Secretary of State this 19<sup>th</sup>  
day of May, 20 20, at 12:18 o'clock P. M.

By: Michael Rogers