

OKLAHOMA HOUSE OF REPRESENTATIVES
COMMITTEE REPORT

5/27/2024 8:02:32 PM

JOINT COMMITTEE ON APPROPRIATIONS AND BUDGET COMMITTEE

HB2897

By: Wallace et al of the House

Hall et al of the Senate

Title: Public finance; Public Finance Act of 2023; effective date.

Coauthored By:

Recommendation: **DO PASS AS AMENDED BY CS**

Amendments:

1. Committee Substitute Attached



Chr.

Representative Kevin Wallace

YEAS: 32

Baker, Bashore, Bennett, Blancett, Boatman, Boles, Caldwell (T), Echols, Fetgatter, Ford, Hasenbeck, Hilbert, Hill, Kannady, Kendrix, Kerbs, Lepak, Lowe (D), McBride, Moore, Munson, Newton, Nichols, O'Donnell, Osburn, Pfeiffer, Provenzano, Ranson, Sterling, Strom, Wallace, West (T)

NAYS: 0

CONSTITUTIONAL PRIVILEGE: 0

OKLAHOMA STATE SENATE
JOINT
COMMITTEE REPORT

May 27, 2024

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Recommendation: **DO PASS AS AMENDED BY CS**

AYES: 20

Brooks, Burns, Dugger, Floyd, Gollihare, Green, Hall, Haste, Hicks, Howard, Jech, Kirt, Matthews, Prieto, Pugh, Rader, Rosino, Stephens, Thompson (Kristen), Woods

NAYS: 0

CONSTITUTIONAL PRIVILEGE: 0

Senator Chuck Hall, Chair

AMD HB2897 PCS - ADOPTED (Request No: 11152)

1 STATE OF OKLAHOMA

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

3 COMMITTEE SUBSTITUTE
4 FOR

5 HOUSE BILL NO. 2897

By: Wallace and Caldwell (Trey)
of the House

6 and

7 Hall and Rosino of the
8 Senate

9
10 COMMITTEE SUBSTITUTE

11 An Act relating to the Legacy Capital Financing Act;
12 amending Section 2, Chapter 1, 1st Extraordinary
13 Session, O.S.L. 2023 (73 O.S. Supp. 2023, Section
14 187B), which relates to the Legacy Capital Financing
15 Fund; providing for the retention of fund interest
16 and income; and declaring an emergency.

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

18 SECTION 1. AMENDATORY Section 2, Chapter 1, 1st
19 Extraordinary Session, O.S.L. 2023 (73 O.S. Supp. 2023, Section
20 187B), is amended to read as follows:

21 Section 187B. A. There is hereby created in the State Treasury
22 a revolving fund for the Oklahoma Capitol Improvement Authority to
23 be designated the "Legacy Capital Financing Fund". The fund shall
24 be a continuing fund, not subject to fiscal year limitations, and
shall consist of all monies received by the Oklahoma Capitol

1 Improvement Authority eligible under law and directed for deposit.
2 All monies accruing to the credit of said fund are hereby
3 appropriated and may be budgeted and expended by the Oklahoma
4 Capitol Improvement Authority for capital projects specifically and
5 exclusively as authorized by law. Such budgeting and expenditure
6 shall strictly adhere to the specific terms, limitations, purposes,
7 and requirements described in such authorizations and in this act.
8 Expenditures from said fund shall be made upon warrants issued by
9 the State Treasurer against claims filed as prescribed by law with
10 the Director of the Office of Management and Enterprise Services for
11 approval and payment.

12 B. 1. The Oklahoma Capitol Improvement Authority shall be
13 authorized to enter into memoranda of understanding with agencies,
14 departments, and subdivisions of the state as provided by law and as
15 deemed necessary by the Authority to administer expenditures from
16 and deposits to the Legacy Capital Financing Fund; provided that
17 such memoranda of understanding do not conflict with or impede the
18 administration of capital projects specifically authorized by law.
19 Such memoranda of understanding shall not constitute a legal
20 obligation of the State of Oklahoma.

21 2. a. Unless specified otherwise in the applicable
22 authorizing legislation, all distributions from the
23 Legacy Capital Financing Fund shall be returned to the
24 Fund over a twenty-year period. Such distributions

1 shall be returned in the form of LCF Recapitalization
2 Payments as provided in subparagraph b of this
3 paragraph.

4 b. The annual LCF Recapitalization Payment required of
5 entities in receipt of Legacy Capital Financing Fund
6 distributions shall be equal to one-twentieth (1/20)
7 of the amount distributed to the entity. Such payment
8 shall be collected by the Oklahoma Capitol Improvement
9 Authority in equal monthly installments and deposited
10 to the Legacy Capital Financing Fund; provided, that
11 in the year of initial distribution no monthly payment
12 shall be made until the second month after such
13 distribution. Upon such second month, all monthly
14 payments for such state fiscal year up to that point
15 shall become payable.

16 c. (1) By authorizing distributions from the Legacy
17 Capital Financing Fund and making recipients of
18 such funds responsible for LCF Recapitalization
19 Payments, the Legislature voluntarily subjects
20 itself to the moral obligation that the
21 Legislature shall appropriate to recipient state
22 agencies, otherwise receiving legislative
23 appropriations, the first annual required LCF
24 Recapitalization Payment for the state fiscal

1 year for which the distribution was authorized,
2 and that such appropriated amount shall remain in
3 the agency's appropriation base for the duration
4 of the LCF Recapitalization period for such
5 project.

6 (2) The Legislature, as it deems necessary for the
7 best interests of the state, may suspend or
8 restructure for a period of time such LCF
9 Recapitalization Payments through the adoption of
10 a concurrent resolution.

11 C. Limited to the extent required for projects specifically
12 authorized through the Legacy Capital Financing Act, the Oklahoma
13 Capitol Improvement Authority shall be authorized to:

14 1. Acquire real property together with improvements located
15 thereon and personal property;

16 2. Provide for the construction of improvements to real
17 property and to provide funding for repairs, refurbishments, and
18 improvements to real and personal property;

19 3. Hold title to property and improvements as necessary to
20 comply with legal directives and authorizations; and

21 4. Lease, transfer, and otherwise legally dispose of property
22 and improvements as necessary to comply with legal directives and
23 authorizations.

1 D. No later than January 15 annually, the Oklahoma Capitol
2 Improvement Authority shall submit electronically to the Governor,
3 the Speaker of the Oklahoma House of Representatives, the President
4 Pro Tempore of the Oklahoma State Senate, the Appropriations and
5 Budget Chair of the Oklahoma House of Representatives, and the
6 Appropriations Chair of the Oklahoma State Senate a report detailing
7 impacts to the balance of the Legacy Capital Financing Fund
8 occurring in the prior calendar year, including, but not limited to,
9 all distributions, expenditures, collections, deposits and
10 investment returns of the Legacy Capital Financing Fund.

11 E. Notwithstanding any provision of law to the contrary, all
12 interest and income derived from deposits to the Legacy Capital
13 Financing Fund shall be credited to the Legacy Capital Financing
14 Fund.

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

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20 59-2-11190 JM 05/27/24

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