

**HB 1863** – By Roach and Liotta of the House and Williams and Cain of the Senate

An Act directing the Secretary of State to refer to the people for their approval or rejection a proposed amendment to Section 10 of Article X of the Constitution of the State of Oklahoma; modifying provisions related to permissible use of building funds; providing ballot title; and directing filing.

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

SECTION 1. The Secretary of State shall refer to the people for their approval or rejection, as and in the manner provided by law, the following proposed amendment to Section 10 of Article X of the Constitution of the State of Oklahoma to read as follows:

Section 10. A. For the purpose of erecting public buildings in counties or cities, or for the purpose of raising money for a building fund for a school district which may be used for erecting, remodeling or repairing school buildings, and for purchasing furniture, the rates of taxation herein limited may be increased, when the rate of such increase and the purpose for which it is intended shall have been submitted to a vote of the people, and a majority of the qualified voters of such county, city, or school district, voting at such election, shall vote therefor: Provided, that such increase shall not exceed five (5) mills on the dollar of the assessed value of the taxable property in such county, city, or school district.

B. A school district may upon approval by a majority of the electors of the district voting on the question make the ad valorem levy for a building fund under subsection A of this section permanent. If the question is approved, the levy in the amount approved as required by this section, shall be made each fiscal year thereafter until such time as a majority of the electors of the district voting on the question rescind the making of the levy permanent. An election on such question shall be held at such time as a petition is signed by ten percent (10%) of the school district electors or a recommendation by the board of education of the school district is made asking that the levies be made each fiscal year.

C. Proceeds from the levy authorized by this section for school districts may be used to pay costs related to the inspection of property, as prescribed by law, for purposes of ad valorem taxation.

SECTION 2. The Ballot Title for the proposed Constitutional amendment as set forth in SECTION 1 of this act shall be in the following form:

BALLOT TITLE

Legislative Referendum No. \_\_\_\_ State Question No. \_\_\_\_

THE GIST OF THE PROPOSITION IS AS FOLLOWS:

This measure amends the Oklahoma Constitution. It amends Section 10 of Article 10. School districts have building funds. Property taxes are levied for this purpose. Generally, monies in these funds are used to construct school buildings. This measure would allow the building funds to be used for payment of certain costs. These costs are related to the inspection of property by the county assessor. The inspections are part of the property tax system. The way in which building funds could be used for this purpose could be prescribed by law.

SHALL THIS AMENDMENT BE APPROVED BY THE PEOPLE?

YES, FOR THE AMENDMENT

NO, AGAINST THE AMENDMENT

SECTION 3. The Chief Clerk of the House of Representatives, immediately after the passage of this act, shall prepare and file one copy thereof, including the Ballot Title set forth in SECTION 2 hereof, with the Secretary of State and one copy with the Attorney General.

**HJR 1036** – By Adair of the House and Taylor of the Senate

A Joint Resolution directing the Secretary of State to refer to the people for their approval or rejection a proposed amendment to Section 40 of Article X of the Constitution of the State of Oklahoma; modifying expenditures from the Tobacco Settlement Endowment Trust Fund; providing ballot title; and directing filing.

BE IT RESOLVED BY THE HOUSE OF REPRESENTATIVES AND THE SENATE OF THE 2ND SESSION OF THE 48TH OKLAHOMA LEGISLATURE:

SECTION 4. The Secretary of State shall refer to the people for their approval or rejection, as and in the manner provided by law, the following proposed amendment to Section 40 of Article X of the Constitution of the State of Oklahoma to read as follows:

Section 40. A. There is hereby created a trust fund to be known as the “Tobacco Settlement Endowment Trust Fund”. The trust fund principal shall consist of the portion of monies which are received by the State of Oklahoma on or after July 1, 2001, pursuant to any settlement with or judgment against any tobacco company or companies as provided by subsection B of this section, and any other monies that may be appropriated or otherwise directed to the trust fund by the Legislature.

B. 1. Deposits into the trust fund from monies which are received by the State of Oklahoma pursuant to any settlement with or judgment against any tobacco company or companies shall be based on the following schedule:

<u>Fiscal Year</u>	<u>Minimum Percentage of Payments</u>
Ending June 30, 2002	50%
Ending June 30, 2003	55%
Ending June 30, 2004	60%
Ending June 30, 2005	65%
Ending June 30, 2006	70%
Ending June 30, 2007	75%

2. Deposits into the trust fund in subsequent fiscal years shall never be less than seventy-five percent (75%) of the payments.

3. The monies received by the State of Oklahoma pursuant to any settlement with or judgment against any tobacco company or companies after June 30, 2001, not deposited into the trust fund as provided in this section, shall be deposited into a special fund established by the Legislature solely for the purpose of receiving the payments; provided, the Legislature may, by law, direct a certain portion of such monies to the Office of the Attorney General. The special fund shall be subject to legislative appropriations.

C. There is hereby created the Board of Investors of the Tobacco Settlement Endowment Trust Fund. The Board of Investors shall have the duty of investing monies in the trust fund, subject to restrictions and limitations provided by law for and in accordance with laws applicable to the investment of monies in state retirement funds.

The Board of Investors shall consist of five (5) members as follows:

1. The State Treasurer who shall be the chair;
2. An appointee of the Governor;
3. An appointee of the Speaker of the House of Representatives;
4. An appointee of the President Pro Tempore of the Senate; and
5. An appointee of the State Auditor and Inspector.

The initial appointees shall serve staggered terms of office as provided for by law. Thereafter, appointees shall serve four-year terms of office. No more than two appointees shall be appointed from any single congressional district. All appointed members shall have demonstrated expertise in public or private investment funds management.

D. There is hereby created the Board of Directors of the Tobacco Settlement Endowment Trust Fund. The Board of Directors shall consist of seven (7) members, one appointed by each of the following appointing authorities:

1. The Governor;
2. The President Pro Tempore of the Senate;
3. The Speaker of the House of Representatives;
4. The Attorney General;
5. The State Treasurer;
6. The State Auditor and Inspector; and
7. The State Superintendent of Public Instruction.

The initial appointed members shall serve staggered terms of office as provided for by law. Thereafter, the appointed members of the Board of Directors shall serve seven-year terms of office. At least one appointee shall be appointed from each congressional district, and not more than two appointees shall be appointed from any single congressional district. Not more than four appointees shall be members of the same political party. An appointee shall have been a member of the political party to which the appointee belongs for at least one (1) year prior to the date of appointment. Appointees shall have demonstrated expertise in public or private health care or programs related to or for the benefit of children or senior adults.

The Board of Directors shall meet at least one time each calendar quarter.

E. Earnings from the trust fund, including but not limited to interest, dividends, and ~~realized~~ capital gains from investments of the trust fund shall be credited to the principal of the trust fund. Distributions from the trust fund may be expended as provided in subsection F of this section for the following purposes:

1. Clinical and basic research and treatment efforts in Oklahoma for the purpose of enhancing efforts to prevent and combat cancer and other tobacco-related diseases;
2. Cost-effective tobacco prevention and cessation programs;
3. Programs other than those specified in paragraph 1 of this subsection designed to maintain or improve the health of Oklahomans or to enhance the provision of health care services to Oklahomans, with particular emphasis on such programs for children;
4. Programs and services for the benefit of the children of Oklahoma, with particular emphasis on common and higher education, before- and after-school and pre-school programs, substance abuse prevention and treatment programs and other programs and services designed to improve the health and quality of life of children;

5. Programs designed to enhance the health and well-being of senior adults; and  
 6. Authorized administrative expenses of the Office of the State Treasurer and the Board of Directors including, but not limited to, fees paid to outside vendors or providers of financial management services.

F. Each fiscal year, the Board of Directors may expend ~~the amount of earnings which actually accrued to the trust fund during the preceding fiscal year~~ an amount of the trust fund equal to not more than five and one-half percent (5 1/2%) of the average market value of the fund measured at the end of the immediately preceding sixteen (16) calendar quarters; provided that until the trust fund has sixteen (16) quarters of experience, the average shall be based on the average market value of the trust fund at the end of all calendar quarters since the trust fund was created. The percentage of the trust fund expended by the Board of Directors each fiscal year shall be annually set by the Board of Investors, provided that it shall not exceed the percentage cap set forth in this subsection. The Board of Investors shall determine the annual percentage with the objectives of ensuring both adequate funding of programs set forth in subsection E of this section and of ensuring the long-term real growth of the Tobacco Settlement Endowment Trust Fund. Any amount not so expended shall remain in the trust fund. The Board shall direct specific expenditures to be made for the purposes specified in subsection E of this section.

G. The Legislature may enact laws to further implement the provisions of this section.

SECTION 5. The Ballot Title for the proposed Constitutional amendment as set forth in SECTION 1 of this resolution shall be in the following form:

BALLOT TITLE

Legislative Referendum No. \_\_\_\_ State Question No. \_\_\_\_

THE GIST OF THE PROPOSITION IS AS FOLLOWS:

This measure amends the Oklahoma Constitution. It amends Section 40 of Article 10. This measure changes certain procedures related to the tobacco trust fund. It changes the way it is determined how much money in the fund may be spent each year. Now only earnings of the fund may be spent. This measure would base spending from the fund on the average market value of the fund. Each year an amount not to exceed 5 1/2 percent of the average market value of the fund may be spent. The actual percentage amount to be expended is set by the Board of Investors. It cannot exceed 5 1/2 percent. Monies from the fund may be used to pay outside vendors and for financial management services.

SHALL THIS AMENDMENT BE APPROVED BY THE PEOPLE?

YES, FOR THE AMENDMENT

NO, AGAINST THE AMENDMENT

SECTION 6. The Chief Clerk of the House of Representatives, immediately after the passage of this resolution, shall prepare and file one copy thereof, including the Ballot Title set forth in SECTION 2 hereof, with the Secretary of State and one copy with the Attorney General.

**HJR 1051** – By Perry of the House and Coffee of the Senate

A Joint Resolution directing the Secretary of State to refer to the people for their approval or rejection a proposed amendment to Section 53 of Article V of the Constitution of the State of Oklahoma; allowing certain state contracts to limit the liability of vendors; authorizing the Legislature to enact certain laws; providing ballot title; and directing filing.

BE IT RESOLVED BY THE HOUSE OF REPRESENTATIVES AND THE SENATE OF THE 2ND SESSION OF THE 48TH OKLAHOMA LEGISLATURE:

SECTION 7. The Secretary of State shall refer to the people for their approval or rejection, as and in the manner provided by law, the following proposed amendment to Section 53 of Article V of the Constitution of the State of Oklahoma to read as follows:

Section 53. A. Except as to tax and assessment charges against real property remaining delinquent and unpaid for a period of time as long or longer than that provided by law to authorize the taking title to real property by prescription, the Legislature shall have no power to release or extinguish, or to authorize the releasing or extinguishing, in whole or in part, the indebtedness, liabilities, or obligations of any corporation or individual, to this State, or any county or other municipal corporation thereof.

B. The Legislature may enact laws to permit state entities to limit the contractual liability of persons contracting to provide information technology goods or services to the state, but in no event shall liability be limited to less than the amount of the contract.

SECTION 8. The Ballot Title for the proposed Constitutional amendment as set forth in SECTION 1 of this resolution shall be in the following form:

BALLOT TITLE

Legislative Referendum No. \_\_\_\_ State Question No. \_\_\_\_

THE GIST OF THE PROPOSITION IS AS FOLLOWS:

This measure amends the Oklahoma Constitution. It amends Section 53 of Article 5. This measure would allow the Legislature to pass certain laws. The laws would affect persons contracting with the state. The laws could limit the liability those persons have to the state. The liability limit would apply only to certain contracts. It would apply to contracts for information technology. Liability could not be limited to less than the amount of the contract.

SHALL THIS AMENDMENT BE APPROVED BY THE PEOPLE?

YES, FOR THE AMENDMENT

NO, AGAINST THE AMENDMENT

SECTION 9. The Chief Clerk of the House of Representatives, immediately after the passage of this resolution, shall prepare and file one copy thereof, including the Ballot Title set forth in SECTION 2 hereof, with the Secretary of State and one copy with the Attorney General.

**SJR 32** - By Douglass of the Senate and Phillips and Calvey of the House

A Joint Resolution directing the Secretary of State to refer to the people for their approval or rejection a proposed amendment to Section 5 of Article X of the Constitution of the State of Oklahoma, which relates to revenue and taxation; authorizing Legislature to enact laws providing for tax abatement under certain circumstances; providing ballot title; and directing filing.

BE IT RESOLVED BY THE SENATE AND THE HOUSE OF REPRESENTATIVES OF THE 2ND SESSION OF THE 48TH OKLAHOMA LEGISLATURE:

SECTION 10. The Secretary of State shall refer to the people for their approval or rejection, as and in the manner provided by law, the following proposed amendment to Section 5 of Article X of the Constitution of the State of Oklahoma, to read as follows:

Section 5. Surrender of power of taxation - Uniformity of taxes.

The A. Except as otherwise provided by this section, the power of taxation shall never be surrendered, suspended, or contracted away.

B. Taxes shall be uniform upon the same class of subjects.

C. The Legislature is hereby authorized to enact laws providing for the abatement of tax assessments, or portions thereof, if:

1. Collection of the tax liability and interest and penalties accruing thereto would reasonably result in the taxpayer declaring bankruptcy;

2. The tax is uncollectible due to insolvency of the taxpayer resulting from factors beyond control of the taxpayer or for other similar cause beyond the control of the taxpayer;

3. The tax liability is attributable to actions of a person other than the taxpayer and it would be inequitable to hold the taxpayer liable for the tax liability; or

4. In cases of nonpayment of trust fund taxes, the taxes were not collected by the taxpayer from its customer and the taxpayer had a good faith belief that collection of the taxes was not required.

SECTION 11. The Ballot Title for the proposed Constitutional amendment as set forth in SECTION 1 of this resolution shall be in the following form:

#### BALLOT TITLE

Legislative Referendum No. \_\_\_\_ State Question No. \_\_\_\_

THE GIST OF THE PROPOSITION IS AS FOLLOWS:

This measure amends Section 5 of Article 10 of the State Constitution. It will allow the Legislature to pass laws providing for the abatement of taxes or parts of taxes. Taxes will only be abated if:

1. Collection of the tax, and interest and penalties, would cause the taxpayer to declare bankruptcy;

2. The tax is not collectible due to insolvency of the taxpayer or other cause due to factors beyond the control of the taxpayer;

3. The tax results from actions of a person other than the taxpayer and it would be unfair to hold the taxpayer liable for the tax; or

4. The tax is a trust tax, the tax was not collected and the taxpayer had a good faith belief that collection was not required.

SHALL THIS AMENDMENT BE APPROVED BY THE PEOPLE?

YES, FOR THE AMENDMENT

NO, AGAINST THE AMENDMENT

SECTION 12. The President Pro Tempore of the Senate shall, immediately after the passage of this resolution, prepare and file one copy thereof, including the Ballot Title set forth in SECTION 2 hereof, with the Secretary of State and one copy with the Attorney General.