

STATE OF OKLAHOMA

2nd Session of the 50th Legislature (2006)

HOUSE JOINT
RESOLUTION 1040

By: Reynolds

AS INTRODUCED

A Joint Resolution directing the Secretary of State to refer to the people for their approval or rejection a proposed amendment to the Constitution of the State of Oklahoma by adding a new Section 25A to Article X; prohibiting certain obligations based upon method of repayment; requiring provisions of Section 25 of Article X as exclusive method for incurring of obligations by state governmental entities; providing exception for bonds repaid using certain fees or charges for repayment; providing ballot title; and directing filing.

BE IT RESOLVED BY THE HOUSE OF REPRESENTATIVES AND THE SENATE OF THE
2ND SESSION OF THE 50TH OKLAHOMA LEGISLATURE:

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 the Constitution of the State of Oklahoma by adding a new Section 25A to Article X thereof, to read as follows:

Section 25A. A. Except as otherwise provided by this section, the provisions of Section 25 of Article X of the Oklahoma Constitution shall be the exclusive method by which any obligation is incurred by the State of Oklahoma, its agencies, authorities, boards, commissions, departments, instrumentalities, or other entities of state government if the obligation requires an appropriation of monies from the Legislature for a period in excess of one (1) fiscal year or if the enabling legislation authorizing the obligation contains a statement of intent that the obligation will be repaid pursuant to appropriations made by the Legislature or if the obligation depends for its repayment, in whole or in part,

upon the apportionment, dedication, diversion or other use of tax revenue and such tax revenues have not been approved by a vote of the people pursuant to Section 25 of Article X of the Oklahoma Constitution.

B. The provisions of this section shall not be applicable to obligations incurred by an agency, authority, board, commission, department, instrumentality or other entity of state government if the obligations are to be repaid from a fee or other charge collected by the state governmental entity resulting from the use of, admission or access to, or other beneficial use of a specific asset or assets, whether consisting of real property, personal property or a combination of both, by individuals or other private entities and such fee or other charge is paid to the state governmental entity directly by such individuals or other private entities.

C. The provisions of this section shall only be applicable to obligations incurred on or after January 1, 2007, and shall not be applicable to any obligation issued prior to January 1, 2007.

SECTION 2. 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 would add a new Section 25A to Article 10. The measure would prohibit the State of Oklahoma from using certain types of debt. The State of Oklahoma can now issue bonds that are repaid with tax dollars. This measure would require that only those types of bonds could be used to incur debt. This type of debt must be approved by a vote of the people. The state would not be able to incur debt if the debt was going to be

repaid by using annual appropriations. The state would not be able to incur debt if the debt was going to require tax revenues unless this had been approved at a statewide vote. This measure would still allow the use of revenue bonds. This type of bond is repaid from fees or other charges in order to use a specific government asset. This measure would apply to any debt created on or after January 1, 2007.

SHALL THE PROPOSAL BE APPROVED?

FOR THE PROPOSAL - YES _____

AGAINST THE PROPOSAL - NO _____

SECTION 3. 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.

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