

STATE OF OKLAHOMA

2nd Session of the 50th Legislature (2006)

HOUSE JOINT  
RESOLUTION 1049

By: Askins

AS INTRODUCED

A Joint Resolution directing the Secretary of State to refer to the people for their approval or rejection proposed amendments to Section 26 of Article V and Section 23 of Article X of the Constitution of the State of Oklahoma; restricting ability of Legislature to consider certain types of measures during odd-numbered years; requiring consideration of appropriation measures during odd-numbered years; providing for expenses during two-year period; authorizing Legislature to consider certain types of measures during even-numbered years; authorizing consideration of certain types of measures during odd-numbered years based upon certain vote; modifying provisions related to preparation of annual state budget; modifying certification procedures for revenue available for appropriation; providing for two-year fiscal period; authorizing procedure with respect to Constitutional Reserve Fund; providing an effective date; 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 Section 26 of Article V and Section 23 of Article X of the Constitution of the State of Oklahoma to read as follows:

Section 26. A. The Legislature shall meet in regular session at the seat of government at twelve o'clock noon on the first Monday in February of each year and the regular session shall be finally adjourned sine die not later than five o'clock p.m. on the last Friday in May of each year.

B. The Legislature shall also meet in regular session at the seat of government on the first Tuesday after the first Monday in

January of each odd numbered year, beginning at twelve o'clock noon for the purposes only of performing the duties as required by Section 5 of Article VI of the Constitution and organizing pursuant to the provisions of this Article and shall recess not later than five o'clock p.m. of that same day until the following first Monday in February of the same year, beginning at twelve o'clock noon.

C. During each odd-numbered year, the Legislature may only consider measures for the appropriation of revenue to fund the expenses of the executive, legislative, and judicial departments of the state, for the payment of interest on the public debt, and such other appropriations as may be authorized by the Oklahoma Constitution. The measures authorized by this subsection shall provide for such expenses or such interest or both for a period of two (2) fiscal years. The Legislature may provide for the appropriations to be specific to each fiscal year during the two-year fiscal period or may provide a total sum which includes the appropriation amount for the entire two-year fiscal period.

D. During each even-numbered year, the Legislature may consider measures for the enactment of new law, the amendment or repeal of existing law, referenda for modifications to the Oklahoma Constitution and such measures not having the force or effect of law as may be provided by the rules of the respective chambers of the Legislature.

E. Except as otherwise provided by this section, the Legislature shall not consider measures appropriating revenue to any entity of the executive, judicial, or legislative branch of government during an even-numbered year.

F. Upon an affirmative vote of three-fourths (3/4) of the members of each chamber of the Legislature, the types of measures enumerated in subsection D of this section may be introduced and considered during an odd-numbered year.

G. The changes made to this section pursuant to this amendment shall become effective January 1, 2009.

Section 23. The state shall never create or authorize the creation of any debt or obligation, or fund or pay any deficit, against the state, or any department, institution or agency thereof, regardless of its form or the source of money from which it is to be paid, except as may be provided in this section and in Sections 24 and 25 of Article X of the Constitution of the State of Oklahoma.

To ensure a balanced annual budget, pursuant to the limitations contained in the foregoing, procedures are herewith established as follows:

1. Not more than forty-five (45) days or less than thirty-five (35) days prior to the ~~convening of each regular session of the Legislature~~ first Monday in February in each odd-numbered year, the State Board of Equalization shall certify the total amount of revenue which accrued during the ~~last~~ two (2) preceding fiscal ~~year~~ years to the General Revenue Fund and to each Special Revenue Fund appropriated directly by the Legislature, and shall further certify amounts available for appropriation which shall be based on a determination, in accordance with the procedure hereinafter provided, of the revenues to be received by the state under the laws in effect at the time such determination is made, for the next ensuing two (2) fiscal ~~year~~ years, showing separately the revenues to accrue to the credit of each such fund of the state appropriated directly by the Legislature.

Amounts certified as available for appropriation from each fund, as hereinbefore provided, shall be ninety-five percent (95%) of an itemized estimate made by the State Board of Equalization, which shall include all sources of revenue to each fund for the next two (2) ensuing fiscal ~~year~~ years; provided, however, appropriated federal funds shall be certified for the full amount of the

estimate. Said estimate shall consider any increase or decline in revenues that would result from predictable changes in the economy.

Legislative appropriations for any two-year fiscal ~~year~~ period, except for special appropriations provided for in paragraph 6, 7 or 8 shall be limited to a sum not to exceed the total amount appropriated from all funds in the preceding two-year fiscal ~~year~~ period, plus twelve percent (12%), adjusted for inflation for the previous calendar year. Said limit shall be adjusted for funds not previously appropriated. The limit on the growth of appropriations shall be certified to by the State Board of Equalization.

2. Such certification shall be filed with the Governor, the President and President Pro Tempore of the Senate, and the Speaker of the House of Representatives. The Legislature shall not pass or enact any bill, act or measure making an appropriation of money for any purpose until such certification is made and filed, unless the State Board of Equalization has failed to file said certification at the time of convening of said Legislature. In such event, it shall be the duty of the Legislature to make such certification pursuant to the provisions of this section. All appropriations made in excess of such certification shall be null and void; provided, however, that the Legislature may at ~~any~~ the even-numbered year regular session or a special session, called for that purpose, enact laws to provide for additional revenues or a reduction in revenues, other than ad valorem taxes, or transferring the existing revenues or unappropriated cash on hand from one fund to another, or making provisions for appropriating funds not previously appropriated directly by the Legislature. Whereupon, it shall be the duty of the State Board of Equalization to make a determination of the revenues that will accrue under such laws and ninety-five percent (95%) of the amount of any increase or decrease resulting, for any reason, from such changes in laws shall be added to or deducted from the amount previously certified available for appropriation from each

respective fund, as the case may be. The State Board of Equalization shall file the amount of such adjusted certification, or additional certification for funds not previously appropriated directly by the Legislature, with the Governor, with the President and President Pro Tempore of the Senate, and the Speaker of the House of Representatives, and such adjusted amount shall be the maximum amount which can be appropriated for all purposes from any such fund for the fiscal year being certified.

3. The State Board of Equalization shall meet within five (5) days after the monthly apportionment in February of each odd-numbered year, and at that time may adjust the certification, based upon the most current information available, and determine the amount of funds available for appropriation for ~~that legislative session~~ the ensuing two (2) fiscal years. At said meeting the Board shall determine the limit on the growth of appropriations as provided for in this section.

4. Surplus funds or monies shall be any amount accruing to the General Revenue Fund of the State of Oklahoma over and above the itemized estimate made by the State Board of Equalization.

5. Beginning July 1, 1985, all such surplus funds or monies accruing after said date shall be placed in a Constitutional Reserve Fund by the State Treasurer until such time that the amount of said Fund equals ten percent (10%) of the General Revenue Fund certification for the preceding fiscal year. Appropriations made from said Fund shall be considered special appropriations.

6. Up to three-eighths (3/8) of the balance at the beginning of the current fiscal year in the Constitutional Reserve Fund may be appropriated for the forthcoming two-year fiscal ~~year~~ period, when the certification by the State Board of Equalization for said forthcoming two-year fiscal ~~year~~ period of the amount which is estimated to accrue to the General Revenue Fund is less than that of the current two-year fiscal ~~year~~ period certification. In no event

shall the amount of monies appropriated from the Constitutional Reserve Fund be in excess of the difference between the two said certifications.

7. Up to three-eighths (3/8) of the balance at the beginning of the current fiscal year in the Constitutional Reserve Fund may be appropriated for the current fiscal year if the State Board of Equalization determines that a revenue failure has occurred with respect to the General Revenue Fund of the State Treasury. In no event shall the amount of monies appropriated from the Constitutional Reserve Fund pursuant to this paragraph be in excess of the amount of the projected revenue failure in the General Revenue Fund, which total amount shall be computed by the State Board of Equalization, for the entire fiscal year. Monies appropriated to any state governmental entity from the Constitutional Reserve Fund pursuant to this paragraph may only be made in order to ensure that the monies actually received by the entity for the then current fiscal year are equal to or less than, but not in excess of, the total appropriation amount for such entity in effect at the beginning of the then current fiscal year.

8. Up to one-quarter (1/4) of the balance at the beginning of the current fiscal year in the Constitutional Reserve Fund may be appropriated, upon a declaration by the Governor that emergency conditions exist, with concurrence of the Legislature by a two-thirds (2/3) vote of the House of Representatives and Senate for the appropriation; or said one-quarter (1/4) could be appropriated upon a joint declaration of emergency conditions by the Speaker of the House of Representatives and the President Pro Tempore of the Senate, with a concurrence of a three-fourths (3/4) vote of the House of Representatives and Senate.

For purposes of this paragraph, the Legislature may provide for a distribution of monies from the Constitutional Reserve Fund between each of the two (2) fiscal years for which it makes

appropriation of funds pursuant to Section 26 of Article V of the Oklahoma Constitution.

9. That portion of every appropriation, at the end of each fiscal year, in excess of actual revenues collected and allocated thereto, as hereinafter provided, shall be null and void. Revenues deposited in the State Treasury to the credit of the General Revenue Fund or of any special fund (which derives its revenue in whole or in part from state taxes or fees) shall, except as to principal and interest on the public debt, be allocated monthly to each department, institution, board, commission or special appropriation on a percentage basis, in that ratio that the total appropriation for such department, institution, board, commission or special appropriation from each fund for that fiscal year bears to the total of all appropriations from each fund for that fiscal year, and no warrant shall be issued in excess of said allocation. Any department, institution or agency of the state operating on revenues derived from any law or laws which allocate the revenues thereof to such department, institution or agency shall not incur obligations in excess of the unencumbered balance of cash on hand. Nothing in this section shall prevent, under such conditions and limitations as shall be prescribed by law, the governing board of an institution of higher education within The Oklahoma State System of Higher Education from contracting with a president of such institution of higher education for periods extending more than one (1) year, but not to exceed three (3) years beyond the fiscal year in which the contract is signed.

10. The Legislature shall provide a method whereby appropriations shall be divided and set up on a monthly, quarterly or semiannual basis within each fiscal year to prevent obligations being incurred in excess of the revenue to be collected, and notwithstanding other provisions of this Constitution, the Legislature shall provide that all appropriations shall be reduced

to bring them within revenues actually collected, but all such reductions shall apply to each department, institution, board, commission or special appropriation made by the State Legislature in the ratio that its total appropriation for that fiscal year bears to the total of all appropriations from that fund for that fiscal year; provided, however, that the Governor may in his discretion issue deficiency certificates to the State Treasurer for the benefit of any department, institution or agency of the state, if the amount of such deficiency certificates be within the limit of the current appropriation for that department, institution or agency, whereupon the State Treasurer shall issue warrants to the extent of such certificates for the payment of such claims as may be authorized by the Governor, and such warrants shall become a part of the public debt and shall be paid out of any money appropriated by the Legislature and made lawfully available therefor; provided further, that in no event shall said deficiency certificates exceed in the aggregate the sum of Five Hundred Thousand Dollars (\$500,000.00) in any fiscal year.

The changes made to this section pursuant to this amendment shall become effective January 1, 2009.

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 amends Section 26 of Article 5 and Section 23 of Article 10. It would change the way the Legislature prepares the state budget. The Legislature could only prepare the budget in odd-numbered years. The budget would be written for two full fiscal years. The Legislature could consider all other types of legislation in

even-numbered years. The Legislature, by 3/4 vote of each chamber, could consider nonappropriation measures in odd-numbered years. Other provisions of the Oklahoma Constitution would be changed to provide for certification of funds by the State Board of Equalization. References to appropriations for one fiscal year are changed to a two-year fiscal period. This amendment would become effective on January 1, 2009.

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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