

1 STATE OF OKLAHOMA

2 1st Session of the 52nd Legislature (2009)

3 HOUSE JOINT  
4 RESOLUTION 1010

By: Miller and Martin (Scott)  
of the House

5 and

6 Johnson (Mike) and Myers of  
7 the Senate

8  
9 AS INTRODUCED

10 A Joint Resolution directing the Secretary of State  
11 to refer to the people for their approval or  
12 rejection a proposed amendment to Section 23 of  
13 Article X of the Constitution of the State of  
14 Oklahoma; clarifying certification procedures;  
15 providing ballot title; and directing filing.

16 BE IT RESOLVED BY THE HOUSE OF REPRESENTATIVES AND THE SENATE OF THE  
17 1ST SESSION OF THE 52ND OKLAHOMA LEGISLATURE:

18 SECTION 1. The Secretary of State shall refer to the people for  
19 their approval or rejection, as and in the manner provided by law,  
20 the following proposed amendment to Section 23 of Article X of the  
21 Constitution of the State of Oklahoma to read as follows:

22 Section 23. The state shall never create or authorize the  
23 creation of any debt or obligation, or fund or pay any deficit,  
24 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

1 paid, except as may be provided in this section and in Sections 24  
2 and 25 of Article X of the Constitution of the State of Oklahoma.

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

6 1. Not more than forty-five (45) days or less than thirty-five  
7 (35) days prior to the convening of each regular session of the  
8 Legislature, the State Board of Equalization shall certify the total  
9 amount of revenue which accrued during the last preceding fiscal  
10 year to the General Revenue Fund and to each Special Revenue Fund  
11 appropriated directly by the Legislature, and shall further certify  
12 amounts available for appropriation which shall be based on a  
13 determination, in accordance with the procedure hereinafter  
14 provided, of the revenues to be received by the state under the laws  
15 in effect at the time such determination is made, for the next  
16 ensuing fiscal year, showing separately the revenues to accrue to  
17 the credit of each such fund of the state appropriated directly by  
18 the Legislature.

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

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

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

11 2. Such certification shall be filed with the Governor, the  
12 President and President Pro Tempore of the Senate, and the Speaker  
13 of the House of Representatives. The Legislature shall not pass or  
14 enact any bill, act or measure making an appropriation of money for  
15 any purpose until such certification is made and filed, unless the  
16 State Board of Equalization has failed to file said certification at  
17 the time of convening of said Legislature. In such event, it shall  
18 be the duty of the Legislature to make such certification pursuant  
19 to the provisions of this section. All appropriations made in  
20 excess of such certification shall be null and void; provided,  
21 however, that the Legislature may at any regular session or special  
22 session, called for that purpose, enact laws to provide for  
23 additional revenues or a reduction in revenues, other than ad  
24 valorem taxes, or transferring the existing revenues or

1 unappropriated cash on hand from one fund to another, or making  
2 provisions for appropriating funds not previously appropriated  
3 directly by the Legislature. Whereupon, it shall be the duty of the  
4 State Board of Equalization to make a determination of the revenues  
5 that will accrue under such laws and ninety-five percent (95%) of  
6 the amount of any increase or decrease resulting, for any reason,  
7 from such changes in laws shall be added to or deducted from the  
8 amount previously certified available for appropriation from each  
9 respective fund, as the case may be. The State Board of  
10 Equalization shall file the amount of such adjusted certification,  
11 or additional certification for funds not previously appropriated  
12 directly by the Legislature, with the Governor, with the President  
13 and President Pro Tempore of the Senate, and the Speaker of the  
14 House of Representatives, and such adjusted amount shall be the  
15 maximum amount which can be appropriated for all purposes from any  
16 such fund for the fiscal year being certified.

17 3. The State Board of Equalization shall meet within five (5)  
18 days after the monthly apportionment in February of each year, and  
19 at that time may adjust the certification, based upon the most  
20 current information available, and determine the amount of funds  
21 available for appropriation for that legislative session. At said  
22 meeting the Board shall determine the limit on the growth of  
23 appropriations as provided for in this section.

24

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

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

10 6. Up to three-eighths (3/8) of the balance at the beginning of  
11 the current fiscal year in the Constitutional Reserve Fund may be  
12 appropriated for the forthcoming fiscal year, when the certification  
13 by the State Board of Equalization for said forthcoming fiscal year  
14 General Revenue Fund is less than that of the current fiscal year  
15 certification. In no event shall the amount of monies appropriated  
16 from the Constitutional Reserve Fund be in excess of the difference  
17 between the two said certifications.

18 7. Up to three-eighths (3/8) of the balance at the beginning of  
19 the current fiscal year in the Constitutional Reserve Fund may be  
20 appropriated for the current fiscal year if the State Board of  
21 Equalization determines that a revenue failure has occurred with  
22 respect to the General Revenue Fund of the State Treasury. In no  
23 event shall the amount of monies appropriated from the  
24 Constitutional Reserve Fund pursuant to this paragraph be in excess

1 of the amount of the projected revenue failure in the General  
2 Revenue Fund, which total amount shall be computed by the State  
3 Board of Equalization, for the entire fiscal year. Monies  
4 appropriated to any state governmental entity from the  
5 Constitutional Reserve Fund pursuant to this paragraph may only be  
6 made in order to ensure that the monies actually received by the  
7 entity for the then current fiscal year are equal to or less than,  
8 but not in excess of, the total appropriation amount for such entity  
9 in effect at the beginning of the then current fiscal year.

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

20 9. That portion of every appropriation, at the end of each  
21 fiscal year, in excess of actual revenues collected and allocated  
22 thereto, as hereinafter provided, shall be null and void. Revenues  
23 deposited in the State Treasury to the credit of the General Revenue  
24 Fund or of any special fund (which derives its revenue in whole or

1 in part from state taxes or fees) shall, except as to principal and  
2 interest on the public debt, be allocated monthly to each  
3 department, institution, board, commission or special appropriation  
4 on a percentage basis, in that ratio that the total appropriation  
5 for such department, institution, board, commission or special  
6 appropriation from each fund for that fiscal year bears to the total  
7 of all appropriations from each fund for that fiscal year, and no  
8 warrant shall be issued in excess of said allocation. Any  
9 department, institution or agency of the state operating on revenues  
10 derived from any law or laws which allocate the revenues thereof to  
11 such department, institution or agency shall not incur obligations  
12 in excess of the unencumbered balance of cash on hand. Nothing in  
13 this section shall prevent, under such conditions and limitations as  
14 shall be prescribed by law, the governing board of an institution of  
15 higher education within The Oklahoma State System of Higher  
16 Education from contracting with a president of such institution of  
17 higher education for periods extending more than one (1) year, but  
18 not to exceed three (3) years beyond the fiscal year in which the  
19 contract is signed.

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

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

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

23 BALLOT TITLE

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

1 THE GIST OF THE PROPOSITION IS AS FOLLOWS:

2 This measure amends the Oklahoma Constitution. It amends  
3 Section 23 of Article 10. It removes unnecessary reference to a  
4 date when determining the maximum amount of money that can be  
5 deposited in the Constitutional Reserve Fund.

6 SHALL THE PROPOSAL BE APPROVED?

7 FOR THE PROPOSAL - YES \_\_\_\_\_

8 AGAINST THE PROPOSAL - NO \_\_\_\_\_

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

14

15 52-1-15033 MAT 01/09/09

16

17

18

19

20

21

22

23

24