

1 ENGROSSED HOUSE
JOINT
2 RESOLUTION NO. 1027

By: McDaniel (Randy) of the
House

3
4 and

Mazzei of the Senate
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9 A Joint Resolution directing the Secretary of State
10 to refer to the people for their approval or
11 rejection a proposed amendment to the Constitution of
12 the State of Oklahoma by adding a new Section 13 to
13 Article XXIII; imposing duty on Legislature with
14 respect to funding sources for retirement and pension
systems; imposing requirement for actuarial
investigation; prohibiting enactment of laws
violative of certain restriction governing plan
assets; imposing duty of care with respect to
investment of funds; providing ballot title; and
directing filing.

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18 BE IT RESOLVED BY THE HOUSE OF REPRESENTATIVES AND THE SENATE OF THE
19 2ND SESSION OF THE 54TH OKLAHOMA LEGISLATURE:

20 SECTION 1. The Secretary of State shall refer to the people for
21 their approval or rejection, as and in the manner provided by law,
22 the following proposed amendment to the Constitution of the State of
23 Oklahoma by adding a new Section 13 to Article XXIII thereof, to
24 read as follows:

1 Section 13. A. To control the future obligations of the state,
 2 it shall be the duty of the Legislature to define adequate and
 3 predictable funding sources and standards required for the adoption
 4 of new benefit improvements for all state retirement or pension
 5 systems supported wholly or partially from public funds. In
 6 addition, the Legislature shall obtain a professional actuarial
 7 investigation for proposed laws designed to increase public pension
 8 benefits and costs under such practices as provided by law.

9 B. The Legislature shall not enact any legislation with respect
 10 to a public retirement system that would violate the provisions of a
 11 law applicable to tax-qualified pension plans if such a law would
 12 constitute a prohibited diversion of plan assets.

13 C. The investments made by the public retirement systems shall
 14 be made with the care, skill and diligence under the circumstances
 15 then prevailing that a prudent person acting in a like capacity
 16 would make.

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

20 BALLOT TITLE

21 Legislative Referendum No. _____ State Question No. _____

22 THE GIST OF THE PROPOSITION IS AS FOLLOWS:

23 This measure would amend the Oklahoma Constitution. It would
 24 add a new Section 13 to Article 23. This section is related to

1 the state public retirement systems. It would create
 2 requirements in the Oklahoma Constitution for these public
 3 retirement systems. The Legislature would be required to
 4 establish standards to adequately fund public pension systems to
 5 control future state obligations. It would require the
 6 Legislature to have proposed laws that could affect a retirement
 7 system reviewed by a professional actuary. The Legislature
 8 could not enact a law that would violate tax-qualification
 9 provisions that prohibit using retirement plan assets for
 10 something other than benefit payments. Public pension plan
 11 assets would be subject to the prudent investor rule.

12 SHALL THE PROPOSAL BE APPROVED?

13 FOR THE PROPOSAL - YES _____

14 AGAINST THE PROPOSAL - NO _____

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

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1 Passed the House of Representatives the 12th day of March, 2014.

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4 Presiding Officer of the House
of Representatives

5 Passed the Senate the ____ day of _____, 2014.

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9 Presiding Officer of the Senate

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