STATE OF OKLAHOMA

1st Session of the 54th Legislature (2013)

SENATE JOINT
RESOLUTION 19 By: Sparks

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 Oklahoma Constitution by adding a new Section 44 to Article X; creating Revenue Replacement Endowment Fund; providing for funding; creating Revenue Replacement Revolving Fund; providing for funding and expenditure; prohibiting expenditure for certain purpose; providing for transfer of funds to revolving funds; providing ballot title; and directing filing.

BE IT RESOLVED BY THE SENATE AND THE HOUSE OF REPRESENTATIVES OF THE 1ST SESSION OF THE 54TH 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 Oklahoma Constitution by adding a new Section 44 to Article X to read as follows:

Section 44. A. There is hereby created in the State Treasury an endowment fund to be designated the "Revenue Replacement Endowment Fund" to support the operation of state government. The endowment fund principal shall consist of annual deposits of at

least five percent (5%) of the total collections of the gross production tax for each fiscal year levied on the production of oil and gas prior to any other apportionment of the gross production tax, income and investment return on endowment fund principal, and any other deposits and apportionments from other sources as may be provided by law. The Legislature may direct that any amount above five percent (5%) be deposited for a fiscal year. Funds deposited in the endowment fund shall be invested in the types of instruments in which the State Treasurer is authorized by law to invest.

B. There is hereby created in the State Treasury a revolving fund to be designated the "Revenue Replacement Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of deposits from the Revenue Replacement Endowment Fund and any other deposits as the Legislature may direct. Subject to the provisions of this subsection, all funds accruing to the credit of the revolving fund are hereby appropriated and may be budgeted and expended for fiscal years beginning July 1, 2013, in the same manner as the General Revenue Fund is expended; provided, no monies in the revolving fund may be used for debt service payments due on bonds or other financing instruments issued by the State of Oklahoma, counties, municipalities, authorities, commissions, political subdivisions or any other governmental entities.

C. Beginning on July 1, 2013, and on July 1 every year thereafter, no more than four percent (4%) of the balance of the Revenue Replacement Endowment Fund shall be transferred from the Endowment Fund as follows:

1. At least ninety-five percent (95%) shall be deposited into the Revenue Replacement Revolving Fund, and

2. The remainder shall be deposited into a fund in the State Treasury designated as the Sustaining Oklahoma's Energy Resources Revolving Fund.

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 will add a new Section 44 to Article 10. It will create an endowment fund to be used for state government expenses. At least five percent (5%) of the gross production tax will fund the endowment fund every year. The funds will be invested. Every year no more than four percent (4%) of the funds in the endowment fund will be taken out. At least ninety-five percent (95%) of this amount will go to a fund that can be spent on state government like general revenue. However, it cannot be spent on debt service on

bonds. The rest will go to the Sustaining Oklahoma's Energy Resources Revolving Fund.

SHALL THE PROPOSAL BE APPROVED?

FOR THE PROPOSAL — YES _____

AGAINST THE PROPOSAL — NO _____

SECTION 3. 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.

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