

1 ENGROSSED HOUSE
JOINT

2 RESOLUTION NO. 1035

By: Enns, Faught, Johnson,
Dank, Hamilton, Kern, Tibbs
and Shelton of the House

4 and

5 Jolley of the Senate

6
7
8 (Joint Resolution - proposed amendment to Section 40
9 of Article X - adult stem cell research - special
10 election - ballot title -

11 directing filing)
12
13

14 BE IT RESOLVED BY THE HOUSE OF REPRESENTATIVES AND THE SENATE OF THE
15 1ST SESSION OF THE 52ND OKLAHOMA LEGISLATURE:

16 SECTION 1. The Secretary of State shall refer to the people for
17 their approval or rejection, as and in the manner provided by law,
18 the following proposed amendment to Section 40 of Article X of the
19 Constitution of the State of Oklahoma to read as follows:

20 Section 40. A. There is hereby created a trust fund to be
21 known as the "Tobacco Settlement Endowment Trust Fund". The trust
22 fund principal shall consist of the portion of monies which are
23 received by the State of Oklahoma on or after July 1, 2001, pursuant
24 to any settlement with or judgment against any tobacco company or

1 companies as provided by subsection B of this section, and any other
2 monies that may be appropriated or otherwise directed to the trust
3 fund by the Legislature.

4 B. 1. Deposits into the trust fund from monies which are
5 received by the State of Oklahoma pursuant to any settlement with or
6 judgment against any tobacco company or companies shall be based on
7 the following schedule:

	Minimum Percentage
9 <u>Fiscal Year</u>	<u>of Payments</u>
10 Ending June 30, 2002	50%
11 Ending June 30, 2003	55%
12 Ending June 30, 2004	60%
13 Ending June 30, 2005	65%
14 Ending June 30, 2006	70%
15 Ending June 30, 2007	75%

16 2. Deposits into the trust fund in subsequent fiscal years
17 shall never be less than seventy-five percent (75%) of the payments.

18 3. The monies received by the State of Oklahoma pursuant to any
19 settlement with or judgment against any tobacco company or companies
20 after June 30, 2001, not deposited into the trust fund as provided
21 in this section, shall be deposited into a special fund established
22 by the Legislature solely for the purpose of receiving the payments;
23 provided, the Legislature may, by law, direct a certain portion of
24

1 such monies to the Office of the Attorney General. The special fund
2 shall be subject to legislative appropriations.

3 C. There is hereby created the Board of Investors of the
4 Tobacco Settlement Endowment Trust Fund. The Board of Investors
5 shall have the duty of investing monies in the trust fund, subject
6 to restrictions and limitations provided by law for and in
7 accordance with laws applicable to the investment of monies in state
8 retirement funds.

9 The Board of Investors shall consist of five (5) members as
10 follows:

- 11 1. The State Treasurer who shall be the chair;
- 12 2. An appointee of the Governor;
- 13 3. An appointee of the Speaker of the House of Representatives;
- 14 4. An appointee of the President Pro Tempore of the Senate; and
- 15 5. An appointee of the State Auditor and Inspector.

16 The initial appointees shall serve staggered terms of office as
17 provided for by law. Thereafter, appointees shall serve four-year
18 terms of office. No more than two appointees shall be appointed
19 from any single congressional district. All appointed members shall
20 have demonstrated expertise in public or private investment funds
21 management.

22 D. There is hereby created the Board of Directors of the
23 Tobacco Settlement Endowment Trust Fund. The Board of Directors
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1 shall consist of seven (7) members, one appointed by each of the
2 following appointing authorities:

- 3 1. The Governor;
- 4 2. The President Pro Tempore of the Senate;
- 5 3. The Speaker of the House of Representatives;
- 6 4. The Attorney General;
- 7 5. The State Treasurer;
- 8 6. The State Auditor and Inspector; and
- 9 7. The State Superintendent of Public instruction.

10 The initial appointed members shall serve staggered terms of
11 office as provided for by law. Thereafter, the appointed members of
12 the Board of Directors shall serve seven-year terms of office. At
13 least one appointee shall be appointed from each congressional
14 district, and not more than two appointees shall be appointed from
15 any single congressional district. Not more than four appointees
16 shall be members of the same political party. An appointee shall
17 have been a member of the political party to which the appointee
18 belongs for at least one (1) year prior to the date of appointment.
19 Appointees shall have demonstrated expertise in public or private
20 health care or programs related to or for the benefit of children or
21 senior adults.

22 The Board of Directors shall meet at least one time each
23 calendar quarter.
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1 E. Earnings from the trust fund, including but not limited to
2 interest, dividends, and realized capital gains from investments of
3 the trust fund shall be expended ~~as provided in subsection F of this~~
4 ~~section~~ for the following purposes:

5 1. ~~Clinical~~ Ninety percent (90%) shall be expended as provided
6 in subsection F of this section on the following:

7 a. clinical and basic research and treatment efforts in
8 Oklahoma for the purpose of enhancing efforts to
9 prevent and combat cancer and other tobacco-related
10 diseases;

11 ~~2. Cost effective,~~

12 b. cost-effective tobacco prevention and cessation
13 programs;

14 ~~3. Programs,~~

15 c. programs other than those specified in ~~paragraph 1~~
16 subparagraph a of this ~~subsection~~ paragraph designed
17 to maintain or improve the health of Oklahomans or to
18 enhance the provision of health care services to
19 Oklahomans, with particular emphasis on such programs
20 for children;

21 ~~4. Programs,~~

22 d. programs and services for the benefit of the children
23 of Oklahoma, with particular emphasis on common and
24 higher education, before- and after-school and pre-

1 school programs, substance abuse prevention and
2 treatment programs and other programs and services
3 designed to improve the health and quality of life of
4 children;

5 ~~5. Programs,~~

6 e. programs designed to enhance the health and well-being
7 of senior adults; and

8 ~~6. Authorized~~

9 f. authorized administrative expenses of the Office of
10 the State Treasurer and the Board of Directors; and

11 2. Ten percent (10%) shall be expended by the Oklahoma
12 Legislature on adult stem cell research in accordance with laws
13 enacted by the Oklahoma Legislature.

14 F. Each fiscal year, the Board of Directors may expend ninety
15 percent (90%) of the amount of earnings which actually accrued to
16 the trust fund during the preceding fiscal year. Any of this amount
17 not so expended shall remain in the trust fund. The Board shall
18 direct specific expenditures to be made for the purposes specified
19 in paragraph 1 of subsection E of this section.

20 G. The Legislature may enact laws to further implement the
21 provisions of this section.

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

BALLOT TITLE

Legislative Referendum No. _____ State Question No. _____

THE GIST OF THE PROPOSITION IS AS FOLLOWS:

This measure amends the Constitution. It amends Section 40 of Article 10. This section creates the Tobacco Settlement Endowment Trust Fund. This measure would require that ten percent (10%) be spent on adult stem cell research. The research would have to comply with the laws enacted by the Oklahoma Legislature.

SHALL THE PROPOSAL BE APPROVED?

FOR THE PROPOSAL — YES _____

AGAINST THE PROPOSAL — NO _____

SECTION 3. A special election is hereby ordered to be held throughout the State of Oklahoma on the date of November 10, 2009, at which time the proposed amendment to the Constitution of the State of Oklahoma, as set forth in Section 1 of this resolution, shall be submitted to the people of Oklahoma for their approval or rejection as and in the manner provided by law.

SECTION 4. 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

1 SECTION 2 hereof, with the Secretary of State and one copy with the
2 Attorney General.

3 Passed the House of Representatives the 12th day of March, 2009.

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6 Presiding Officer of the House of
7 Representatives

8 Passed the Senate the ____ day of _____, 2009.

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11 Presiding Officer of the Senate

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