

STATE OF OKLAHOMA

2nd Session of the 56th Legislature (2018)

CONFERENCE COMMITTEE SUBSTITUTE
FOR ENGROSSED
SENATE JOINT
RESOLUTION NO. 35

By: Sparks, Schulz, Treat,
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Fields, Simpson,
Stanislowski, Griffin, Yen,
Dugger, Jech, Rosino, Kidd,
Sykes, Paxton, Pugh, Allen
and Standridge of the
Senate

and

McCall, Martin, Montgomery
and Lepak of the House

CONFERENCE COMMITTEE SUBSTITUTE

A Joint Resolution directing the Secretary of State
to refer to the people for their approval or
rejection a proposed amendment to the Constitution of
the State of Oklahoma by adding a new Section 44 to
Article X; creating Oklahoma Vision Fund; providing
for apportionment of monies and certain deposits to
Oklahoma Vision Fund; providing for certain
apportionment of principal amount to the General
Revenue Fund; prescribing investment standard;
authorizing investment of monies in certain equity
securities; providing exception to restrictions
contained in Section 15 of Article X of the Oklahoma
Constitution; limiting use of certain monies for debt

1 service of state or local government entities;
2 providing ballot title; and directing filing.
3

4 BE IT RESOLVED BY THE SENATE AND THE HOUSE OF REPRESENTATIVES OF THE
5 2ND SESSION OF THE 56TH OKLAHOMA LEGISLATURE:

6 SECTION 1. The Secretary of State shall refer to the people for
7 their approval or rejection, as and in the manner provided by law,
8 the following proposed amendment to the Constitution of the State of
9 Oklahoma by adding a new Section 44 to Article X thereof, to read as
10 follows:

11 Section 44. A. There is hereby created in the State Treasury a
12 trust fund to be designated the "Oklahoma Vision Fund" to support
13 the operation of state government and to provide tax relief.

14 B. The Oklahoma Vision Fund principal shall consist of:

15 1. Any amounts appropriated by the Legislature;

16 2. Any other deposits and apportionments from other sources as
17 may be provided by law;

18 3. For the fiscal year beginning July 1, 2020, and for each
19 fiscal year thereafter, five percent (5%) of total actual revenue
20 from the gross production tax on oil and gas which percentage shall
21 increase in increments of two-tenths percentage points each year
22 thereafter; and

23 4. Investment and income returns from the fund principal.
24

1 C. Four percent (4%) of the average annual amount of the
2 principal of the Oklahoma Vision Fund for the immediately preceding
3 five (5) complete fiscal years, shall be apportioned to the General
4 Revenue Fund not later than September 30 each year. The State
5 Treasurer shall determine the balance of the Oklahoma Vision Fund as
6 of June 30 each year and for the preceding five (5) years in order
7 to apportion the required amount to the General Revenue Fund each
8 fiscal year as required by this subsection. The deposit required by
9 this subsection shall not begin before July 1, 2020.

10 D. The balance of the Oklahoma Vision Fund shall be invested by
11 the State Treasurer in a manner consistent with the care, skill,
12 prudence and diligence under the circumstances then prevailing that
13 a prudent person acting in a like capacity and familiar with such
14 matters would use in the conduct of an enterprise of a like
15 character and with like aims and by diversifying the investments of
16 the Oklahoma Vision Fund so as to minimize the risk of large losses,
17 unless under the circumstances it is clearly prudent not to do so.

18 E. The Oklahoma Vision Fund shall not be subject to the
19 restriction of Section 15 of Article X of the Oklahoma Constitution
20 with regard to investment of public funds and the monies in the
21 Oklahoma Vision Fund may be invested in equity of lawful for-profit
22 business enterprises, whether denominated as shares, stock,
23 membership interests or similar equity securities.
24

1 F. Not more than five percent (5%) of the monies in the
2 Oklahoma Vision Fund may be used for debt service payments due on
3 bonds or other financing instruments issued by the State of
4 Oklahoma, counties, municipalities, authorities, commissions,
5 political subdivisions or any other governmental entities within the
6 State of Oklahoma, subject to such restrictions as may be provided
7 by law.

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

11 BALLOT TITLE

12 Legislative Referendum No. _____ State Question No. _____

13 THE GIST OF THE PROPOSITION IS AS FOLLOWS:

14 This measure would create a new fund called the "Oklahoma Vision
15 Fund" in the Oklahoma Constitution. Money could be appropriated
16 to the Fund. Beginning July 1, 2020, five percent (5%) of gross
17 production taxes on both oil and gas would be deposited into the
18 Fund. After that fiscal year, the percentage would increase by
19 two-tenths percentage points each year. Other monies could be
20 deposited into the Fund if provided by law. The State Treasurer
21 would deposit four percent (4%) of the principal amount of the
22 Fund into the State General Revenue Fund each year. The Fund
23 would be subject to an investment standard known as the prudent
24 investor rule. The Fund could be invested in stocks and similar

1 securities. Not more than five percent (5%) of the monies in
2 the Fund could be used for payment of debt obligations issued by
3 the State of Oklahoma, state government entities or local
4 government entities.

5 SHALL THE PROPOSAL BE APPROVED?

6 FOR THE PROPOSAL — YES _____

7 AGAINST THE PROPOSAL — NO _____

8 SECTION 3. The President Pro Tempore of the Senate shall,
9 immediately after the passage of this resolution, prepare and file
10 one copy thereof, including the Ballot Title set forth in SECTION 2
11 hereof, with the Secretary of State and one copy with the Attorney
12 General.

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