

STATE OF OKLAHOMA

2nd Session of the 56th Legislature (2018)

COMMITTEE SUBSTITUTE
FOR ENGROSSED
SENATE JOINT
RESOLUTION NO. 35

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

and

McCall, Martin and
Montgomery of the House

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 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; authorizing use of certain
monies for debt service of state or local government

1 entities; providing ballot title; and directing
2 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; and

18 3. For the fiscal year beginning July 1, 2019, and for each
19 fiscal year thereafter:

20 a. five percent (5%) of total actual revenue from the
21 gross production tax on oil and gas which percentage
22 shall increase in increments of five-tenths percentage
23 points each year thereafter,
24

1 b. five percent (5%) of revenue identified by the State
2 Board of Equalization following the sine die
3 adjournment of a regular or extraordinary session of
4 the Legislature, but prior to the December meeting of
5 the State Board of Equalization, if such revenue
6 results from changes in laws passed during the course
7 of either a regular or extraordinary session of the
8 Legislature, and

9 c. five percent (5%) of such monies that constitute
10 appropriations from the General Revenue Fund which
11 have not been encumbered or expended as of the June 30
12 date ending the fiscal year for which the
13 appropriation from the General Revenue Fund was
14 originally authorized; and

15 4. Investment and income returns from the fund principal.

16 C. Four percent (4%) of the average annual amount of the
17 principal of the Oklahoma Vision Fund for the immediately preceding
18 five (5) complete fiscal years, shall be apportioned to the General
19 Revenue Fund not later than September 30 each year. The State
20 Treasurer shall determine the balance of the Oklahoma Vision Fund as
21 of June 30 each year and for the preceding five (5) years in order
22 to apportion the required amount to the General Revenue Fund each
23 fiscal year as required by this subsection. The deposit required by
24 this subsection shall not begin before July 1, 2025.

1 D. The balance of the Oklahoma Vision Fund shall be invested by
2 the State Treasurer in a manner consistent with the care, skill,
3 prudence and diligence under the circumstances then prevailing that
4 a prudent person acting in a like capacity and familiar with such
5 matters would use in the conduct of an enterprise of a like
6 character and with like aims and by diversifying the investments of
7 the Oklahoma Vision Fund so as to minimize the risk of large losses,
8 unless under the circumstances it is clearly prudent not to do so.

9 E. The Oklahoma Vision Fund shall not be subject to the
10 restriction of Section 15 of Article X of the Oklahoma Constitution
11 with regard to investment of public funds and the monies in the
12 Oklahoma Vision Fund may be invested in equity of lawful for-profit
13 business enterprises, whether denominated as shares, stock,
14 membership interests or similar equity securities.

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

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 would create a new fund called the "Oklahoma Vision Fund" in the Oklahoma Constitution. Money could be appropriated to the Fund. Beginning July 1, 2019, five percent (5%) of gross production taxes on both oil and gas would be deposited into the Fund. After that fiscal year, the percentage would increase by five tenths percentage points each year. Other monies could be deposited into the Fund if provided by law. Five percent (5%) of the money which becomes cash in the state accounting system would be deposited into the Fund. Five percent (5%) of tax revenues which are enacted under Section 33 of Article V of the Oklahoma Constitution would be deposited into the Fund. The State Treasurer would deposit four percent (4%) of the principal amount of the Fund into the State General Revenue Fund each year. The Fund would be subject to an investment standard known as the prudent investor rule. The Fund could be invested in stocks and similar securities. Not more than five percent (5%) of the monies in the Fund could be used for payment of debt obligations issued by the State of Oklahoma, state government entities or local government entities.

SHALL THE PROPOSAL BE APPROVED?

FOR THE PROPOSAL — YES _____

1 AGAINST THE PROPOSAL — NO _____

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

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8 56-2-10366 LRB 04/10/18