

1 **HOUSE OF REPRESENTATIVES - FLOOR VERSION**

2 STATE OF OKLAHOMA

3 1st Session of the 55th Legislature (2015)

4 COMMITTEE SUBSTITUTE
5 FOR
6 HOUSE JOINT
7 RESOLUTION NO. 1016

By: Osborn of the House

and

Griffin of the Senate

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11 COMMITTEE SUBSTITUTE

12 A Joint Resolution directing the Secretary of State
13 to refer to the people for their approval or
14 rejection a proposed amendment to the Constitution of
15 the State of Oklahoma by adding a new Section 25A to
16 Article X; requiring certain revenues to be deposited
17 into designated fund; prescribing maximum deposit
18 amount; prescribing authorized use of revenues
19 deposited into fund; prohibiting certain use of
20 revenues related to payment of principal, interest or
21 other costs; providing certain state governmental
22 entities exempt from provisions related to revenue
23 capture; specifying obligations exempt; providing
24 ballot title; and directing filing.

BE IT RESOLVED BY THE HOUSE OF REPRESENTATIVES AND THE SENATE OF THE
1ST SESSION OF THE 55TH 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,

1 the following proposed amendment to the Constitution of the State of
2 Oklahoma by adding a new Section 25A to Article X thereof, to read
3 as follows:

4 Section 25A. A. Effective July 1, 2017, the first One Hundred
5 Million Dollars (\$100,000,000.00) of revenue previously included in
6 the appropriation to any state agency, board, commission, department
7 or other entity of state government for purposes of making payment
8 of the principal, interest or other costs of issuance for
9 obligations the proceeds of which were used to acquire or improve
10 real property or to acquire personal property incorporated into
11 improvements attached to real property for the benefit of such state
12 governmental entity shall be deposited to the credit of a fund which
13 the Legislature shall create by law or designate an existing
14 statutorily created fund. Such revenues shall be deposited
15 beginning with the first month after which the total amount of
16 principal, interest or other such issuance-related costs have been
17 fully paid and shall continue to be deposited thereafter each fiscal
18 year until the total fund balance equals One Hundred Million Dollars
19 (\$100,000,000.00).

20 B. In addition to the obligations described by subsection A of
21 this section which were incurred prior to the effective date of this
22 section, the provisions of subsection A of this section shall be
23 applicable with respect to any lease revenue obligation incurred for
24 the first time on or after the date as of which this section becomes

1 effective as law if the repayment of the principal, interest or
2 other costs of issuance are derived from annual appropriations to a
3 state governmental entity and the proceeds from the issuance were
4 used to acquire or improve real property or to acquire personal
5 property incorporated into improvements attached to real property
6 for the benefit of the state governmental entity beginning with the
7 first month after which the total amount of principal, interest or
8 other such issuance-related costs have been fully paid and shall
9 continue to be deposited thereafter each fiscal year until the total
10 fund balance equals One Hundred Million Dollars (\$100,000,000.00).

11 C. The dollar figure specified in subsection A and subsection B
12 of this section shall be adjusted annually by the Director of the
13 Office of Management and Enterprise Services to reflect any positive
14 rate of inflation.

15 D. The fund described in subsection A of this section shall not
16 be subject to certification by the State Board of Equalization
17 pursuant to Section 23 of Article X of the Oklahoma Constitution.

18 E. The fund shall consist of the revenues prescribed pursuant
19 to subsection A and subsection B of this section. Amounts deposited
20 into the fund shall only be used for the acquisition or improvement
21 of real property owned by the State of Oklahoma or personal property
22 owned by the State of Oklahoma if such personal property is
23 incorporated into improvements attached to real property.

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1 F. No monies deposited into the fund shall be used for payment
2 of principal, interest or other costs associated with issuance of
3 any debt obligation regardless of the form of the obligation or the
4 governmental entity which issues such obligations.

5 G. Any state governmental entity that is responsible for the
6 issuance of obligations described in subsection A and subsection B
7 of this section shall make an annual report to the State Treasurer
8 and to the Director of the Office of Management and Enterprise
9 Services each year in order to make a determination of the amount of
10 revenue to be deposited into the fund described in subsection A of
11 this section. The State Treasurer shall transfer the amount
12 identified to the fund described in subsection A of this section.

13 H. Expenditures from the fund described in subsection A of this
14 section shall be made only upon an affirmative vote of two-thirds
15 (2/3) of the members of the Long Range Capital Planning Commission
16 or its successor entity.

17 I. The provisions of this section shall not be applicable to
18 obligations previously issued by or to be issued at any time in the
19 future by the Oklahoma Industrial Finance Authority, the Oklahoma
20 Development Finance Authority, the Oklahoma Housing Finance Agency,
21 the Grand River Dam Authority, the Oklahoma Turnpike Authority, the
22 Oklahoma Water Resources Board, the Oklahoma Student Loan Authority,
23 the Oklahoma Municipal Power Authority or any other entity of state
24

1 government the debt obligations of which are repaid using a revenue
2 source other than the annual appropriations process.

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

6 BALLOT TITLE

7 Legislative Referendum No. _____ State Question No. _____

8 THE GIST OF THE PROPOSITION IS AS FOLLOWS:

9 This measure amends the Oklahoma Constitution. It creates a new
10 Section 25A in Article 10. Certain debt obligations issued by
11 state government are repaid using appropriated monies. This
12 measure would require those amounts to be paid into a special
13 fund once the debt was repaid. The monies would be paid into a
14 fund the Legislature would create or designate. Only the first
15 One Hundred Million Dollars (\$100,000,000.00) from these monies
16 would be paid into the fund. The monies in this fund could only
17 be used by the state for capital expenses. Capital expenses
18 could be acquiring and improving real property. Capital
19 expenses could be acquiring personal property incorporated into
20 improvements located on real property. The monies in the fund
21 would not be appropriated. The monies in the fund could not be
22 used to pay principal or interest on any debt. Certain state
23 government entities issue obligations that are not repaid from
24 appropriations. Those state government entities would be exempt

1 from the provisions of this section. The measure would not
2 apply to obligations those entities have issued in the past or
3 to obligations those entities would issue in the future.

4 SHALL THE PROPOSAL BE APPROVED?

5 FOR THE PROPOSAL - YES _____

6 AGAINST THE PROPOSAL - NO _____

7 SECTION 3. The Chief Clerk of the House of Representatives,
8 immediately after the passage of this resolution, shall prepare and
9 file one copy thereof, including the Ballot Title set forth in
10 SECTION 2 hereof, with the Secretary of State and one copy with the
11 Attorney General.

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13 COMMITTEE REPORT BY: COMMITTEE ON RULES, dated 02/16/2015 - DO PASS,
14 As Amended and Coauthored.
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