

SENATE JOINT RESOLUTION 34

By Haile

A RESOLUTION to propose an amendment to Article II, Section 31 of the Constitution of Tennessee, to allow the investment of state funds in equities.

WHEREAS, because Article II, Section 31 prohibits the State from becoming an owner, in whole or in part, of any bank or a stockholder with others in any association, company, corporation or municipality, the State cannot invest the State's funds in equities, including, but not limited to, ownership in both public and private companies; and

WHEREAS, this prohibition can limit the return that the State receives upon the investment of its funds; and

WHEREAS, the decreased rate of return can inhibit the State's ability to provide needed services to Tennesseans; and

WHEREAS, a constitutional amendment is necessary to ensure that the State is able to invest its funds for the greatest benefit of its citizens; and

WHEREAS, Senate Joint Resolution No. 913 of the One Hundred Twelfth General Assembly was considered and agreed upon by a majority of all the members elected to each of the two houses, as shown by the yeas and nays entered on their journals; and

WHEREAS, such resolution proposing such amendment was published in accordance with Article XI, Section 3 of the Constitution of Tennessee; now, therefore,

BE IT RESOLVED BY THE SENATE OF THE ONE HUNDRED THIRTEENTH GENERAL ASSEMBLY OF THE STATE OF TENNESSEE, THE HOUSE OF REPRESENTATIVES CONCURRING, that a two-thirds majority of all the members of each house concurring, as shown by the yeas and nays entered on their journals, that it is proposed

that Article II, Section 31 of the Constitution of Tennessee be amended by deleting the section and substituting instead the following:

Section 31. The credit of this state shall not be hereafter loaned or given to or in aid of any person, association, company, corporation, or municipality. The state shall not become the owner, in whole or in part, of any bank or a stockholder with others in any association, company, or corporation. Notwithstanding the foregoing, the governing body or state official charged with carrying out the purpose or objectives of a fund or trust that is administered or invested by the State Treasury and that contains state funds, in whole or in part, may adopt, with approval of the Treasurer and the Comptroller of the Treasury, an investment policy to authorize all or part of such fund or trust to be invested such that the state would become an owner, in whole or in part, of any bank or a stockholder with others in any association, company, or corporation.

BE IT FURTHER RESOLVED, that, in accordance with Article XI, Section 3 of the Constitution of Tennessee, the foregoing proposed amendment shall be submitted to the people at the next general election in which a governor is to be chosen, the same being the 2026 November general election, and the Secretary of State is directed to place such proposed amendment on the ballot for that election.

BE IT FURTHER RESOLVED, that the Clerk of the Senate is directed to deliver copies of this resolution to the Secretary of State, with this final resolving clause being deleted from such copies.