TO THE HONORABLE SPEAKER OF THE HOUSE
AND MEMBERS OF THE HOUSE OF REPRESENTATIVES
SECOND SESSION OF THE
FIFTY SIXTH OKLAHOMA LEGISLATURE

ENROLLED HOUSE BILL NO. 1401:

This is to advise you that on this date, pursuant to the authority vested in me by Section 11 of Article VI of the Oklahoma Constitution to approve or object to legislation presented to me, I have VETOED House Bill 1401.

While I believe that HB1401 is well intentioned, it raises some significant concerns. Under HB1401, 5% of all receipts from gross production taxes on oil and gas is to be placed in a “Vision Fund” that will be invested by the State Treasurer. The amount deposited is to increase by 0.2% each subsequent year but sets no cap on the percentage of total actual revenue that is to be diverted away from current apportionments and general revenue into the fund. Presumably, by not having a cap in place, future legislatures would see an ever increasing amount of monies being diverted into this fund and away from other funds, like the Energy Stabilization Fund, which currently receive monies from gross production taxes. Lastly, up to 5% of the monies in the fund may be used for debt service payments by local counties, municipalities, authorities, commissions, political subdivisions, or any other governmental entities within the State of Oklahoma. The state should not be paying for obligations that are not its own.

I appreciate the authors trying to find a creative solution to help the financial stability of the state. However, due to the potential problems that would inevitably arise from the bill as written, I have chosen to veto HB1401.

BY THE GOVERNOR OF THE STATE OF OKLAHOMA

Mary Fallin

By

Date/Time May 11, 2018 5:05 pm

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MAY 11 2018
OKLAHOMA SECRETARY
OF STATE