ENROLLED SENATE JOINT RESOLUTION 51

ENACTED BY THE SECOND REGULAR SESSION OF THE
52ND LEGISLATURE OF THE STATE OF OKLAHOMA
NUMBERED BY THE SECRETARY OF STATE

STATE QUESTION NUMBER 757

LEGISLATIVE REFERENDUM NUMBER 357

RECEIVED: May 28, 2010
Resolution

ENROLLED SENATE
JOINT
RESOLUTION NO. 51

Johnson (Mike), Ford, Ivester, Sykes, Gumm and Rice of the Senate
and
Miller, Dorman, Williams, Hilliard, Walker and Osborn of the House

A Joint Resolution directing the Secretary of State to refer to the people for their approval or rejection a proposed amendment to Section 23 of Article X of the Oklahoma Constitution; modifying the maximum percentage of surplus funds to be placed in the Constitutional Reserve Fund; deleting obsolete language; providing ballot title; and directing filing.

BE IT RESOLVED BY THE SENATE AND THE HOUSE OF REPRESENTATIVES OF THE 2ND SESSION OF THE 52ND 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, the following proposed amendment to Section 23 of Article X of the Oklahoma Constitution to read as follows:

Section 23. The state shall never create or authorize the creation of any debt or obligation, or fund or pay any deficit, against the state, or any department, institution or agency thereof, regardless of its form or the source of money from which it is to be paid, except as may be provided in this section and in Sections 24 and 25 of Article X of the Constitution of the State of Oklahoma.
To ensure a balanced annual budget, pursuant to the limitations contained in the foregoing, procedures are herewith established as follows:

1. Not more than forty-five (45) days or less than thirty-five (35) days prior to the convening of each regular session of the Legislature, the State Board of Equalization shall certify the total amount of revenue which accrued during the last preceding fiscal year to the General Revenue Fund and to each Special Revenue Fund appropriated directly by the Legislature, and shall further certify amounts available for appropriation which shall be based on a determination, in accordance with the procedure hereinafter provided, of the revenues to be received by the state under the laws in effect at the time such determination is made, for the next ensuing fiscal year, showing separately the revenues to accrue to the credit of each such fund of the state appropriated directly by the Legislature.

Amounts certified as available for appropriation from each fund, as hereinbefore provided, shall be ninety-five percent (95%) of an itemized estimate made by the State Board of Equalization, which shall include all sources of revenue to each fund for the next ensuing fiscal year; provided, however, appropriated federal funds shall be certified for the full amount of the estimate. Said estimate shall consider any increase or decline in revenues that would result from predictable changes in the economy.

Legislative appropriations for any fiscal year, except for special appropriations provided for in paragraph 6, 7 or 8 shall be limited to a sum not to exceed the total amount appropriated from all funds in the preceding fiscal year, plus twelve percent (12%), adjusted for inflation for the previous calendar year. Said limit shall be adjusted for funds not previously appropriated. The limit on the growth of appropriations shall be certified to by the State Board of Equalization.

2. Such certification shall be filed with the Governor, the President and President Pro Tempore of the Senate, and the Speaker of the House of Representatives. The Legislature shall not pass or enact any bill, act or measure making an appropriation of money for any purpose until such certification is made and filed, unless the
State Board of Equalization has failed to file said certification at the time of convening of said Legislature. In such event, it shall be the duty of the Legislature to make such certification pursuant to the provisions of this section. All appropriations made in excess of such certification shall be null and void; provided, however, that the Legislature may at any regular session or special session, called for that purpose, enact laws to provide for additional revenues or a reduction in revenues, other than ad valorem taxes, or transferring the existing revenues or unappropriated cash on hand from one fund to another, or making provisions for appropriating funds not previously appropriated directly by the Legislature. Whereupon, it shall be the duty of the State Board of Equalization to make a determination of the revenues that will accrue under such laws and ninety-five percent (95%) of the amount of any increase or decrease resulting, for any reason, from such changes in laws shall be added to or deducted from the amount previously certified available for appropriation from each respective fund, as the case may be. The State Board of Equalization shall file the amount of such adjusted certification, or additional certification for funds not previously appropriated directly by the Legislature, with the Governor, with the President and President Pro Tempore of the Senate, and the Speaker of the House of Representatives, and such adjusted amount shall be the maximum amount which can be appropriated for all purposes from any such fund for the fiscal year being certified.

3. The State Board of Equalization shall meet within five (5) days after the monthly apportionment in February of each year, and at that time may adjust the certification, based upon the most current information available, and determine the amount of funds available for appropriation for that legislative session. At said meeting the Board shall determine the limit on the growth of appropriations as provided for in this section.

4. Surplus funds or monies shall be any amount accruing to the General Revenue Fund of the State of Oklahoma over and above the itemized estimate made by the State Board of Equalization.

5. Beginning July 1, 1985, all such surplus funds or monies accruing after said date shall be placed in a Constitutional Reserve Fund by the State Treasurer until such time that the amount of said Fund equals ten percent (10%) fifteen percent (15%) of the General
Revenue Fund certification for the preceding fiscal year. Appropriations made from said Fund shall be considered special appropriations.

6. a. Up to three-eighths (3/8) of the balance at the beginning of the current fiscal year in the Constitutional Reserve Fund may be appropriated for the forthcoming fiscal year, when the certification by the State Board of Equalization for said forthcoming fiscal year General Revenue Fund is less than that of the current fiscal year certification. In no event shall the amount of monies appropriated from the Constitutional Reserve Fund be in excess of the difference between the two said certifications.

b. (1) In years when the provisions of subparagraph a of this paragraph are not applicable and the balance at the beginning of the current fiscal year in the Constitutional Reserve Fund is equal to or greater than Eighty Million Dollars ($80,000,000.00), up to Ten Million Dollars ($10,000,000.00) may be expended for the purpose of providing incentives to support retention of at-risk manufacturing establishments in this state in order to retain employment for residents of this state. Such incentives shall be paid by the Oklahoma Tax Commission upon a unanimous finding by the Governor, the Speaker of the House of Representatives and the President Pro Tempore of the Senate that:

(a) such incentives have been recommended by an independent committee created by the Legislature for such purposes as provided herein pursuant to criteria set out by law,

(b) the incentive will result in a substantial benefit to this state, and

(c) payment of the incentive would be in accordance with the provisions of this
subparagraph and laws enacted to implement provisions of this subparagraph.

(2) The independent committee will be composed of not less than seven (7) people appointed or otherwise determined pursuant to laws enacted by the Legislature providing for membership on the committee. The committee shall make recommendations to the Governor, the Speaker of the House of Representatives and the President Pro Tempore of the Senate for the awarding of incentives. Such recommendations shall give priority to establishments which:

(a) are at greater risk of losing jobs because the plant is no longer competitive or leaving the state and thereby causing the loss of more employment in this state than other eligible recipients, and

(b) provide the largest economic impact to the state.

(3) For any fiscal year, the incentives shall not exceed ten percent (10%) of the amount invested by an establishment in capital assets to be utilized in this state. Incentives may only be paid pursuant to an investment contract between the establishment and a state agency designated by law, which provides for a specified amount of investment in a capital asset to be made by the establishment over a period of not to exceed five (5) years. No incentive payment shall be made prior to the actual investment by the establishment. The contract shall make payment of any incentives in any fiscal year contingent on the balance at the beginning of such fiscal year in the Constitutional Reserve Fund being equal to or greater than Eighty Million Dollars ($80,000,000.00) and on the certification by the State Board of Equalization for such fiscal year of the amount available for appropriation from
the General Revenue Fund being greater than the amount certified for the preceding fiscal year. Investment contracts authorized by this subparagraph shall provide that if any incentive payment is payable during a fiscal year in which either the balance at the beginning of the fiscal year in the Constitutional Reserve Fund is not equal to or greater than Eighty Million Dollars ($80,000,000.00) or when the certification by the State Board of Equalization for such fiscal year General Revenue Fund is less than that of the immediately prior fiscal year certification, then any incentive payments which would have been payable during such fiscal year shall be payable in the first fiscal year when funds are available pursuant to the provisions of division (1) of this subparagraph. In the event that the amount of incentives payable under investment contracts authorized by this subparagraph is greater than the amounts available for payment under this subparagraph in a fiscal year, then no new contracts may be authorized during such year and incentive payments which are made shall be reduced pro rata as necessary to apply all available funds to incentive payments which are payable in such year.

(4) The Legislature is authorized to enact laws necessary to implement the provisions of this section.

7. Up to three-eighths (3/8) of the balance at the beginning of the current fiscal year in the Constitutional Reserve Fund may be appropriated for the current fiscal year if the State Board of Equalization determines that a revenue failure has occurred with respect to the General Revenue Fund of the State Treasury. In no event shall the amount of monies appropriated from the Constitutional Reserve Fund pursuant to this paragraph be in excess of the amount of the projected revenue failure in the General Revenue Fund, which total amount shall be computed by the State Board of Equalization, for the entire fiscal year. Monies appropriated to any state governmental entity from the
Constitutional Reserve Fund pursuant to this paragraph may only be made in order to ensure that the monies actually received by the entity for the then current fiscal year are equal to or less than, but not in excess of, the total appropriation amount for such entity in effect at the beginning of the then current fiscal year.

8. Up to one-quarter (1/4) of the balance at the beginning of the current fiscal year in the Constitutional Reserve Fund may be appropriated, upon a declaration by the Governor that emergency conditions exist, with concurrence of the Legislature by a two-thirds (2/3) vote of the House of Representatives and Senate for the appropriation; or said one-quarter (1/4) could be appropriated upon a joint declaration of emergency conditions by the Speaker of the House of Representatives and the President Pro Tempore of the Senate, with a concurrence of a three-fourths (3/4) vote of the House of Representatives and Senate.

9. That portion of every appropriation, at the end of each fiscal year, in excess of actual revenues collected and allocated thereto, as hereinafter provided, shall be null and void. Revenues deposited in the State Treasury to the credit of the General Revenue Fund or of any special fund (which derives its revenue in whole or in part from state taxes or fees) shall, except as to principal and interest on the public debt, be allocated monthly to each department, institution, board, commission or special appropriation on a percentage basis, in that ratio that the total appropriation for such department, institution, board, commission or special appropriation from each fund for that fiscal year bears to the total of all appropriations from each fund for that fiscal year, and no warrant shall be issued in excess of said allocation. Any department, institution or agency of the state operating on revenues derived from any law or laws which allocate the revenues thereof to such department, institution or agency shall not incur obligations in excess of the unencumbered balance of cash on hand. Nothing in this section shall prevent, under such conditions and limitations as shall be prescribed by law, the governing board of an institution of higher education within The Oklahoma State System of Higher Education from contracting with a president of such institution of higher education for periods extending more than one (1) year, but not to exceed three (3) years beyond the fiscal year in which the contract is signed.
10. The Legislature shall provide a method whereby appropriations shall be divided and set up on a monthly, quarterly or semiannual basis within each fiscal year to prevent obligations being incurred in excess of the revenue to be collected, and notwithstanding other provisions of this Constitution, the Legislature shall provide that all appropriations shall be reduced to bring them within revenues actually collected, but all such reductions shall apply to each department, institution, board, commission or special appropriation made by the State Legislature in the ratio that its total appropriation for that fiscal year bears to the total of all appropriations from that fund for that fiscal year; provided, however, that the Governor may in his discretion to issue deficiency certificates to the State Treasurer for the benefit of any department, institution or agency of the state, if the amount of such deficiency certificates be within the limit of the current appropriation for that department, institution or agency, whereupon the State Treasurer shall issue warrants to the extent of such certificates for the payment of such claims as may be authorized by the Governor, and such warrants shall become a part of the public debt and shall be paid out of any money appropriated by the Legislature and made lawfully available therefor; provided further, that in no event shall said deficiency certificates exceed in the aggregate the sum of Five Hundred Thousand Dollars ($500,000.00) in any fiscal year.

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

BALLOT TITLE

Legislative Referendum No. ___ State Question No. ___

THE GIST OF THE PROPOSITION IS AS FOLLOWS:

This measure amends the State Constitution. It amends Section 23 of Article 10. It increases the amount of surplus revenue which goes into a special fund. That fund is the Constitutional Reserve Fund. The amount would go from 10% to 15% of the funds certified as going to the General Revenue fund for the preceding fiscal year.
SHALL THE PROPOSAL BE APPROVED?

FOR THE PROPOSAL — YES

AGAINST THE PROPOSAL — NO

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

Passed the Senate the 25th day of May, 2010.

[Signature]

Presiding Officer of the Senate

Passed the House of Representatives the 28th day of May, 2010.

[Signature]

Presiding Officer of the House of Representatives

OFFICE OF THE SECRETARY OF STATE

Received by the Secretary of State this___

28th day of May, 2010

at 9:00 o'clock AM.

By: [Signature]

ENR. S. J. R. NO. 51
June 1, 2010

The Honorable Drew Edmondson
Attorney General
313 NE 21st Street
Oklahoma City, Oklahoma 73105

Dear Attorney General Edmondson:

You are hereby notified that Enrolled Senate Joint Resolution 51 was received in the Office of the Secretary of State the 28th day of May, 2010. This resolution has been designated as State Question Number 757, Legislative Referendum Number 357.

Pursuant to 34 O.S., 2008 Supp., Section 9, this office is submitting the proposed ballot title to you for review.

If this office may be of further assistance, please advise.

Sincerely,

M. Susan Savage
Secretary of State

MSS/kj
June 1, 2010

The Honorable Brad Henry
Governor, State of Oklahoma
State Capitol, Room 212
Oklahoma City, Oklahoma 73105

Dear Governor Henry:

You are hereby notified that Enrolled Senate Joint Resolution 51 was received in the Office of the Secretary of State the 28th day of May, 2010. This resolution has been designated as State Question Number 757, Legislative Referendum Number 357.

This office has submitted the proposed ballot title to the Attorney General for review as required by 34 O.S. 2008 Supp., Section 9. The official ballot title will be submitted to you upon completion of the review.

If this office may be of further assistance, please advise.

Sincerely,

M. Susan Savage
Secretary of State

MSS/kj
June 1, 2010

The Honorable Paul Ziriax
Secretary, State Election Board
State Capitol, Room 3
Oklahoma City, Oklahoma 73105

Dear Secretary Ziriax:

You are hereby notified that Enrolled Senate Joint Resolution 51 was received in the Office of the Secretary of State the 28th day of May, 2010. This resolution has been designated as State Question Number 757, Legislative Referendum Number 357.

This office has submitted the proposed ballot title to the Attorney General for review as required by 34 O.S. 2008 Supp., Section 9. The official ballot title will be submitted to you upon completion of the review.

If this office may be of further assistance, please advise.

Sincerely,

M. Susan Savage
Secretary of State

MSS/kj
June 3, 2010

The Honorable M. Susan Savage  
Oklahoma Secretary of State  
Room 101, State Capitol Building  
Oklahoma City, Oklahoma 73105

Re: State Question Number 757  
Legislative Referendum Number 357

Dear Secretary Savage:

I am in receipt of your letter to Attorney General W.A. Drew Edmondson regarding the above. Attorney General Edmondson has requested that I respond back to you. I have referred this information to Neal Leader, Senior Assistant Attorney General, for his information and use.

If you have any questions, please feel free to contact Mr. Leader directly.

Sincerely,

TOM GRUBER  
FIRST ASSISTANT ATTORNEY GENERAL

cc: W.A. Drew Edmondson  
Attorney General

Neal Leader  
Senior Assistant Attorney General
June 4, 2010

M. Susan Savage, Secretary of State
Office of the Secretary of State
2300 N. Lincoln Blvd., Room 101
Oklahoma City, OK 73105-4897

The Honorable Glenn Coffee
Senate President Pro Tempore
State Capitol, Room 422
2300 N. Lincoln Boulevard
Oklahoma City, OK 73105

The Honorable Chris Benge
Speaker of the House of Representatives
State Capitol, Room 401
2300 N. Lincoln Boulevard
Oklahoma City, OK 73105

Re: Ballot Title for State Question No. 757, Legislative Referendum 357

Dear Secretary Savage, Senator Coffee, and Speaker Benge:

In accordance with the provisions of 34 O.S.Supp.2009, § 9(C), we have reviewed the Ballot Title for the above referenced State Question and conclude that it complies with applicable law. As a Title 34 Ballot Title Review, this letter does not constitute an Attorney General Opinion on the merits or constitutionality of the underlying proposed changes in the law, nor on the ability of federal law to preempt the changes in the law.

Respectfully submitted,

W. A. DREW EDMONDSON
ATTORNEY GENERAL

WAE/ab
June 9, 2010

The Honorable Brad Henry
Governor, State of Oklahoma
State Capitol, Room 212
Oklahoma City, Oklahoma 73105

Dear Governor Henry:

Enclosed are copies of the Attorney General’s final review of the proposed Ballot Title for State Question 757, Legislative Referendum 357; the State Question from Senate Joint Resolution 51; and the letter to the Oklahoma State Election Board attesting the measure.

Pursuant to the provisions of Article 24, of the Oklahoma Constitution, Section 1, this office is submitting said state question and the Attorney General’s review to your office.

If there are any questions, please do not hesitate to contact this office.

Sincerely,

M. Susan Savage
Secretary of State

MSS/kj
June 9, 2010

The Honorable Paul Ziriax
Secretary, State Election Board
State Capitol, Room 3
Oklahoma City, Oklahoma 73105

Dear Secretary Ziriax:

Enclosed are copies of the Attorney General’s final review of the proposed Ballot Title for State Question 757, Legislative Referendum 357.

If there are any questions, please do not hesitate to contact this office.

Sincerely,

M. Susan Savage
Secretary of State

MSS/kj
EXECUTIVE DEPARTMENT

EXECUTIVE PROCLAMATION

I, Brad Henry, Governor of the State of Oklahoma, pursuant to the provisions of Section 3 of Article V and Section 1 of Article XXIV of the Oklahoma Constitution, and Section 12 of Title 34 of the Oklahoma Statutes, and the referral by the Secretary of State do hereby declare that Legislative Referendum Number 357, State Question 757, be submitted to qualified electors of the State of Oklahoma for their approval or rejection at the general election to be held statewide on November 2, 2010.

The substance of the measure is as follows:

This measure amends the State Constitution. It amends Section 23 of Article 10. It increases the amount of surplus revenue which goes into a special fund. That fund is the Constitutional Reserve Fund. The amount would go from 10% to 15% of the funds certified as going to the General Revenue fund for the preceding fiscal year.

Copies of this Executive Proclamation shall be delivered to the Secretary of State, the Speaker of the House of Representatives, the President Pro Tempore of the Senate, and the Secretary of the State Election Board.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the Great Seal of the State of Oklahoma to be affixed at Oklahoma City, Oklahoma, this 9th day of August, 2010.

BY THE GOVERNOR OF THE STATE OF OKLAHOMA

BRAD HENRY

SECRETARY OF STATE
August 10, 2010

The Honorable Paul Ziriax
Secretary, State Election Board
State Capitol, Room 3
Oklahoma City, Oklahoma 73105

Dear Secretary Ziriax:

Enclosed are copies of the Governor’s Proclamations calling for the election on:

State Question Number 744, Initiative Petition Number 391
State Question Number 746, Legislative Referendum Number 347
State Question Number 747, Legislative Referendum Number 348
State Question Number 748, Legislative Referendum Number 349
State Question Number 750, Legislative Referendum Number 350
State Question Number 751, Legislative Referendum Number 351
State Question Number 752, Legislative Referendum Number 352
State Question Number 754, Legislative Referendum Number 354
State Question Number 755, Legislative Referendum Number 355
State Question Number 756, Legislative Referendum Number 356
State Question Number 757, Legislative Referendum Number 357

If there are any questions, or if our office may be of further assistance, please do not hesitate to let us know.

Sincerely,

M. Susan Savage
Secretary of State

MSS/kj
November 12, 2010

Dear Ms. Savage:

Enclosed please find a copy of the official returns of the vote at the General Election on November 2, 2010, on the following measures, as certified to the Governor of the State of Oklahoma. The results of the vote on State Question 755, Legislative Referendum 355, have not been certified by the State Election Board and are not included.

State Question No. 744, Initiative Petition No. 391
State Question No. 746, Legislative Referendum No. 347
State Question No. 747, Legislative Referendum No. 348
State Question No. 748, Legislative Referendum No. 349
State Question No. 750, Legislative Referendum No. 350
State Question No. 751, Legislative Referendum No. 351
State Question No. 752, Legislative Referendum No. 352
State Question No. 754, Legislative Referendum No. 354
State Question No. 756, Legislative Referendum No. 356
State Question No. 757, Legislative Referendum No. 357

Sincerely,

[Signature]

PAUL ZIRIAK, Secretary
State Election Board

PZ/mf

Receipt of the above hereby is acknowledged on this ___ day of November, 2010.

By: [Signature]

Time: 10:15 AM.
November 12, 2010

The Honorable Brad Henry  
Governor of the State of Oklahoma  
Room 212, State Capitol  
Oklahoma City, Oklahoma 73105

Dear Governor Henry:

Pursuant to the provisions of 26 O.S. 2001, §12-118, the State Election Board herewith certifies the results of the vote at the General Election on November 2, 2010, on the following measures. The results of the vote on State Question 755, Legislative Referendum 355, have not been certified by the State Election Board and are not included.

**STATE QUESTION No. 744**  
INITIATIVE PETITION No. 391

- **YES:** 189,164  
- **NO:** 828,589

**STATE QUESTION No. 746**  
LEGISLATIVE REFERENDUM No. 347

- **YES:** 746,053  
- **NO:** 257,523

**STATE QUESTION No. 747**  
LEGISLATIVE REFERENDUM No. 348

- **YES:** 695,592  
- **NO:** 299,789
STATE QUESTION No. 748  
LEGISLATIVE REFERENDUM No. 349

YES: 567,288  
NO: 403,733

STATE QUESTION No. 750  
LEGISLATIVE REFERENDUM No. 350

YES: 485,703  
NO: 478,042

STATE QUESTION No. 751  
LEGISLATIVE REFERENDUM No. 351

YES: 740,918  
NO: 239,904

STATE QUESTION No. 752  
LEGISLATIVE REFERENDUM No. 352

YES: 606,805  
NO: 358,925

STATE QUESTION No. 754  
LEGISLATIVE REFERENDUM No. 354

YES: 361,907  
NO: 614,219
STATE QUESTION No. 756
LEGISLATIVE REFERENDUM No. 356

YES: 638,530
NO: 347,956

STATE QUESTION No. 757
LEGISLATIVE REFERENDUM No. 357

YES: 499,287
NO: 479,353

Sincerely,

Paul Ziriax
PAUL ZIRIAX, Secretary
State Election Board

PZ/mf

Receipt of the above hereby is acknowledged on this 16th day of November, 2010.

By: 

Time: 9:30am
EXECUTIVE DEPARTMENT

EXECUTIVE PROCLAMATION

I, Brad Henry, Governor of the State of Oklahoma, pursuant to the authority vested in me by the provisions of Section 12-118 of Title 26 of the Oklahoma Statutes and the Certification by the State Election Board, do hereby proclaim State Question Number 757 to have passed. The results of the election held on November 2, 2010, on State Question 757, Legislative Referendum Number 357, are as follows:

Total Votes – 978,640

YES – 499,287
NO – 479,353

IN WITNESS WHEREOF, I have heretounto set my hand and caused the Great Seal of the State of Oklahoma to be affixed at Oklahoma City, Oklahoma this 5th day of January, 2011.

BY THE GOVERNOR OF THE STATE OF OKLAHOMA

BRAD HENRY

SECRETARY OF STATE