

1 ENGROSSED SENATE
JOINT
2 RESOLUTION NO. 71

By: Brecheen of the Senate

3 and

4 Coody (Jeff) of the House

5
6 [proposed amendment - certain fund - ballot title -
7 filing]
8

9 BE IT RESOLVED BY THE SENATE AND THE HOUSE OF REPRESENTATIVES OF THE
10 2ND SESSION OF THE 55TH OKLAHOMA LEGISLATURE:

11 SECTION 1. The Secretary of State shall refer to the people for
12 their approval or rejection, as and in the manner provided by law,
13 the following proposed amendment to Section 40 of Article X of the
14 Oklahoma Constitution to read as follows:

15 Section 40. A. There is hereby created a trust fund to be
16 known as the "Tobacco Settlement Endowment Trust Fund". The trust
17 fund principal shall consist of the portion of monies which are
18 received by the State of Oklahoma on or after July 1, 2001, pursuant
19 to any settlement with or judgment against any tobacco company or
20 companies as provided by subsection B of this section, and any other
21 monies that may be appropriated or otherwise directed to the trust
22 fund by the Legislature.

23 B. 1. Deposits into the trust fund from monies which are
24 received by the State of Oklahoma pursuant to any settlement with or

1 judgment against any tobacco company or companies shall be based on
2 the following schedule:

Fiscal Year	Minimum Percentage of Payments
Ending June 30, 2002	50%
Ending June 30, 2003	55%
Ending June 30, 2004	60%
Ending June 30, 2005	65%
Ending June 30, 2006	70%
Ending June 30, 2007	75%

11 2. Deposits into the trust fund in subsequent fiscal years
12 shall never be less than seventy-five percent (75%) of the payments.

13 3. The monies received by the State of Oklahoma pursuant to any
14 settlement with or judgment against any tobacco company or companies
15 after June 30, 2001, not deposited into the trust fund as provided
16 in this section, shall be deposited into a special fund established
17 by the Legislature solely for the purpose of receiving the payments;
18 provided, the Legislature may, by law, direct a certain portion of
19 such monies to the Office of the Attorney General. The special fund
20 shall be subject to legislative appropriations.

21 C. There is hereby created the Board of Investors of the
22 Tobacco Settlement Endowment Trust Fund. The Board of Investors
23 shall have the duty of investing monies in the trust fund, subject
24 to restrictions and limitations provided by law for and in

1 accordance with laws applicable to the investment of monies in state
2 retirement funds.

3 The Board of Investors shall consist of five (5) members as
4 follows:

- 5 1. The State Treasurer who shall be the chair;
- 6 2. An appointee of the Governor;
- 7 3. An appointee of the Speaker of the House of Representatives;
- 8 4. An appointee of the President Pro Tempore of the Senate; and
- 9 5. An appointee of the State Auditor and Inspector.

10 The initial appointees shall serve staggered terms of office as
11 provided for by law. Thereafter, appointees shall serve four-year
12 terms of office. No more than two appointees shall be appointed
13 from any single congressional district. All appointed members shall
14 have demonstrated expertise in public or private investment funds
15 management.

16 D. There is hereby created the Board of Directors of the
17 Tobacco Settlement Endowment Trust Fund. The Board of Directors
18 shall consist of seven (7) members, one appointed by each of the
19 following appointing authorities:

- 20 1. The Governor;
- 21 2. The President Pro Tempore of the Senate;
- 22 3. The Speaker of the House of Representatives;
- 23 4. The Attorney General;
- 24 5. The State Treasurer;

1 6. The State Auditor and Inspector; and

2 7. The State Superintendent of Public instruction.

3 The initial appointed members shall serve staggered terms of
4 office as provided for by law. Thereafter, the appointed members of
5 the Board of Directors shall serve seven-year terms of office. At
6 least one appointee shall be appointed from each congressional
7 district, and not more than two appointees shall be appointed from
8 any single congressional district. Not more than four appointees
9 shall be members of the same political party. An appointee shall
10 have been a member of the political party to which the appointee
11 belongs for at least one (1) year prior to the date of appointment.
12 Appointees shall have demonstrated expertise in public or private
13 health care or programs related to or for the benefit of children or
14 senior adults.

15 The Board of Directors shall meet at least one time each
16 calendar quarter.

17 E. Earnings from the trust fund, including but not limited to
18 interest, dividends, and realized capital gains from investments of
19 the trust fund shall be expended as provided in subsection F of this
20 section for the following purposes:

21 1. Clinical and basic research and treatment efforts in
22 Oklahoma for the purpose of enhancing efforts to prevent and combat
23 cancer and other tobacco-related diseases;

24 2. Cost-effective tobacco prevention and cessation programs;

1 3. Programs other than those specified in paragraph 1 of this
2 subsection designed to maintain or improve the health of Oklahomans
3 or to enhance the provision of health care services to Oklahomans,
4 with particular emphasis on such programs for children;

5 4. Programs and services for the benefit of the children of
6 Oklahoma, with particular emphasis on common and higher education,
7 before- and after-school and pre-school programs, substance abuse
8 prevention and treatment programs and other programs and services
9 designed to improve the health and quality of life of children;

10 5. Programs designed to enhance the health and well-being of
11 senior adults; ~~and~~

12 6. Authorized administrative expenses of the Office of the
13 State Treasurer and the Board of Directors; and

14 7. Funding for the Oklahoma Medicaid Program.

15 F. Each fiscal year, the ~~Board of Directors~~ Legislature may
16 expend the amount of earnings which actually accrued to the trust
17 fund during the preceding fiscal year for the purposes specified in
18 subsection E of this section. Any amount not so expended shall
19 remain in the trust fund. The Board shall direct specific
20 expenditures to be made for the purposes specified in subsection E
21 of this section from the remaining amount not appropriated by the
22 Legislature pursuant to this subsection.

23 G. The Legislature may enact laws to further implement the
24 provisions of this section.

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

4 BALLOT TITLE

5 Legislative Referendum No. _____ State Question No. _____

6 THE GIST OF THE PROPOSITION IS AS FOLLOWS:

7 This measure amends Section 40 of Article 10 of the Oklahoma
8 Constitution. This measure would allow earnings from the
9 Tobacco Settlement Endowment Trust Fund to be used to fund the
10 Oklahoma Medicaid Program. This measure would also allow the
11 Legislature to expend earnings from the fund.

12 SHALL THE PROPOSAL BE APPROVED?

13 FOR THE PROPOSAL - YES _____

14 AGAINST THE PROPOSAL - NO _____

15 SECTION 3. A special election is hereby ordered to be held
16 throughout the State of Oklahoma on the date of November 8, 2016, at
17 which time the proposed amendment to the Oklahoma Constitution, as
18 set forth in SECTION 1 of this resolution, shall be submitted to the
19 people of Oklahoma for their approval or rejection as and in the
20 manner provided by law.

21 SECTION 4. The President Pro Tempore of the Senate shall,
22 immediately after the passage of this resolution, prepare and file
23 one copy thereof, including the Ballot Title set forth in SECTION 2
24

1 hereof, with the Secretary of State and one copy with the Attorney
2 General.

3 Passed the Senate the 9th day of March, 2016.

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Presiding Officer of the Senate

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7 Passed the House of Representatives the ____ day of _____,
8 2016.

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Presiding Officer of the House
of Representatives

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