

1 STATE OF OKLAHOMA

2 2nd Session of the 59th Legislature (2024)

3 SENATE BILL 1399

By: Hall

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6 AS INTRODUCED

7 An Act relating to state fiscal affairs; creating the
8 Oklahoma Long-Range Capital Planning Legacy Fund;
9 providing sources of funds; requiring the State
10 Treasurer to appoint investment managers;
11 establishing investment guidelines; authorizing
12 realization of losses under certain circumstance;
13 requiring income and returns to accrue to the balance
14 of the fund; providing for transfer of funds;
15 requiring managers to maintain certain proportion of
16 liquidity in the fund; providing for transfer amount
17 upon insufficient liquidity; making appropriation to
18 the Office of the State Treasurer; requiring deposit
19 in certain fund; providing for codification;
20 providing an effective date; and declaring an
21 emergency.

22 BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

23 SECTION 1. NEW LAW A new section of law to be codified
24 in the Oklahoma Statutes as Section 34.602 of Title 62, unless there
is created a duplication in numbering, reads as follows:

A. There is hereby created in the State Treasury a fund to be
known and designated as the "Oklahoma Long-Range Capital Planning
Legacy Fund". The fund shall be a continuing fund, not subject to
fiscal year limitations, and shall consist of surplus monies and
savings appropriated by the Legislature.

1 B. The Treasurer shall appoint qualified investment managers to
2 provide for the investment of the monies of the fund. The
3 investments shall be consistent with the manner in which state
4 retirement funds are invested. The risk of large losses shall be
5 minimized by diversifying the investments in the fund, unless, under
6 the circumstances, it is clearly prudent not to do so, which shall
7 include the length of time of the investment. The investment
8 managers may sell investments and realize losses if such action is
9 considered advantageous to longer-term return maximization.

10 C. The fund principal shall consist of monies which are
11 deposited to the fund. Notwithstanding any other provisions of law,
12 income and investment return on fund principal shall accrue to the
13 fund.

14 D. For each fiscal year, the Treasurer shall make available a
15 report on its website detailing the present value of the investments
16 and assets in the Oklahoma Long-Range Capital Planning Legacy Fund
17 and the increase in value from the previous fiscal year.

18 E. Except as provided for in subsection F and G of this
19 section, upon a determination by the Treasurer, through the report
20 provided pursuant to subsection D of this section, of the increase
21 in the value of the Oklahoma Long-Range Capital Planning Legacy
22 Fund, the Long-Range Capital Planning Commission may make a request
23 for transfer of up to forty percent (40%) of the increase in value
24 of the fund, as determined by the Treasurer, to the Maintenance of

1 State Buildings Revolving Fund, created in Section 908 of Title 62
2 of the Oklahoma Statutes. For fiscal year 2025, the Long-Range
3 Capital Planning Commission may request an amount not to exceed
4 Fifty Million Dollars (\$50,000,000.00) for transfer to the
5 Maintenance of State Buildings Revolving Fund.

6 F. Investment managers appointed pursuant to subsection B of
7 this section shall maintain a reasonable proportion of liquid assets
8 in the Oklahoma Long-Range Capital Planning Legacy Fund in order to
9 facilitate any expected transfers requested pursuant to subsection E
10 of this section. In the event the balance of the Oklahoma Long-
11 Range Capital Planning Legacy Fund is insufficient or the cash
12 available in the fund is insufficient due to lack of liquid assets
13 to make the transfers required pursuant to subsection E of this
14 section, the entire balance available for transfer shall be
15 transferred to the fund.

16 SECTION 2. There is hereby appropriated to the Office of the
17 State Treasurer for deposit in the Oklahoma Long-Range Capital
18 Planning Legacy Fund, from any monies not otherwise appropriated
19 from the General Revenue Fund of the State Treasury for the fiscal
20 year ending June 30, 2023, the sum of Five Hundred Million Dollars
21 (\$500,000,000.00).

22 SECTION 3. This act shall become effective July 1, 2024.

23 SECTION 4. It being immediately necessary for the preservation
24 of the public peace, health or safety, an emergency is hereby

1 declared to exist, by reason whereof this act shall take effect and
2 be in full force from and after its passage and approval.

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