

1 ENGROSSED SENATE  
2 BILL NO. 568

By: Rader of the Senate

3 and

4 Kannady of the House

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7 An Act relating to public finance; imposing  
8 requirements with respect to certain shares;  
9 prohibiting actions with respect to advice provided  
10 by proxy advisers without certain commitment;  
11 prohibiting grant of proxy voting rights; providing  
12 exceptions; requiring tabulation of certain proxy  
13 votes; requiring report to the State Treasurer;  
14 defining term; providing for codification; providing  
15 an effective date; and declaring an emergency.

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

17 SECTION 1. NEW LAW A new section of law to be codified  
18 in the Oklahoma Statutes as Section 7010 of Title 62, unless there  
19 is created a duplication in numbering, reads as follows:

20 A. All shares of stock or ownership interest held directly or  
21 indirectly by or on behalf of a governmental entity and the  
22 participants and their beneficiaries, for all issues voted upon by  
23 shareholders and those with ownership interest, shall be voted upon  
24 solely in the pecuniary interest of plan participants and their  
beneficiaries. Unless no economically practicable alternative is  
available, an investment manager, fiduciary, or governmental entity

1 shall not adopt a practice of following the recommendations of a  
2 proxy adviser or other service provider, unless the adviser or  
3 service provider has a practice of, and in writing commits to,  
4 following proxy voting guidelines that match the obligation of the  
5 governmental entity to act solely upon pecuniary factors.

6 B. Unless no economically practicable alternative is available,  
7 a governmental entity shall not grant proxy voting authority to any  
8 person who is not a part of the governmental entity, unless that  
9 person has a practice of, and in writing commits to, following  
10 guidelines that match the obligation of the governmental entity to  
11 act solely upon pecuniary factors.

12 C. Unless no economically practicable alternative is available,  
13 an investment manager, fiduciary, or governmental entity shall not  
14 adopt a practice of following the recommendations of a proxy adviser  
15 or other service provider, unless such adviser or service provider  
16 has a practice of, and in writing commits to, follow proxy voting  
17 guidelines that match the obligation of the governmental entity to  
18 act solely upon pecuniary factors.

19 D. All proxy votes shall be tabulated and reported annually to  
20 the State Treasurer. For each vote, the report shall contain a vote  
21 caption, the vote of the plan, the recommendation of company  
22 management, and, if applicable, the recommendation of the proxy  
23 advisor. These reports shall be posted on a publicly available  
24 webpage on the website of the State Treasurer.

1 E. As used in this section, "government entity" means any state  
2 agency, board, bureau, commission, or other entity organized within  
3 the executive department of state government including any office of  
4 this state or appointee acting as a fiduciary of the funds of this  
5 state.

6 SECTION 2. This act shall become effective July 1, 2025.

7 SECTION 3. It being immediately necessary for the preservation  
8 of the public peace, health or safety, an emergency is hereby  
9 declared to exist, by reason whereof this act shall take effect and  
10 be in full force from and after its passage and approval.

11 Passed the Senate the 24th day of March, 2025.

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Presiding Officer of the Senate

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15 Passed the House of Representatives the \_\_\_\_ day of \_\_\_\_\_,  
16 2025.

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Presiding Officer of the House  
of Representatives

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