

1 STATE OF OKLAHOMA

2 1st Session of the 60th Legislature (2025)

3 SENATE BILL 307

By: Rader

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5
6 AS INTRODUCED

7 An Act relating to state fiscal affairs; creating the
8 Oklahoma Teachers Legacy Fund; providing sources of
9 funds; requiring the State Treasurer to appoint
10 investment managers; establishing investment
11 guidelines; authorizing realization of losses under
12 certain circumstance; requiring income and returns to
13 accrue to the balance of the fund; providing for
14 appropriations of funds for certain purpose;
15 providing for transfer amount upon insufficient
16 liquidity; requiring managers to maintain certain
17 proportion of liquidity in the fund; making
18 appropriation to the Office of the State Treasurer;
19 requiring deposit in certain fund; providing for
20 codification; providing an effective date; and
21 declaring an 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 34.601 of Title 62, unless there
25 is created a duplication in numbering, reads as follows:

26 A. There is hereby created in the State Treasury a fund to be
27 known and designated as the "Oklahoma Teachers Legacy Fund". The
28 fund shall be a continuing fund, not subject to fiscal year

1 limitations, and shall consist of surplus monies and savings
2 appropriated by the Legislature.

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

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

16 D. For each fiscal year, the State Treasurer shall make
17 available a report on its website detailing the present value of the
18 investments and assets in the Oklahoma Teachers Legacy Fund and the
19 increase in value from the previous fiscal year.

20 E. Except as provided for in subsections F and G of this
21 section, upon a determination by the State Treasurer, through the
22 report provided pursuant to subsection D of this section, that the
23 increase in the value of the Oklahoma Teachers Legacy Fund from the
24 previous fiscal year exceeds One Hundred Million Dollars

1 (\$100,000,000.00) or any additional whole increments of One Hundred
2 Million Dollars (\$100,000,000.00), a transfer to the General Revenue
3 Fund, solely for the purpose of increasing the wages of school
4 teachers in this state, shall be made on January 1 of each
5 subsequent calendar year in an amount equal to the highest whole
6 one-hundred-million-dollar increment, as determined by the State
7 Treasurer.

8 F. Except as provided for in subsection G of this section, upon
9 a subsequent determination by the State Treasurer, through the
10 report provided pursuant to subsection D of this section, that the
11 Oklahoma Teachers Legacy Fund increased in value by any whole
12 increments of One Hundred Million Dollars (\$100,000,000.00) greater
13 than the most recent January 1 transfer to the General Revenue Fund
14 made pursuant to the provisions of this section, each subsequent
15 January 1 transfer shall be made in an amount equal to the highest
16 whole one-hundred-million-dollar increment that the Oklahoma
17 Teachers Legacy Fund increased in value, as determined by the State
18 Treasurer.

19 G. Investment managers appointed pursuant to subsection B of
20 this section shall maintain a reasonable proportion of liquid assets
21 in the Oklahoma Teachers Legacy Fund in order to facilitate any
22 expected transfers required pursuant to subsections E and F of this
23 section. In the event the balance of the Oklahoma Teachers Legacy
24 Fund is insufficient or the cash available in the fund is

1 insufficient due to lack of liquid assets to make the transfers
2 required pursuant to subsections E and F of this section, the entire
3 balance available for transfer shall be transferred to the fund.

4 SECTION 2. There is hereby appropriated to the Office of the
5 State Treasurer for deposit in the Oklahoma Teachers Legacy Fund,
6 from any monies not otherwise appropriated from the General Revenue
7 Fund of the State Treasury for the fiscal year ending June 30, 2023,
8 the sum of Five Hundred Sixty-three Million Six Hundred Ninety-six
9 Thousand Six Hundred Twenty-six Dollars (\$563,696,626.00).

10 SECTION 3. There is hereby appropriated to the Office of the
11 State Treasurer for deposit in the Oklahoma Teachers Legacy Fund,
12 from any monies not otherwise appropriated from the General Revenue
13 Fund of the State Treasury for the fiscal year ending June 30, 2024,
14 the sum of Seven Hundred Fifty-nine Million Three Hundred Ninety-two
15 Thousand Nine Hundred Sixty-four Dollars (\$759,392,964.00).

16 SECTION 4. This act shall become effective July 1, 2025.

17 SECTION 5. It being immediately necessary for the preservation
18 of the public peace, health or safety, an emergency is hereby
19 declared to exist, by reason whereof this act shall take effect and
20 be in full force from and after its passage and approval.

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