

**BILL SUMMARY**  
1<sup>st</sup> Session of the 60<sup>th</sup> Legislature

<b>Bill No.:</b>	<b>HB 1170</b>
<b>Version:</b>	<b>FULLPCS1</b>
<b>Request Number:</b>	<b>13011</b>
<b>Author:</b>	<b>Rep. Lepak</b>
<b>Date:</b>	<b>3/3/2025</b>
<b>Impact:</b>	<b>\$0</b>

**Research Analysis**

The proposed oversight committee substitute for HB1170 creates the Oklahoma Public Finance Protection Act, requiring fiduciaries and designated proxy advisory firms of a pension benefit plan to vote and exercise their duties solely based on pecuniary factors and applicable state law requirements. The measure prohibits the consideration or promotion of non-pecuniary factors that have a purpose of furthering environmental, social, political or ideological goals with limited exceptions. Non-pecuniary factors may be incidentally advanced if they present economic risks or opportunities that qualified investment professionals would treat as material economic considerations under generally accepted investment theories.

If the boards of a pension plan chooses to use proxy services, the selected firm or provider must sign a written commitment to act based only on pecuniary factors. The measure also establishes reporting requirement for proxy voting, which must be reported and tabulated annually and posted on a public website.

If a violation of the action is suspected, the State Treasurer is directed to notify the Speaker, the Senate President Pro Tempore, and the Pension Oversight Commission for a possible referral to the Attorney General for enforcement.

The act also provides civil immunity and indemnification to the state, the pension plans and its officers, board members and employees for any act or omission related to the act. The bill also includes a severability clause in the event that any provision of the bill is ruled invalid by a court.

Prepared By: Quyen Do

**Fiscal Analysis**

The proposed oversight committee substitute to HB 1170 does not materially alter the prior fiscal impact statement. Any costs associated with implementation of the measure are expected to be absorbed by existing budgetary resources at applicable agencies. Therefore, the measure is not anticipated to have a direct fiscal impact on the state budget or appropriations.

Prepared By: Zach Lein, House Fiscal Staff

**Other Considerations**

None.

