

BILL SUMMARY
1st Session of the 60th Legislature

Bill No.:	HB 1170
Version:	Introduced
Request Number:	10216
Author:	Rep. Lepak
Date:	2/11/2025
Impact:	\$0

Research Analysis

HB1170, as introduced, 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 in the pecuniary interest of plan participants. The measure prohibits the consideration of non-pecuniary factors unless they present economic risks or opportunities that qualified investment professionals would treat as material economic considerations under generally accepted investment theories. *Non-pecuniary* is defined as any action taken or factor considered by a fiduciary with a purpose to further environmental, social or political goals. The measure applies to any pension plan offered by the state or its political subdivisions and enterprises with the exception of the Pathfinder plan.

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.

Additionally, the measure empowers the Attorney General to enforce the act and provides civil immunity to all officers, board members and employees of any state pension plan for any act or omission related to the act. The bill also includes a severability clause in the event that a parts of the bills are ruled invalid by a court.

Prepared By: Quyen Do

Fiscal Analysis

HB 1170 creates the Oklahoma Public Finance Protection Act, and authorizes the Oklahoma Office of the Attorney General (AG) to enforce the act and examine certain persons or records. After communication with the AG, any costs associated with implementation of the measure are expected to be absorbed by existing agency resources. 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.

