

OKLAHOMA STATE SENATE  
JOINT  
COMMITTEE REPORT

May 17, 2021

JOINT COMMITTEE ON APPROPRIATIONS AND BUDGET

SB 1067

By: Thompson of the Senate and Wallace of the House

Title: Appropriations; making an appropriation to the State Board of Education. Effective date. Emergency

Recommendation: **DO PASS AS AMENDED**

Aye: Dugger, Haste, Howard, Jech, Kidd, Montgomery, Newhouse, Pederson, Pemberton, Rader, Rosino, Simpson, Weaver, Hall, Thompson, Treat

Nay: Brooks, Dossett (J.J.), Floyd, Kirt

Constitutional Privilege:

Senator Roger Thompson, Chair

Committee Substitute, motion by Senator PEMBERTON - Adopted (Request No: 2188)

OKLAHOMA HOUSE OF REPRESENTATIVES  
COMMITTEE REPORT

JOINT COMMITTEE ON APPROPRIATIONS AND BUDGET COMMITTEE

SB1067

By: Wallace et al of the House  
Thompson et al of the Senate

Title: Appropriations; making an appropriation to the State Board of Education. Effective date. Emergency

Coauthored By:

Recommendation: **DO PASS AS AMENDED BY CS**

Amendments:

1. Committee Substitute Attached

  
Chr.  
Representative Kevin Wallace

YEAS: 35

Baker, Bennett, Blancett, Boatman, Dills, Echols, Fetgatter, Ford, Goodwin, Hilbert, Hill, Kannady, Lawson, Lepak, Martinez, McBride, McDugle, McEntire, Miller, Mize, Munson, Newton, Nichols, Osburn, Pfeiffer, Roberts (D), Roberts (S), Russ, Sterling, Strom, Virgin, Walke, Wallace, West (J), West (T)

NAYS: 0

CONSTITUTIONAL PRIVILEGE: 0

1 STATE OF OKLAHOMA

2 1st Session of the 58th Legislature (2021)

3 COMMITTEE SUBSTITUTE  
4 FOR

5 SENATE BILL NO. 1067

6 By: Thompson and Hall of the  
7 Senate

8 and

9 Wallace and Hilbert of the  
10 House

11 COMMITTEE SUBSTITUTE

12 An Act relating to education; specifying  
13 apportionment of certain appropriated funds;  
14 providing for the budgeting of funds in certain  
15 categories and amounts; requiring development of  
16 certain performance measures; requiring transfers of  
17 certain funds; limiting authority to reduce certain  
18 apportionments; requiring certain funds to be  
19 expended for certain purposes; stating purposes for  
20 allocated funds; requiring certain transfer of funds;  
21 stating legislative intent regarding expenditures for  
22 direct costs; prohibiting the State Department of  
23 Education from contracting for certain administrative  
24 costs in certain program; providing for duties and  
compensation of employees of the State Department of  
Education; requiring the reduction or withholding of  
State Aid funds for certain purposes; authorizing the  
State Board of Education to request transfer of  
certain funds; authorizing the request of early  
allocations for certain funds; requiring proportional  
reductions of allocations under certain conditions;  
authorizing exemption from budgetary limits for  
unanticipated federal funds; providing procedures;  
requiring approval of exemption request under certain  
conditions; requiring budgeting of certain funds in  
certain years; providing lapse dates; requiring  
certain budgeting procedures; and prohibiting certain  
budgeting procedures.

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24

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

SECTION 1. For the fiscal year ending June 30, 2022, the support of public school activities by the State Board of Education payable from monies appropriated and authorized by Enrolled House Bill No. 2900 of the 1st Session of the 58th Oklahoma Legislature shall be apportioned as follows:

1. Funds appropriated and authorized by Sections 1 through 7 of Enrolled House Bill No. 2900 of the 1st Session of the 58th Oklahoma Legislature:

Local and State-supported Financial	
Support of Public Schools	\$2,437,246,699.00
SUBTOTAL, PARAGRAPH 1	\$2,437,246,699.00

2. Funds appropriated by Sections 8 through 12 of Enrolled House Bill No. 2900 of the 1st Session of the 58th Oklahoma Legislature:

Certified Employee Health Benefit	
Allowance	\$347,081,644.00
Support Personnel Health Benefit	
Allowance	\$188,455,377.00
Teachers' Retirement Credit	\$34,500,000.00
Purchase of Textbooks and Instructional	
Materials	\$60,000,000.00

1	Alternative and High Challenge Education	\$12,000,000.00
2	Education Leadership Oklahoma	\$4,800,000.00
3	Advanced Placement Incentives	\$1,000,000.00
4	Reading Sufficiency Act	\$12,000,000.00
5	Teacher and Leader Effectiveness	\$250,000.00
6	Required Assessments	\$8,205,685.00
7	Teach for America	\$2,000,000.00
8	Teacher Induction Program	\$375,000.00
9	Street School	\$180,000.00
10	Ag in the Classroom	\$38,000.00
11	Imagine Math	\$1,000,000.00
12	Early Intervention	\$14,400,341.00
13	School Lunch Matching	\$3,500,000.00
14	Secure Schools Program	\$2,350,000.00
15	Early Childhood Initiative	\$12,000,000.00
16	Oklahoma Arts Institute	\$320,000.00
17	SUBTOTAL, PARAGRAPH 2	\$704,456,047.00
18	3. Funds appropriated by Section 12 of Enrolled House Bill No.	
19	2900 of the 1st Session of the 58th Oklahoma Legislature:	
20	Administrative and Support Functions of	
21	the State Department of Education	\$15,027,640.00
22	SUBTOTAL, PARAGRAPH 3	\$15,027,640.00
23	TOTAL State School Aid and Programs	\$3,156,730,386.00
24		

1 SECTION 2. For the fiscal year ending June 30, 2022, the State  
2 Board of Education shall budget all funds in the following  
3 categories and amounts:

4	<u>Category</u>	<u>Total</u>
5	Payroll, Salaries or Wages Including	\$18,227,387.00
6	Tax-sheltered Deferment Contracts and	
7	Longevity Payments Authorized by	
8	State Statutes	
9	Professional and Personal Services	\$28,696,456.00
10	Contracts Other Operating Funds	\$3,126,828,823.00
11	Expenditure of Federal Funds	\$2,644,741,337.00
12	TOTAL	\$5,818,494,003.00

13 The agency shall develop outcome-based performance measures for  
14 each budget category.

15 SECTION 3. The funds appropriated in Sections 13 and 14 of  
16 Enrolled House Bill No. 2900 of the 1st Session of the 58th Oklahoma  
17 Legislature in the amount of Three Million Eight Hundred Twenty-  
18 seven Thousand Eight Hundred Ninety-nine Dollars (\$3,827,899.00)  
19 shall be transferred to the School Consolidation Assistance Fund.

20 SECTION 4. The funds appropriated in Sections 15 and 16 of  
21 Enrolled House Bill No. 2900 of the 1st Session of the 58th Oklahoma  
22 Legislature in the amount of Three Million Eight Hundred Twenty-  
23 seven Thousand Eight Hundred Ninety-nine Dollars (\$3,827,899.00)

24

1 shall be transferred to the Teachers' Retirement System Dedicated  
2 Revenue Revolving Fund.

3 SECTION 5. The funds allocated in Section 1 of this act  
4 specifically for the purpose of funding the Teachers' Retirement  
5 Credit shall be transferred to the Teachers' Retirement System of  
6 Oklahoma.

7 SECTION 6. If the funds allocated in Section 1 of this act  
8 specifically for the purpose of funding the Teachers' Retirement  
9 Credit are insufficient to fully fund the employee contribution  
10 credits provided for in Section 17-108.2 of Title 70 of the Oklahoma  
11 Statutes as invoiced by the Teachers' Retirement System of Oklahoma,  
12 the Department may reduce in equal proportions funds allocated in  
13 Section 1 of this act to Education Leadership Oklahoma, Advanced  
14 Placement Incentives, Reading Sufficiency, Teacher and Leader  
15 Effectiveness Programs, Alternative and High Challenge Education,  
16 Required Assessments, Ag in the Classroom and Imagine Math. Total  
17 amount of funds reduced shall not exceed the additional amount  
18 required to fully fund the employee contribution credits.

19 SECTION 7. The funds allocated in Section 1 of this act for the  
20 purpose of funding Education Leadership Oklahoma shall be expended  
21 as follows:

22 1. One Million Five Hundred Thousand Dollars (\$1,500,000.00)  
23 shall be transferred to the Oklahoma National Board Certification  
24 Revolving Fund created in Section 6-204.4 of Title 70 of the

1 Oklahoma Statutes for the purpose of awarding annual bonuses as  
2 directed; and

3       2. Three Million Three Hundred Thousand Dollars (\$3,300,000.00)  
4 shall be transferred to the Oklahoma School Psychologist, Speech-  
5 language Pathologist, and Audiologist National Certification  
6 Revolving Fund created in Section 6-206.1 of Title 70 of the  
7 Oklahoma Statutes for the purpose of awarding annual bonuses as  
8 directed.

9       SECTION 8. The funds allocated in Section 1 of this act for  
10 Advanced Placement Incentives shall be expended for the purpose of  
11 providing assistance for students in financial need, grants to  
12 districts wanting to start new AP programs and expand professional  
13 development, pursuant to the provisions of Section 1210.703 of Title  
14 70 of the Oklahoma Statutes.

15       SECTION 9. The funds allocated in Section 1 of this act for  
16 Reading Sufficiency shall be expended pursuant to the provisions of  
17 Section 1210.508D of Title 70 of the Oklahoma Statutes.

18       SECTION 10. The funds allocated in Section 1 of this act for  
19 Teacher and Leader Effectiveness shall be expended for the purpose  
20 of improving the effectiveness of teachers and leaders in the public  
21 school system through continued development, pursuant to Section 6-  
22 101.16 of Title 70 of the Oklahoma Statutes.

23       SECTION 11. The funds allocated in Section 1 of this act for  
24 Required Assessments shall be expended for the purpose of



1 administering a statewide student assessment system for grades three  
2 through eight and in high school, pursuant to Section 1210.508 of  
3 Title 70 of the Oklahoma Statutes.

4 SECTION 12. The funds allocated in Section 1 of this act for  
5 Alternative and High Challenge Education shall be expended for the  
6 purpose of operating the statewide system of alternative education  
7 programs as provided in Section 1210.568 of Title 70 of the Oklahoma  
8 Statutes, and for encouraging school districts to participate in  
9 innovative alternative education programs.

10 SECTION 13. The funds allocated in Section 1 of this act for  
11 the Teacher Induction Program shall be expended pursuant to the  
12 provisions of Section 6-195 of Title 70 of the Oklahoma Statutes.

13 SECTION 14. The funds allocated in Section 1 of this act for  
14 Early Intervention shall be transferred to the Early Intervention  
15 Fund 250. It is the intent of the Legislature that funding  
16 available for SoonerStart Early Intervention Services be expended  
17 for direct services to eligible infants, toddlers and their  
18 families. The State Department of Education shall not contract, pay  
19 or reimburse for administrative cost recovery personnel, accounting  
20 and management information system costs, maintenance and operations  
21 at the state or local level or indirect costs which do not comply  
22 with the requirements of Section 13-125 of Title 70 of the Oklahoma  
23 Statutes.

24

1 SECTION 15. The funds allocated in Section 1 of this act for  
2 the Early Childhood Initiative shall be expended for the purpose of  
3 funding the early childhood program pursuant to the provisions of  
4 Section 10-105.4 of Title 70 of the Oklahoma Statutes.

5 SECTION 16. The duties and compensation of employees, not  
6 otherwise prescribed by law, necessary to perform the duties imposed  
7 upon the State Department of Education by law shall be set by the  
8 State Board of Education.

9 SECTION 17. State Aid funds shall be reduced or withheld by the  
10 State Board of Education in an amount necessary to ensure compliance  
11 with the provisions of this act.

12 SECTION 18. The State Board of Education is authorized to  
13 request the Office of Management and Enterprise Services to transfer  
14 appropriated funds to the appropriate dispensing fund.

15 SECTION 19. The Superintendent of the State Board of Education  
16 may request through the Director of the Office of Management and  
17 Enterprise Services the early transfer by the Oklahoma Tax  
18 Commission of tax collections to the Education Reform Revolving Fund  
19 for the purpose of early allocation to the Board's disbursing funds  
20 to alleviate cash-flow problems.

21 SECTION 20. If funds appropriated in Sections 1 through 16 of  
22 Enrolled House Bill No. 2900 of the 58th Oklahoma Legislature are  
23 not sufficient to fully fund the provisions of this act, each school  
24 district which qualifies for funds, excluding Financial Support of

1 Public Schools, pursuant to the provisions of this act shall take a  
2 proportionate reduction.

3 SECTION 21. A. The Superintendent of the State Board of  
4 Education may request, in the manner provided in this section, that  
5 receipt and expenditure of unanticipated federal funds awarded after  
6 July 1, 2021, be exempt from expenditure limitations and from  
7 budgetary limitations.

8 1. The Superintendent shall make a request for exemption to the  
9 Office of Management and Enterprise Services in writing and file a  
10 revised budget program.

11 2. The Superintendent shall also file copies of the request for  
12 exemption and budget work program revisions with the House of  
13 Representatives Appropriations and Budget Committee Chair and the  
14 Senate Appropriations Committee Chair. The House Appropriations and  
15 Budget Committee Chair and/or the Senate Appropriations Committee  
16 Chair shall notify the Office of Management and Enterprise Services  
17 of any noncompliance of the request with legislative intent within  
18 twelve (12) calendar days of their receipt of the exemption request.

19 B. The Office of Management and Enterprise Services shall  
20 approve the request for exemption unless both the Chair and Vice  
21 Chair of the Joint Legislative Committee on Budget and Program  
22 Oversight provide written notification to the Office of Management  
23 and Enterprise Services within twelve (12) calendar days of the  
24 Committee's receipt of the exemption request that the exemption

1 subverts the intention and objectives of the Legislature in  
2 establishing the original limit. The Office of Management and  
3 Enterprise Services shall give written notice of approval or  
4 disapproval of each exemption to the agency, the Governor, the Chair  
5 of the House Appropriations and Budget Committee and the Chair of  
6 the Senate Appropriations Committee within eighteen (18) calendar  
7 days of receiving the request.

8 SECTION 22. Appropriations made by Enrolled House Bill No. 2900  
9 of the 1st Session of the 58th Oklahoma Legislature, not including  
10 appropriations made for capital outlay purposes, may be budgeted for  
11 the fiscal year ending June 30, 2022 (hereafter FY-22) or may be  
12 budgeted for the fiscal year ending June 30, 2023 (hereafter FY-23).  
13 Funds budgeted for FY-22 may be encumbered only through June 30,  
14 2022, and must be expended by November 15, 2022. Any funds  
15 remaining after November 15, 2022, and not budgeted for FY-23, shall  
16 lapse to the credit of the proper fund for the then current fiscal  
17 year. Funds budgeted for FY-23 may be encumbered only through June  
18 30, 2023. Any funds remaining after November 15, 2023, shall lapse  
19 to the credit of the proper fund for the then current fiscal year.  
20 These appropriations may not be budgeted in both fiscal years  
21 simultaneously. Funds budgeted in FY-22, and not required to pay  
22 obligations for that fiscal year, may be budgeted for FY-23, after  
23 the agency to which the funds have been appropriated has prepared  
24 and submitted a budget work program revision removing these funds

1 from the FY-22 budget work program and after such revision has been  
2 approved by the Office of Management and Enterprise Services.

3

4 58-1-2188 LG 5/17/2021 7:32:38 PM

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24