

1 ENGROSSED SENATE
2 BILL NO. 36x

By: Thompson (Roger) and Hall
of the Senate

3 and

4 Wallace and Martinez of the
5 House

6
7 An Act relating to education; specifying
8 apportionment of certain appropriated funds;
9 providing for the budgeting of funds in certain
10 categories and amounts; requiring development of
11 certain performance measures; requiring transfers of
12 certain funds; limiting authority to reduce certain
13 apportionments; requiring certain funds to be
14 expended for certain purposes; stating purposes for
15 allocated funds; requiring certain transfer of funds;
16 stating legislative intent regarding expenditures for
17 direct costs; prohibiting the State Department of
18 Education from contracting for certain administrative
19 costs in certain program; providing for duties and
20 compensation of employees of the State Department of
21 Education; requiring the reduction or withholding of
22 State Aid funds for certain purposes; authorizing the
23 State Board of Education to request transfer of
24 certain funds; authorizing the request of early
allocations for certain funds; requiring proportional
reductions of allocations under certain conditions;
requiring participation in federal grant funding;
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; prohibiting certain
budgeting procedures; providing an effective date;
and declaring an emergency.

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

1 SECTION 1. For the fiscal year ending June 30, 2024, the
2 support of public school activities by the State Board of Education
3 payable from monies appropriated and authorized by Enrolled House
4 Bill No. 1004 of the 1st Extraordinary Session of the 59th Oklahoma
5 Legislature shall be apportioned as follows:

6 1. Funds appropriated and authorized by Sections 1 through 7 of
7 Enrolled House Bill 1004 of the 1st Extraordinary Session of the
8 59th Oklahoma Legislature:

9 Local and State-supported Financial
10 Support of Public Schools \$2,437,991,559.00
11 SUBTOTAL, PARAGRAPH 1 \$2,437,991,559.00

12 2. Funds appropriated by Sections 8 through 15 of Enrolled
13 House Bill No. 1004 of the 1st Extraordinary Session of the 59th
14 Oklahoma Legislature:

15 Certified Employee Health Benefit
16 Allowance \$359,193,470.00
17 Support Employee Health Benefit
18 Allowance \$194,211,359.00
19 Teachers' Retirement Credit \$35,000,000.00
20 Purchase of Textbooks and
21 Instructional Materials \$45,190,000.00
22 Alternative and High Challenge
23 Education \$14,000,000.00
24 Education Leadership Oklahoma \$3,770,000.00

1	Advanced Placement Incentives	\$1,500,000.00
2	Reading Sufficiency Act	\$13,000,000.00
3	Required Assessments	\$9,205,685.00
4	Teach for America	\$2,000,000.00
5	Street School	\$180,000.00
6	Ag in the Classroom	\$38,000.00
7	Imagine Math	\$1,000,000.00
8	Imagine Reading	\$1,000,000.00
9	Oklahoma Arts Institute	\$320,000.00
10	Early Intervention	\$16,225,341.00
11	Secure Schools Program	\$2,350,000.00
12	Great Expectations	\$500,000.00
13	Child ID	\$500,000.00
14	Academic Standards Implementation	\$300,000.00
15	Teacher and Leader Effectiveness	\$250,000.00
16	Student Information Security	\$500,000.00
17	ACT Work Keys	\$250,000.00
18	Early Childhood Initiative	\$12,000,000.00
19	School Lunch Matching	\$3,500,000.00
20	Oklahoma School Security Initiative	\$1,400,000.00
21	Metrics Software	\$2,000,000.00
22	Inhalers for all schools	\$250,000.00
23	SUBTOTAL, PARAGRAPH 2	\$719,633,855.00
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1 3. Funds appropriated by Section 10 of Enrolled House Bill No.
2 1004 of the 1st Extraordinary Session of the 59th Oklahoma
3 Legislature:

4 Administrative and Support
5 Functions of the State Department
6 of Education \$19,145,366.00
7 SUBTOTAL, PARAGRAPH 3 \$19,145,366.00
8 TOTAL State School Aid and Programs \$3,176,770,780.00

9 SECTION 2. For the fiscal year ending June 30, 2024, the State
10 Board of Education shall budget all funds in the following
11 categories and amounts:

12	<u>Category</u>	<u>Total</u>
13	Payroll, Salaries or Wages,	\$25,775,827.00
14	Including Tax-sheltered Deferment	
15	Contracts and Longevity Payments	
16	Authorized by State Statutes	
17	Professional and Personal Services	
18	Contracts	\$31,840,048.00
19	Other Operating Funds	\$3,908,491,664.00
20	Expenditure of Federal Funds	\$1,825,621,183.00
21	TOTAL	\$5,791,728,722.00

22 The agency shall develop outcome-based performance measures for
23 each budget category.
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1 SECTION 3. The funds appropriated in Sections 12 and 13 of
2 Enrolled House Bill No. 1004 of the 1st Extraordinary Session of the
3 59th Oklahoma Legislature in the amount of Four Million One Hundred
4 Nineteen Thousand Three Hundred Sixty-nine Dollars (\$4,119,369.00)
5 shall be transferred to the School Consolidation Assistance Fund.

6 SECTION 4. The funds appropriated in Sections 14 and 15 of
7 Enrolled House Bill No. 1004 of the 1st Extraordinary Session of the
8 59th Oklahoma Legislature in the amount of Four Million One Hundred
9 Nineteen Thousand Three Hundred Sixty-nine Dollars (\$4,119,369.00)
10 shall be transferred to the Teachers' Retirement System Dedicated
11 Revenue Revolving Fund.

12 SECTION 5. The funds allocated in Section 1 of this act
13 specifically for the purpose of funding the Teachers' Retirement
14 Credit shall be transferred to the Teachers' Retirement System of
15 Oklahoma.

16 SECTION 6. If the funds allocated in Section 1 of this act
17 specifically for the purpose of funding the Teachers' Retirement
18 Credit are insufficient to fully fund the employee contribution
19 credits provided for in Section 17-108.2 of Title 70 of the Oklahoma
20 Statutes as invoiced by the Teachers' Retirement System of Oklahoma,
21 the Department may reduce in equal proportions funds allocated in
22 Section 1 of this act to Education Leadership Oklahoma, Secure
23 Schools Program, Teach for America, TLE Retention, Child ID,
24 Advanced Teacher Training, Reading Sufficiency Act, Alternative and

1 High Challenge Education, Required Assessments, Ag in the Classroom,
2 Imagine Math, Imagine Reading, ACT WorkKeys, and Oklahoma Arts
3 Institute. The total amount of funds reduced shall not exceed the
4 additional amount required to fully fund the employee contribution
5 credits.

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

9 1. Four Hundred Seventy Thousand Dollars (\$470,000.00) shall be
10 transferred to the Oklahoma National Board Certification Revolving
11 Fund created in Section 6-204.4 of Title 70 of the Oklahoma Statutes
12 for the purpose of awarding annual bonuses as directed; and

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

19 SECTION 8. The funds allocated in Section 1 of this act for
20 Advanced Placement Incentives shall be expended for the purpose of
21 providing assistance for students in financial need, grants to
22 districts wanting to start new AP programs, and expanding
23 professional development, pursuant to the provisions of Section
24 1210.703 of Title 70 of the Oklahoma Statutes.

1 SECTION 9. The funds allocated in Section 1 of this act for the
2 Reading Sufficiency Act shall be expended pursuant to the provisions
3 of Section 1210.508A et seq. of Title 70 of the Oklahoma Statutes.

4 SECTION 10. The funds allocated in Section 1 of this act for
5 Teacher and Leader Effectiveness shall be expended for the purpose
6 of improving the effectiveness of teachers and leaders in the public
7 school system through continued development, pursuant to Section 6-
8 101.16 of Title 70 of the Oklahoma Statutes.

9 SECTION 11. The funds allocated in Section 1 of this act for
10 Required Assessments shall be expended for the purpose of
11 administering a statewide student assessment system for grades three
12 through twelve, pursuant to Section 1210.508 of Title 70 of the
13 Oklahoma Statutes.

14 SECTION 12. The funds allocated in Section 1 of this act for
15 Alternative and High Challenge Education shall be expended for the
16 purpose of operating the statewide system of alternative education
17 programs as provided in Section 1210.568 of Title 70 of the Oklahoma
18 Statutes, and for encouraging school districts to participate in
19 innovative alternative education programs.

20 SECTION 13. The funds allocated in Section 1 of this act for
21 Early Intervention shall be transferred to the Early Intervention
22 Fund 250. It is the intent of the Legislature that funding
23 available for SoonerStart Early Intervention Services be expended
24 for direct services to eligible infants, toddlers, and their

1 families. The State Department of Education shall not contract,
2 pay, or reimburse for administrative cost recovery personnel,
3 accounting, management information system costs, and maintenance and
4 operations at the state or local level or indirect costs which do
5 not comply with the requirements of Section 13-125 of Title 70 of
6 the Oklahoma Statutes.

7 SECTION 14. The funds allocated in Section 1 of this act for
8 the Early Childhood Initiative shall be expended for the purpose of
9 funding the early childhood program pursuant to the provisions of
10 Section 10-105.4 of Title 70 of the Oklahoma Statutes.

11 SECTION 15. The funds allocated in Section 1 of this act for
12 the Oklahoma Academic Standards Implementation shall be expended for
13 the purpose of funding standards implementation pursuant to the
14 provisions of Section 11-103.6 of Title 70 of the Oklahoma Statutes.

15 SECTION 16. The funds allocated in Section 1 of this act for
16 Metrics Software shall be expended for the purpose of funding a
17 statistical software suite for data management, advanced analytics,
18 multivariate analysis and predictive analytics.

19 SECTION 17. The funds allocated in Section 1 of this act for
20 the Oklahoma School Security Initiative shall be expended for the
21 purpose of funding grants pursuant to Section 51.2b of Title 74 of
22 the Oklahoma Statutes.

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1 SECTION 18. The funds allocated in Section 1 of this act for
2 inhalers shall be expended pursuant to the provisions of Section 1-
3 116.3 of Title 70 of the Oklahoma Statutes.

4 SECTION 19. State Aid funds shall be reduced or withheld by the
5 State Board of Education in an amount necessary to ensure compliance
6 with the provisions of this act.

7 SECTION 20. The State Department of Education shall not
8 decline, refuse participation in, or choose not to apply for any
9 federal grant funding that had been received by the Department prior
10 to FY 2023 without joint approval from the President Pro Tempore of
11 the Oklahoma State Senate and the Speaker of the Oklahoma House of
12 Representatives.

13 SECTION 21. The State Board of Education is authorized to
14 request the Office of Management and Enterprise Services to transfer
15 appropriated funds to the appropriate dispensing fund.

16 SECTION 22. The State Superintendent of Public Instruction may
17 request through the Director of the Office of Management and
18 Enterprise Services the early transfer by the Oklahoma Tax
19 Commission of tax collections to the Education Reform Revolving Fund
20 for the purpose of early allocation to the Board's disbursing funds
21 to alleviate cash-flow problems.

22 SECTION 23. If funds appropriated in Sections 1 through 15 of
23 Enrolled Senate Bill No. 1004 of the 1st Extraordinary Session of
24 the 59th Oklahoma Legislature are not sufficient to fully fund the

1 provisions of this act, each school district which qualifies for
2 funds, excluding Financial Support of Public Schools, pursuant to
3 the provisions of this act shall take a proportionate reduction.

4 SECTION 24. A. The State Superintendent of Public Instruction
5 may request, in the manner provided in this section, that receipt
6 and expenditure of unanticipated federal funds awarded after July 1,
7 2023, be exempt from expenditure limitations and from budgetary
8 limitations.

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

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

21 B. The Office of Management and Enterprise Services shall
22 approve the request for exemption unless both the Chair and Vice
23 Chair of the Joint Legislative Committee on Budget and Program
24 Oversight provide written notification to the Office of Management

1 and Enterprise Services within twelve (12) calendar days of the
2 Committee's receipt of the exemption request that the exemption
3 subverts the intention and objectives of the Legislature in
4 establishing the original limit. The Office of Management and
5 Enterprise Services shall give written notice of approval or
6 disapproval of each exemption to the agency, the Governor, the Chair
7 of the Senate Appropriations Committee and the Chair of the House
8 Appropriations and Budget Committee within eighteen (18) calendar
9 days of receiving the request.

10 SECTION 25. Appropriations made by this act, not including
11 appropriations made for capital outlay purposes, may be budgeted for
12 the fiscal year ending June 30, 2024 (hereafter FY-24) or may be
13 budgeted for the fiscal year ending June 30, 2025 (hereafter FY-25).
14 Funds budgeted for FY-24 may be encumbered only through June 30,
15 2024, and must be expended by November 15, 2024. Any funds
16 remaining after November 15, 2024, and not budgeted for FY-25, shall
17 lapse to the credit of the proper fund for the then current fiscal
18 year. Funds budgeted for FY-25 may be encumbered only through June
19 30, 2025. Any funds remaining after November 15, 2025, shall lapse
20 to the credit of the proper fund for the then current fiscal year.
21 These appropriations may not be budgeted in both fiscal years
22 simultaneously. Funds budgeted in FY-24, and not required to pay
23 obligations for that fiscal year, may be budgeted for FY-25, after
24 the agency to which the funds have been appropriated has prepared

1 and submitted a budget work program revision removing these funds
2 from the FY-24 budget work program and after such revision has been
3 approved by the Office of Management and Enterprise Services.

4 SECTION 26. This act shall become effective July 1, 2023.

5 SECTION 27. It being immediately necessary for the preservation
6 of the public peace, health or safety, an emergency is hereby
7 declared to exist, by reason whereof this act shall take effect and
8 be in full force from and after its passage and approval.

9 Passed the Senate the 24th day of May, 2023.

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11 _____
12 Presiding Officer of the Senate

13 Passed the House of Representatives the ____ day of _____,
14 2023.

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16 _____
17 Presiding Officer of the House
18 of Representatives