

1 **SENATE FLOOR VERSION**

February 15, 2023

2 **AS AMENDED**

3 SENATE BILL NO. 758

By: Rosino of the Senate

4 and

5 Hilbert of the House

6
7
8 **[medical marijuana - apportionments - Oklahoma**
9 **Medical Marijuana Authority Fund - appropriation -**
10 **Medical Marijuana Tax Fund - sales tax - State Board**
11 **of Education - codification -**
12 **emergency]**

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

14 SECTION 1. AMENDATORY 63 O.S. 2021, Section 426, as
15 amended by Section 27, Chapter 228, O.S.L. 2022 (63 O.S. Supp. 2022,
16 Section 426), is amended to read as follows:

17 Section 426. A. The tax on retail medical marijuana sales
18 shall be established at seven percent (7%) of the gross amount
19 received by the seller.

20 B. This tax shall be collected at the point of sale. Except as
21 provided for in subsection **D**, tax proceeds shall be deposited into
22 the Medical Marijuana Tax Fund created in Section 3 of this act ~~will~~
23 ~~be applied primarily to finance the regulatory office.~~

24 C. ~~Except as provided for in subsection D, if proceeds from the~~
~~levy authorized by subsection A of this section exceed the budgeted~~

1 ~~amount for running the regulatory office, any surplus shall be~~
2 ~~apportioned with seventy-five percent (75%) going to the General~~
3 ~~Revenue Fund and may only be expended for common education including~~
4 ~~funding redbud school grants pursuant to Section 3-104 of Title 70~~
5 ~~of the Oklahoma Statutes. Twenty-five percent (25%) shall be~~
6 ~~apportioned to the State Department of Health and earmarked for drug~~
7 ~~and alcohol rehabilitation and prevention.~~

8 ~~D.~~ Pursuant to ~~Section 14 of this act~~ Section 255.2 of Title 68
9 of the Oklahoma Statutes, the Oklahoma Tax Commission shall have
10 authority to assess, collect and enforce the tax specified in
11 subsection A of this section including any interest and penalty
12 thereon.

13 ~~E.~~ D. For fiscal year 2022, proceeds from the levy authorized
14 by subsection A of this section shall be apportioned as follows:

15 1. The first Sixty-five Million Dollars (\$65,000,000.00) shall
16 be apportioned as follows:

- 17 a. fifty-nine and twenty-three hundredths percent
18 (59.23%) to the State Public Common School Building
19 Equalization Fund,
- 20 b. thirty-four and sixty-two hundredths percent (34.62%)
21 to the Oklahoma Medical Marijuana Authority, a
22 division within the ~~Oklahoma~~ State Department of
23 Health, and

24

1 c. six and fifteen hundredths percent (6.15%) to the
2 Oklahoma State Department of Health and earmarked for
3 drug and alcohol rehabilitation; and

4 2. Any surplus collections shall be apportioned to the General
5 Revenue Fund of the State Treasury.

6 SECTION 2. AMENDATORY 63 O.S. 2021, Section 427.5, is
7 amended to read as follows:

8 Section 427.5. There is hereby created in the State Treasury a
9 ~~revolving~~ fund for the ~~State Department of Health~~ Oklahoma Medical
10 Marijuana Authority to be designated the "Oklahoma Medical Marijuana
11 Authority ~~Revolving~~ Fund". The fund shall be a continuing fund, not
12 subject to fiscal year limitations, and shall consist of all monies
13 received by the ~~Department~~ Authority from fees and fines collected
14 pursuant to ~~this act and all monies received by the Oklahoma Tax~~
15 ~~Commission from tax proceeds collected pursuant to Section 426 of~~
16 ~~Title 63 of the Oklahoma Statutes. All monies accruing to the~~
17 ~~credit of the fund are hereby appropriated and may be budgeted and~~
18 ~~expended by the Department for the purposes set forth in Section 426~~
19 ~~of Title 63 of the Oklahoma Statutes. Expenditures from the fund~~
20 ~~shall be made upon warrants issued by the State Treasurer against~~
21 ~~claims filed as prescribed by law with the Director of the Office of~~
22 ~~Management and Enterprise Services for approval and payment~~ the
23 Oklahoma Medical Marijuana and Patient Protection Act. All monies
24 accruing to the credit of the fund shall be appropriated at the

1 discretion of the Legislature for the purpose of funding the medical
2 marijuana regulatory office.

3 SECTION 3. NEW LAW A new section of law to be codified
4 in the Oklahoma Statutes as Section 427.5a of Title 63, unless there
5 is created a duplication in numbering, reads as follows:

6 There is hereby created in the State Treasury a fund for the
7 Oklahoma Medical Marijuana Authority to be designated the "Medical
8 Marijuana Tax Fund". The fund shall be a continuing fund, not
9 subject to fiscal year limitations, and shall consist of all monies
10 received by the Authority from tax proceeds collected pursuant to
11 Section 426 of Title 63 of the Oklahoma Statutes. All monies
12 accruing to the credit of the fund shall be appropriated at the
13 discretion of the Legislature for the purpose of funding substance
14 abuse programs and common education including but not limited to
15 funding redbud school grants pursuant to Section 3-104 of Title 70
16 of the Oklahoma Statutes.

17 **SECTION 4. AMENDATORY 68 O.S. 2021, Section 255.2, is**
18 **amended to read as follows:**

19 Section 255.2. As provided in Section 426 of Title 63 of the
20 Oklahoma Statutes, the ~~State Department of Health~~ Oklahoma Medical
21 Marijuana Authority and the Oklahoma Tax Commission shall enter into
22 a contract whereby the Tax Commission shall have authority to
23 assess, collect and enforce the seven percent (7%) tax on retail
24 medical marijuana sales and any penalties and interest thereon.

1 Such assessment, collection and enforcement authority shall apply to
2 any tax and any penalty or interest liability on retail medical
3 marijuana sales existing at the time of contracting. The contract
4 shall provide for the assessment, collection and enforcement of the
5 tax on retail medical marijuana sales in the same manner as the
6 administration, collection and enforcement of any tax payable by any
7 taxpayer subject to taxation under any state tax law. For providing
8 such collection assistance, the Tax Commission shall charge the
9 ~~State Department of Health~~ Oklahoma Medical Marijuana Authority a
10 fee of one and five-tenths percent (1.5%) of the gross collection
11 proceeds. All funds retained by the Tax Commission for the
12 collection services shall be deposited in the Tax Commission
13 Reimbursement Fund in the State Treasury.

14 SECTION 5. AMENDATORY 68 O.S. 2021, Section 1353, as
15 last amended by Section 3, Chapter 412, O.S.L. 2022 (68 O.S. Supp.
16 2022, Section 1353), is amended to read as follows:

17 Section 1353. A. It is hereby declared to be the purpose of
18 the Oklahoma Sales Tax Code to provide funds for the financing of
19 the program provided for by the Oklahoma Social Security Act and to
20 provide revenues for the support of the functions of the state
21 government of Oklahoma, and for this purpose it is hereby expressly
22 provided that, revenues derived pursuant to the provisions of the
23 Oklahoma Sales Tax Code, subject to the apportionment requirements
24 for the Oklahoma Tax Commission and Office of Management and

1 Enterprise Services Joint Computer Enhancement Fund provided by
2 Section 265 of this title, shall be apportioned as follows:

3 1. Except as provided in ~~subsections~~ subsection C and D of this
4 section, the following amounts shall be paid to the State Treasurer
5 to be placed to the credit of the General Revenue Fund to be paid
6 out pursuant to direct appropriation by the Legislature:

7 Fiscal Year	Amount
8 FY 2003 and FY 2004	86.04%
9 FY 2005	85.83%
10 FY 2006	85.54%
11 FY 2007	85.04%
12 FY 2008 through FY 2022	83.61%
13 FY 2023 through FY 2027	83.36%
14 FY 2028 and each fiscal year thereafter	83.61%;

15 2. The following amounts shall be paid to the State Treasurer
16 to be placed to the credit of the Education Reform Revolving Fund of
17 the State Department of Education:

- 18 a. for FY 2003, FY 2004 and FY 2005, ten and forty-two
19 one-hundredths percent (10.42%),
- 20 b. for FY 2006 through FY 2020, ten and forty-six one-
21 hundredths percent (10.46%),
- 22 c. for FY 2021:

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1 (1) for the month beginning July 1, 2020, through the
2 month ending August 31, 2020, ten and forty-six
3 one-hundredths percent (10.46%), and

4 (2) for the month beginning September 1, 2020,
5 through the month ending June 30, 2021, eleven
6 and ninety-six one-hundredths percent (11.96%),

7 d. for FY 2022 and each fiscal year thereafter, ten and
8 forty-six one-hundredths percent (10.46%);

9 3. The following amounts shall be paid to the State Treasurer
10 to be placed to the credit of the Teachers' Retirement System
11 Dedicated Revenue Revolving Fund:

12 Fiscal Year	Amount
13 FY 2003 and FY 2004	3.54%
14 FY 2005	3.75%
15 FY 2006	4.0%
16 FY 2007	4.5%
17 FY 2008 through FY 2020	5.0%
18 FY 2021:	

19 a. for the month beginning July
20 1, 2020, through the month
21 ending August 31, 2020 5.0%

22 b. for the month beginning
23 September 1, 2020, through
24

1	the month ending June 30,	
2	2021	3.5%
3	FY 2022	5.0%
4	FY 2023 through FY 2027	5.25%
5	FY 2028 and each fiscal year thereafter	5.0%;

6 4. a. except as otherwise provided in subparagraph b of this
7 paragraph, for the fiscal year beginning July 1, 2022,
8 and for each fiscal year thereafter, eighty-seven one-
9 hundredths percent (0.87%) shall be paid to the State
10 Treasurer to be further apportioned as follows:

11 (1) twenty-four percent (24%) shall be placed to the
12 credit of the Oklahoma Tourism Promotion
13 Revolving Fund, but in no event shall such
14 apportionment exceed Five Million Dollars
15 (\$5,000,000.00) in any fiscal year,

16 (2) forty-four percent (44%) shall be placed to the
17 credit of the Oklahoma Tourism Capital
18 Improvement Revolving Fund, but in no event shall
19 such apportionment exceed Nine Million Dollars
20 (\$9,000,000.00) in any fiscal year, and

21 (3) thirty-two percent (32%) shall be placed to the
22 credit of the Oklahoma Route 66 Commission
23 Revolving Fund, but in no event shall such
24 apportionment exceed Six Million Six Hundred

1 Thousand Dollars (\$6,600,000.00) in any fiscal
2 year, and

3 b. any amounts which exceed the limitations of
4 subparagraph a of this paragraph shall be placed to
5 the credit of the General Revenue Fund; and

6 5. For the fiscal year beginning July 1, 2015, and for each
7 fiscal year thereafter, six one-hundredths percent (0.06%) shall be
8 placed to the credit of the Oklahoma Historical Society Capital
9 Improvement and Operations Revolving Fund, but in no event shall
10 such apportionment exceed the total amount apportioned pursuant to
11 this paragraph for the fiscal year ending on June 30, 2015. Any
12 amounts which exceed the limitations of this paragraph shall be
13 placed to the credit of the General Revenue Fund.

14 B. Provided, for the fiscal year beginning July 1, 2007, and
15 every fiscal year thereafter, an amount of revenue shall be
16 apportioned to each municipality or county which levies a sales tax
17 subject to the provisions of Section 1357.10 of this title and
18 subsection F of Section 2701 of this title equal to the amount of
19 sales tax revenue of such municipality or county exempted by the
20 provisions of Section 1357.10 of this title and subsection F of
21 Section 2701 of this title. The Oklahoma Tax Commission shall
22 promulgate and adopt rules necessary to implement the provisions of
23 this subsection.

1 C. From the monies that would otherwise be apportioned to the
2 General Revenue Fund pursuant to subsection A of this section, there
3 shall be apportioned the following amounts:

4 1. For the month ending August 31, 2019:

5 a. Nine Million Six Hundred Thousand Dollars
6 (\$9,600,000.00) to the credit of the State Highway
7 Construction and Maintenance Fund created in Section
8 1501 of Title 69 of the Oklahoma Statutes, and

9 b. Two Million Dollars (\$2,000,000.00) to the credit of
10 the Oklahoma Railroad Maintenance Revolving Fund
11 created in Section 309 of Title 66 of the Oklahoma
12 Statutes;

13 2. For the month ending September 30, 2019:

14 a. Twenty Million Dollars (\$20,000,000.00) to the credit
15 of the State Highway Construction and Maintenance Fund
16 created in Section 1501 of Title 69 of the Oklahoma
17 Statutes, and

18 b. Two Million Dollars (\$2,000,000.00) to the credit of
19 the Oklahoma Railroad Maintenance Revolving Fund
20 created in Section 309 of Title 66 of the Oklahoma
21 Statutes;

22 3. For the month ending October 31, 2019:

23 a. Twenty Million Dollars (\$20,000,000.00) to the credit
24 of the State Highway Construction and Maintenance Fund

1 created in Section 1501 of Title 69 of the Oklahoma
2 Statutes, and

3 b. Two Million Dollars (\$2,000,000.00) to the credit of
4 the Oklahoma Railroad Maintenance Revolving Fund
5 created in Section 309 of Title 66 of the Oklahoma
6 Statutes;

7 4. For the month ending November 30, 2019:

8 a. Twenty Million Dollars (\$20,000,000.00) to the credit
9 of the State Highway Construction and Maintenance Fund
10 created in Section 1501 of Title 69 of the Oklahoma
11 Statutes, and

12 b. Two Million Dollars (\$2,000,000.00) to the credit of
13 the Oklahoma Railroad Maintenance Revolving Fund
14 created in Section 309 of Title 66 of the Oklahoma
15 Statutes; and

16 5. For the month ending December 31, 2019:

17 a. Twenty Million Dollars (\$20,000,000.00) to the credit
18 of the State Highway Construction and Maintenance Fund
19 created in Section 1501 of Title 69 of the Oklahoma
20 Statutes, and

21 b. Two Million Dollars (\$2,000,000.00) to the credit of
22 the Oklahoma Railroad Maintenance Revolving Fund
23 created in Section 309 of Title 66 of the Oklahoma
24 Statutes.

1 ~~D. For fiscal year 2023, and each subsequent fiscal year,~~
2 ~~before any other apportionment otherwise required by this section is~~
3 ~~made to the General Revenue Fund, there shall be apportioned to the~~
4 ~~State Public Common School Building Equalization Fund an amount, if~~
5 ~~any, as required pursuant to Section 3-104 of Title 70 of the~~
6 ~~Oklahoma Statutes, not to exceed the state sales tax generated by~~
7 ~~medical marijuana sales in the preceding fiscal year as reported by~~
8 ~~the Oklahoma Tax Commission.~~

9 SECTION 6. AMENDATORY 70 O.S. 2021, Section 3-104, is
10 amended to read as follows:

11 Section 3-104. A. The supervision of the public school system
12 of Oklahoma shall be vested in the State Board of Education and,
13 subject to limitations otherwise provided by law, the State Board of
14 Education shall:

15 1. Adopt policies and make rules for the operation of the
16 public school system of the state;

17 2. Appoint, prescribe the duties, and fix the compensation of a
18 secretary, an attorney, and all other personnel necessary for the
19 proper performance of the functions of the State Board of Education.
20 The secretary shall not be a member of the Board;

21 3. Submit to the Governor a departmental budget based upon
22 major functions of the Department as prepared by the State
23 Superintendent of Public Instruction and supported by detailed data
24 on needs and proposed operations as partially determined by the

1 budgetary needs of local school districts filed with the State Board
2 of Education for the ensuing fiscal year. Appropriations therefor
3 shall be made in lump-sum form for each major item in the budget as
4 follows:

- 5 a. State Aid to schools,
- 6 b. the supervision of all other functions of general and
7 special education including general control, free
8 textbooks, school lunch, Indian education, and all
9 other functions of the Board and an amount sufficient
10 to adequately staff and administer these services, and
11 c. the Board shall determine the details by which the
12 budget and the appropriations are administered.

13 Annually, the Board shall make preparations to
14 consolidate all of the functions of the Department in
15 such a way that the budget can be based on two items,
16 administration and aid to schools. A maximum amount
17 for administration shall be designated as a part of
18 the total appropriation;

19 4. On the first day of December preceding each regular session
20 of the Legislature, prepare and deliver to the Governor and the
21 Legislature a report for the year ending June 30 immediately
22 preceding the regular session of the Legislature. The report shall
23 contain:

24

- a. detailed statistics and other information concerning enrollment, attendance, expenditures including State Aid, and other pertinent data for all public schools in this state,
- b. reports from each and every division within the State Department of Education as submitted by the State Superintendent of Public Instruction and any other division, department, institution, or other agency under the supervision of the Board,
- c. recommendations for the improvement of the public school system of the state,
- d. a statement of the receipts and expenditures of the State Board of Education for the past year, and
- e. a statement of plans and recommendations for the management and improvement of public schools and such other information relating to the educational interests of the state as may be deemed necessary and desirable;

5. Provide for the formulation and adoption of curricula, courses of study, and other instructional aids necessary for the adequate instruction of pupils in the public schools;

6. Have authority in matters pertaining to the licensure and certification of persons for instructional, supervisory, and administrative positions and services in the public schools of the

1 state subject to the provisions of Section 6-184 of this title, and
2 shall formulate rules governing the issuance and revocation of
3 certificates for superintendents of schools, principals,
4 supervisors, librarians, clerical employees, school nurses, school
5 bus drivers, visiting teachers, classroom teachers, and for other
6 personnel performing instructional, administrative, and supervisory
7 services, but not including members of boards of education and other
8 employees who do not work directly with pupils, and may charge and
9 collect reasonable fees for the issuance of such certificates:

10 a. the State Department of Education shall not issue a
11 certificate to and shall revoke the certificate of any
12 person who has been convicted, whether upon a verdict
13 or plea of guilty or upon a plea of nolo contendere,
14 or received a suspended sentence or any probationary
15 term for a crime or an attempt to commit a crime
16 provided for in Section 843.5 of Title 21 of the
17 Oklahoma Statutes if the offense involved sexual abuse
18 or sexual exploitation as those terms are defined in
19 Section 1-1-105 of Title 10A of the Oklahoma Statutes,
20 Section 741, 843.1, if the offense included sexual
21 abuse or sexual exploitation, 865 et seq., 885, 888,
22 891, 1021, 1021.2, 1021.3, 1040.13a, 1087, 1088,
23 1111.1, 1114 or 1123 of Title 21 of the Oklahoma
24 Statutes or who enters this state and who has been

1 convicted, received a suspended sentence, or received
2 a deferred judgment for a crime or attempted crime
3 which, if committed or attempted in this state, would
4 be a crime or an attempt to commit a crime provided
5 for in any of ~~said~~ the laws,

6 b. all funds collected by the State Department of
7 Education for the issuance of certificates to
8 instructional, supervisory, and administrative
9 personnel in the public schools of the state shall be
10 deposited in the "Teachers' Certificate Fund" in the
11 State Treasury and may be expended by the State Board
12 of Education to finance the activities of the State
13 Department of Education necessary to administer the
14 program, for consultative services, publication costs,
15 actual and necessary travel expenses as provided in
16 the State Travel Reimbursement Act incurred by persons
17 performing research work, and other expenses found
18 necessary by the State Board of Education for the
19 improvement of the preparation and certification of
20 teachers in Oklahoma. Provided, any unobligated
21 balance in the Teachers' Certificate Fund in excess of
22 Ten Thousand Dollars (\$10,000.00) on June 30 of any
23 fiscal year shall be transferred to the General
24 Revenue Fund of ~~the State of Oklahoma~~ this state.

1 Until July 1, 1997, the State Board of Education shall
2 have authority for approval of teacher education
3 programs. The State Board of Education shall also
4 have authority for the administration of teacher
5 residency and professional development, subject to the
6 provisions of the Oklahoma Teacher Preparation Act;

7 7. Promulgate rules governing the classification, inspection,
8 supervision, and accrediting of all public nursery, kindergarten,
9 elementary and secondary schools, and on-site educational services
10 provided by public school districts or state-accredited private
11 schools in partial hospitalization programs, day treatment programs,
12 and day hospital programs as defined in this act for persons between
13 the ages of three (3) and twenty-one (21) years of age in the state.
14 However, no school shall be denied accreditation solely on the basis
15 of average daily attendance.

16 Any school district which maintains an elementary school and
17 faces the necessity of relocating its school facilities because of
18 construction of a lake, either by state or federal authority, which
19 will inundate the school facilities, shall be entitled to receive
20 probationary accreditation from the State Board of Education for a
21 period of five (5) years after ~~the effective date of this act~~
22 September 5, 1975, and any school district, otherwise qualified,
23 shall be entitled to receive probationary accreditation from the
24 State Board of Education for a period of two (2) consecutive years

1 to attain the minimum average daily attendance. The Head Start and
2 public nurseries or kindergartens operated from Community Action
3 Program funds shall not be subjected to the accrediting rules of the
4 State Board of Education. Neither will the State Board of Education
5 make rules affecting the operation of the public nurseries and
6 kindergartens operated from federal funds secured through Community
7 Action Programs even though they may be operating in the public
8 schools of the state. However, any of the Head Start or public
9 nurseries or kindergartens operated under federal regulations may
10 make application for accrediting from the State Board of Education
11 but will be accredited only if application for the approval of the
12 programs is made. The status of no school district shall be changed
13 which will reduce it to a lower classification until due notice has
14 been given to the proper authorities thereof and an opportunity
15 given to correct the conditions which otherwise would be the cause
16 of such reduction.

17 Private and parochial schools may be accredited and classified
18 in like manner as public schools or, if an accrediting association
19 is approved by the State Board of Education, by procedures
20 established by the State Board of Education to accept accreditation
21 by such accrediting association, if application is made to the State
22 Board of Education for such accrediting;

23 8. Be the legal agent of the State of Oklahoma to accept, in
24 its discretion, the provisions of any Act of Congress appropriating

1 or apportioning funds which are now, or may hereafter be, provided
2 for use in connection with any phase of the system of public
3 education in Oklahoma. It shall prescribe such rules as it finds
4 necessary to provide for the proper distribution of such funds in
5 accordance with the state and federal laws;

6 9. Be and is specifically hereby designated as the agency of
7 this state to cooperate and deal with any officer, board, or
8 authority of the United States Government under any law of the
9 United States which may require or recommend cooperation with any
10 state board having charge of the administration of public schools
11 unless otherwise provided by law;

12 10. Be and is hereby designated as the "State Educational
13 Agency" referred to in Public Law 396 of the 79th Congress of the
14 United States, which law states that ~~said~~ the act may be cited as
15 the "National School Lunch Act", and ~~said~~ the State Board of
16 Education is hereby authorized and directed to accept the terms and
17 provisions of ~~said~~ the act and to enter into such agreements, not in
18 conflict with the Constitution of Oklahoma or the Constitution and
19 Statutes of the United States, as may be necessary or appropriate to
20 secure for ~~the State of Oklahoma~~ this state the benefits of the
21 school lunch program established and referred to in ~~said~~ the act;

22 11. Have authority to secure and administer the benefits of the
23 National School Lunch Act, Public Law 396 of the 79th Congress of
24 the United States, in ~~the State of Oklahoma~~ this state and is hereby

1 authorized to employ or appoint and fix the compensation of such
2 additional officers or employees and to incur such expenses as may
3 be necessary for the accomplishment of the above purpose, administer
4 the distribution of any state funds appropriated by the Legislature
5 required as federal matching to reimburse on children's meals;

6 12. Accept and provide for the administration of any land,
7 money, buildings, gifts, donation, or other things of value which
8 may be offered or bequeathed to the schools under the supervision or
9 control of ~~said~~ the Board;

10 13. Have authority to require persons having administrative
11 control of all school districts in Oklahoma to make such regular and
12 special reports regarding the activities of the schools in ~~said~~ the
13 districts as the Board may deem needful for the proper exercise of
14 its duties and functions. Such authority shall include the right of
15 the State Board of Education to withhold all state funds under its
16 control, to withhold official recognition, including accrediting,
17 until such required reports have been filed and accepted in the
18 office of ~~said~~ the Board and to revoke the certificates of persons
19 failing or refusing to make such reports;

20 14. Have general supervision of the school lunch program. The
21 State Board of Education may sponsor workshops for personnel and
22 participants in the school lunch program and may develop, print, and
23 distribute free of charge or sell any materials, books, and
24 bulletins to be used in ~~such~~ the school lunch programs. There is

1 hereby created in the State Treasury a revolving fund for the Board,
2 to be designated the School Lunch Workshop Revolving Fund. The fund
3 shall consist of all fees derived from or on behalf of any
4 participant in any such workshop sponsored by the State Board of
5 Education, or from the sale of any materials, books, and bulletins,
6 and ~~such~~ funds shall be disbursed for expenses of such workshops and
7 for developing, printing, and distributing of ~~such~~ the materials,
8 books, and bulletins relating to the school lunch program. The fund
9 shall be administered in accordance with Section 155 of Title 62 of
10 the Oklahoma Statutes;

11 15. Prescribe all forms for school district and county officers
12 to report to the State Board of Education where required. The State
13 Board of Education shall also prescribe a list of appropriation
14 accounts by which the funds of school districts shall be budgeted,
15 accounted for, and expended; and it shall be the duty of the State
16 Auditor and Inspector in prescribing all budgeting, accounting, and
17 reporting forms for school funds to conform to such lists;

18 16. Provide for the establishment of a uniform system of pupil
19 and personnel accounting, records, and reports;

20 17. Have authority to provide for the health and safety of
21 school children and school personnel while under the jurisdiction of
22 school authorities;

23 18. Provide for the supervision of the transportation of
24 pupils;

1 19. Have authority, upon request of the local school board, to
2 act in behalf of the public schools of the state in the purchase of
3 transportation equipment;

4 20. Have authority and is hereby required to perform all duties
5 necessary to the administration of the public school system in
6 Oklahoma as specified in the Oklahoma School Code; and, in addition
7 thereto, those duties not specifically mentioned herein if not
8 delegated by law to any other agency or official;

9 21. Administer the State Public Common School Building
10 Equalization Fund established by Section 32 of Article X of the
11 Oklahoma Constitution. Any monies as may be appropriated or
12 designated by the Legislature, other than ad valorem taxes, any
13 other funds identified by the State Department of Education, which
14 may include, but not be limited to, grants-in-aid from the federal
15 government for building purposes, the proceeds of all property that
16 shall fall to the state by escheat, penalties for unlawful holding
17 of real estate by corporations, and capital gains on assets of the
18 permanent school funds, shall be deposited in the State Public
19 Common School Building Equalization Fund. The fund shall be used to
20 aid school districts and charter schools in acquiring buildings,
21 subject to the limitations fixed by Section 32 of Article X of the
22 Oklahoma Constitution. It is hereby declared that the term
23 "acquiring buildings" as used in Section 32 of Article X of the
24 Oklahoma Constitution shall mean acquiring or improving school

1 sites, constructing, repairing, remodeling, or equipping buildings,
2 or acquiring school furniture, fixtures, or equipment. It is hereby
3 declared that the term "school districts" as used in Section 32 of
4 Article X of the Oklahoma Constitution shall mean school districts
5 and eligible charter schools as defined in subsection B of this
6 section. The State Board of Education shall disburse redbud school
7 grants annually from the State Public Common School Building
8 Equalization Fund to public schools and eligible charter schools
9 pursuant to subsection B of this section. The Board shall
10 promulgate rules for the implementation of disbursing redbud school
11 grants pursuant to this section. The State Board of Education shall
12 prescribe rules for making grants of aid from, and for otherwise
13 administering, the fund pursuant to the provisions of this
14 paragraph, and may employ and fix the duties and compensation of
15 technicians, aides, clerks, stenographers, attorneys, and other
16 personnel deemed necessary to carry out the provisions of this
17 paragraph. The cost of administering the fund shall be paid from
18 monies appropriated to the State Board of Education for the
19 operation of the State Department of Education. From monies
20 apportioned to the fund, the State Department of Education may
21 reserve not more than one-half of one percent (1/2 of 1%) for
22 purposes of administering the fund;

23 22. Recognize that the Director of the ~~Oklahoma~~ Department of
24 Corrections shall be the administrative authority for the schools

1 which are maintained in the state reformatories and shall appoint
2 the principals and teachers in such schools. Provided, that rules
3 of the State Board of Education for the classification, inspection,
4 and accreditation of public schools shall be applicable to such
5 schools; and such schools shall comply with standards set by the
6 State Board of Education; and

7 23. Have authority to administer a revolving fund which is
8 hereby created in the State Treasury, to be designated the
9 Statistical Services Revolving Fund. The fund shall consist of all
10 monies received from the various school districts of the state, the
11 United States Government, and other sources for the purpose of
12 furnishing or financing statistical services and for any other
13 purpose as designated by the Legislature. The State Board of
14 Education is hereby authorized to enter into agreements with school
15 districts, municipalities, the United States Government,
16 foundations, and other agencies or individuals for services,
17 programs, or research projects. The Statistical Services Revolving
18 Fund shall be administered in accordance with Section 155 of Title
19 62 of the Oklahoma Statutes.

20 B. 1. The redbud school grants shall be determined by the
21 State Department of Education as follows:

22 a. divide the county four-mill levy revenue by four to
23 determine the nonchargeable county four-mill revenue
24 for each school district,

- 1 b. determine the amount of new revenue generated by the
2 five-mill building fund levy as authorized by Section
3 10 of Article X of the Oklahoma Constitution for each
4 school district as reported in the Oklahoma Cost
5 Accounting System for the preceding fiscal year,
- 6 c. add the amounts calculated in subparagraphs a and b of
7 this paragraph to determine the nonchargeable millage
8 for each school district,
- 9 d. add the nonchargeable millage in each district
10 statewide as calculated in subparagraph c of this
11 paragraph and divide the total by the average daily
12 membership in public schools statewide based on the
13 preceding school year's average daily membership,
14 according to the provisions of Section 18-107 of this
15 title. This amount is the statewide nonchargeable
16 millage per student, known as the baseline local
17 funding per student,
- 18 e. all eligible charter schools shall be included in
19 these calculations as unique school districts,
20 separate from the school district that may sponsor the
21 eligible charter school, and the total number of
22 districts shall be used to determine the statewide
23 average baseline local funding per student,
- 24

1 f. for each school district or eligible charter school
2 which is below the baseline local funding per student,
3 the Department shall subtract the baseline local
4 funding per student from the average nonchargeable
5 millage per student of the school district or eligible
6 charter school to determine the nonchargeable millage
7 per student shortfall for each district, and

8 g. the nonchargeable millage per student shortfall for a
9 school district or eligible charter school shall be
10 multiplied by the average daily membership of the
11 preceding school year of the eligible school district
12 or eligible charter school. This amount shall be the
13 redbud school grant amount for the school district or
14 eligible charter school.

15 2. For fiscal year 2022, monies for the redbud school grants
16 shall be expended from the funds apportioned pursuant to ~~Section 2~~
17 Section 426 of this act Title 63 of the Oklahoma Statutes. ~~For~~
18 ~~fiscal year 2023 and each subsequent fiscal year, monies for the~~
19 ~~redbud school grants shall be appropriated pursuant to Section 2 of~~
20 ~~this act, not to exceed three fourths (3/4) of the tax collected in~~
21 ~~the preceding fiscal year pursuant to Section 426 of Title 63 of the~~
22 ~~Oklahoma Statutes as determined by the Oklahoma Tax Commission. For~~
23 ~~fiscal year 2023 and each subsequent fiscal year, if such~~
24 ~~appropriated funds are insufficient to fund the redbud school~~

1 ~~grants, then an additional apportionment of funds shall be made from~~
2 ~~sales tax collections as provided by subsection D of Section 3 of~~
3 ~~this act. If both funds are insufficient, the Department shall~~
4 ~~promulgate rules to permit a decrease to the baseline local funding~~
5 ~~per student to the highest amount allowed with the funding~~
6 ~~available.~~

7 3. As used in this section, "eligible charter school" shall
8 mean a charter school which is sponsored pursuant to the provisions
9 of the Oklahoma Charter ~~School~~ Schools Act. Provided, however,
10 "eligible charter school" shall not include a charter school
11 sponsored by the Statewide Virtual Charter School Board but shall
12 only include those which provide in-person or blended instruction,
13 as provided by Section 1-111 of this title, to not less than two-
14 thirds (2/3) of students as the primary means of instructional
15 service delivery.

16 4. The Department shall develop a program to acknowledge the
17 redbud school grant recipients and shall include elected members of
18 the ~~Oklahoma~~ House of Representatives and ~~Oklahoma State~~ Senate who
19 represent the school districts and eligible charter schools.

20 5. The Department shall create a dedicated page on its website
21 listing annual redbud school grant recipients, amount awarded to
22 each recipient, and other pertinent information about the Redbud
23 School Funding Act.

24

1 6. The Department shall provide the Chair of the House
2 Appropriations and Budget Committee and the Chair of the Senate
3 Appropriations Committee no later than February 1 of each year with
4 an estimate of the upcoming year's redbud school grant allocation as
5 prescribed by this section.

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

10 COMMITTEE REPORT BY: COMMITTEE ON APPROPRIATIONS
11 February 15, 2023 - DO PASS AS AMENDED
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