

STATE OF OKLAHOMA

1st Session of the 46th Legislature (1997)

CONFERENCE COMMITTEE SUBSTITUTE

FOR ENGROSSED

HOUSE BILL NO. 1872

By: Hamilton and Settle of  
the House

and

Haney and Hobson of the  
Senate

CONFERENCE COMMITTEE SUBSTITUTE

An Act relating to educational entities; appropriating certain monies to the State Board of Education for the support of public schools and public school activities; appropriating certain monies to the Board for purchase of textbooks; appropriating certain monies for payment of protested ad valorem taxes; requiring certain funds be used for reimbursement of protested ad valorem taxes; providing for proportional reduction; providing for reduction in State Aid if certain funds are released; providing for transfer of funds; directing the Board to promulgate certain rules; appropriating certain monies to the Board for certain Administrative and Support Functions; appropriating certain monies for employee contribution requirements; requiring certain funds be used for funding certain excess educational costs; specifying per pupil per day amount for certain types of facilities; requiring submission of an application for funding; stating contents of application; specifying expenditure of certain appropriated funds; requiring Board to budget all funds in certain categories; specifying purpose of certain allocations; requiring certain funds be made available on a statewide competitive application basis; specifying expenditure of certain funds for Parent Training Programs; specifying purpose and expenditure of certain funds for the Advanced Placement Program; specifying purpose and expenditure of certain funds for Alternative and High Challenge Education; requiring certain funds be provided on a competitive application basis; requiring certain funds for Psychometric Services be provided on a contractual basis; specifying expenditure of certain funds for Staff Development; making certain appropriation contingent; providing for expenditure of certain funds for certain reading institutes; apportioning certain funds for Instructional, Cooperative and Technological Education; providing for expenditures for certain community education contract services; providing for expenditure of certain funds for education leadership; specifying expenditure of certain funds for Oklahoma Ambassador of Teaching; amending 70 O.S 1991, Section 18-103.1, as last amended by Section 19, Chapter 277, O.S.L. 1996 (70 O.S. Supp. 1996, Section 18-103.1), which relates to regional

education service centers; modifying certain dates; modifying allocation amount; amending Section 4, Chapter 215, O.S.L. 1996 (70 O.S. Supp. 1996, Section 18-200.1), which relates to the State Aid Formula; providing for calculation of State Aid; providing certain limit; providing calculation for per pupil revenue; modifying calculation formula for Foundation Program Income; providing for implementation of a student identification system; stating purpose of identification system; providing for funding; modifying certain dates; modifying startup funding amount for early childhood programs; requiring certain monthly reports by the State Auditor and Inspector and county treasurers; prohibiting certain salary reductions; providing exception; authorizing expenditure of certain funds for implementation of certain accounting system; requiring expenditure of certain funds for continued development of certain tests; requiring expenditure of certain funds for participation in the National Assessment of Educational Progress; authorizing expenditure of certain funds for contracting with certain entity; providing duties and compensation of employees; providing budget limitations; specifying number of certain employees; authorizing reduction or withholding of certain funds in certain circumstances; authorizing proportionate reduction of funds; appropriating certain monies to the Board of Trustees of the Oklahoma School of Science and Mathematics; requiring expenditure of certain monies for certain pilot outreach programs; requiring the Board of Trustees to budget all funds in certain categories; providing for duties and compensation of employees; limiting salary of the Director; providing budgetary limitations; appropriating certain monies to the Oklahoma Commission for Teacher Preparation; requiring the Commission to budget all funds in certain categories; providing for duties and compensation of employees; limiting salary of the Executive Director; providing budgetary limitations; appropriating certain monies to the Commissioner of the Land Office; requiring the Commissioner of the Land Office to budget all funds in certain categories; providing for duties and compensation of employees; limiting salary of the Secretary and Assistant Secretary; providing budgetary limitations; appropriating certain monies to the State Board of Vocational and Technical Education; appropriating certain monies to the Board for payment of protested ad valorem taxes; requiring certain funds be used for reimbursement of protested ad valorem taxes; providing for proportional reduction of funding; providing for reduction in funding; providing for transfer of funds; directing the Board to promulgate certain rules; directing the Board to make certain adjustments in the funding formula; appropriating certain monies for employee contribution requirements; reappropriating certain funds to the Board; requiring the Board to budget all funds in certain categories; providing for duties and compensation of employees; limiting salary of the Director; providing certain budgetary limitations; requiring Department to provide certain grants; specifying dollar amount; specifying calculation of the salary of a vocational education teacher; requiring certain monies be distributed on a performance-based contract; requiring the Opportunities Industrialization Center submit certain financial reports; requiring certain funds be expended by certain

date; providing lapse dates; authorizing certain funds be expended after certain date for certain purpose; providing effective dates; and declaring an emergency.

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

STATE BOARD OF EDUCATION

SECTION 1. There is hereby appropriated to the State Board of Education from any monies not otherwise appropriated from the General Revenue Fund of the State Treasury for the fiscal year ending June 30, 1998, the sum of Twenty-six Million Three Hundred Seventy-one Thousand Eight Hundred Sixty-four Dollars (\$26,371,864.00) or so much thereof as may be necessary for the financial support of public schools.

SECTION 2. There is hereby appropriated to the State Board of Education from any monies not otherwise appropriated from the General Revenue Fund of the State Treasury for the fiscal year ending June 30, 1998, the sum of Nineteen Million Five Hundred Seventy-one Thousand Five Hundred Seven Dollars (\$19,571,507.00) or so much thereof as may be necessary for the support of public school activities.

SECTION 3. There is hereby appropriated to the State Board of Education from any monies not otherwise appropriated from the General Revenue Fund of the State Treasury for the fiscal year ending June 30, 1995, the sum of Six Hundred Four Thousand Nine Hundred Ninety-two Dollars (\$604,992.00) or so much thereof as may be necessary for the purchase of textbooks.

SECTION 4. Contingent upon the enactment of Enrolled House Bill No. 1337 of the 1st Session of the 46th Oklahoma Legislature and Enrolled House Bill No. 1338 of the 1st Session of the 46th Oklahoma Legislature, there is hereby appropriated to the State Board of Education from monies not otherwise appropriated from the Special Cash Fund of the State Treasury, the sum of Four Million Five Hundred Forty-six Thousand Twenty-two Dollars (\$4,546,022.00) or so much thereof as may be necessary for the purpose of making payments to school districts for protests of ad valorem taxes paid

by railroads, air carriers, or public service corporations for 1994 and 1995.

SECTION 5. The funds appropriated in Section 4 shall be allocated to eligible school districts by the State Board of Education for reimbursement to those school districts for any ad valorem taxes paid by railroads, air carriers or public service corporations which were made chargeable against the amount of State Aid Formula monies received by that school district for the 1995-96 and 1996-97 school year, which taxes were not received by the school district because of a protest being filed by the railroad, air carrier or public service corporation. If the funds appropriated in this section are not sufficient to reimburse to each school district the full amount for both school years, the reimbursement amount to each school district for the 1995-96 school year shall be paid in full, then the reimbursement amount to each school district for the 1996-97 school year shall be proportionately reduced.

If a school district receives reimbursement as provided for in this section and subsequently the monies held in ad valorem tax protest are released to that school district, upon notification of such action, the State Board of Education shall reduce the current year allocation of State Aid Formula funding to that school district by an amount equal to the amount released to the school district. Provided, the amount of State Aid Formula reduction shall not be greater than the reimbursement amount allocated to the school district. All amounts withheld from State Aid allocations shall be transferred to the Education Reform Revolving Fund created in Section 41.29b of Title 62 of the Oklahoma Statutes.

The State Board of Education shall promulgate rules as necessary for administration of the provisions of this section.

SECTION 6. There is hereby appropriated to the State Board of Education from any monies not otherwise appropriated from the General Revenue Fund of the State Treasury for the fiscal year ending June 30, 1998, the sum of Four Hundred Thirty-one Thousand Five Hundred Fourteen Dollars (\$431,514.00) or so much thereof as

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may be necessary for the Administrative and Support Functions of the State Department of Education.

SECTION 7. Contingent upon the enactment of Enrolled House Bill No. 1873 of the 1st Session of the 46th Oklahoma Legislature, there is hereby appropriated to the State Board of Education from any monies not otherwise appropriated from the General Revenue Fund of the State Treasury for the fiscal year ending June 30, 1998, the sum of Thirty-one Million Six Hundred Thousand Dollars (\$31,600,000.00) or so much thereof as may be necessary to meet the employee contributions requirements set forth in Section 1 of Enrolled House Bill No. 1873 of the 1st Session of the 46th Oklahoma Legislature, which amount shall be transferred to the Teachers' Retirement System of Oklahoma.

SECTION 8. Of the funds appropriated in Section 2 and allocated in Section 9 of this act for out-of-home placement, Three Hundred Eighty-three Thousand Seven Hundred Fifty Dollars (\$383,750.00) shall be used for the purpose of funding excess educational costs for the 1997-98 school year for students placed out-of-home in a residential facility that is located in a school district other than the district in which the student resides or placed in the J.D. McCarty Center. Such funds shall be expended as follows:

For children placed in a facility through state contract by the Office of Juvenile Affairs - Up to \$1.50 per pupil per day, not to exceed a total of One Hundred Fifty Thousand Dollars (\$150,000.00);

For children placed in a facility through state contract by the Department of Human Services - Up to \$1.50 per pupil per day, not to exceed a total of Eighty-one Thousand Two Hundred Fifty Dollars (\$81,250.00);

For children served in the J.D. McCarty Center in Norman - Up to \$6.70 per pupil per day, not to exceed a total of Thirty-five Thousand Two Hundred Fifty Dollars (\$35,250.00); and

For children placed by a parent or guardian with legal custody in eleemosynary facilities and the educational services for that child are provided at that site by joint agreement of the local

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school district and the facility - Up to \$6.70 per pupil per day, not to exceed a total of One Hundred Seventeen Thousand Two Hundred Fifty Dollars (\$117,250.00).

In order to qualify for these funds the school district serving such children shall submit an application to the State Department of Education which has been authorized by both the school district and the state agency or residential facility in which the child is placed. The application shall include any information required by the State Department of Education in order to satisfy the purpose of this allocation. When applicable, a copy of a residential facility's annual financial audit shall be included which shall be used for the purpose of documenting that facility's status as eleemosynary through: (1) classification as a 501(c)(3) entity under the Internal Revenue Code for federal tax purposes, and (2) receipt of the majority of its funds from benevolent or charitable organizations.

SECTION 9. Beginning July 1, 1997, the support of public school activities by the State Board of Education payable from monies appropriated by Sections 2 through 9 of Enrolled Senate Bill No. 160 of the 1st Session of the 46th Oklahoma Legislature, Section 5 of Enrolled Senate Bill No. 169 of the 1st Session of the 46th Oklahoma Legislature, and Sections 1 through 4, 6 and 7 of this act:

1. Funds appropriated and authorized by Sections 2 through 4 of Enrolled Senate Bill No. 160 of the 1st Session of the 46th Oklahoma Legislature, Section 5 of Enrolled Senate Bill No. 169 of the 1st Session of the 46th Oklahoma Legislature, and Section 1 of this act:

Local and State Supported Financial

Support of Public Schools	\$1,489,019,833.00
SUBTOTAL, PARAGRAPH 1	\$1,489,019,833.00

2. Funds appropriated by Sections 6 through 8 of Enrolled Senate Bill No. 160 of the 1st Session of the 46th Oklahoma Legislature and Sections 2 through 4 and Sections 6 and 7 of this act:

Purchase of Textbooks	\$ 19,196,448.00
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Psychometric Services	887,042.00
Staff Development	9,810,422.00
Advanced Placement Incentives	4,000,000.00
Teacher Consultant Stipends	1,037,713.00
Teacher Retirement Credit	31,600,000.00
School Lunch Matching	3,541,085.00
School Lunch Programs	3,190,614.00
Homebound Children	1,192,928.00
Alternative and High Challenge Education	20,849,797.00
Adult Education Matching	1,309,045.00
Driver Education	1,604,631.00
Early Intervention	8,310,990.00
Hissom Compliance	241,447.00
Community Education Grants	425,000.00
Parent Training Program	2,459,144.00
Special Education Assistance	700,000.00
Out-of-Home Placement	383,750.00
School/Community Network for Arts-in- Education	129,468.00
Instructional, Cooperative and Technological Education	853,136.00
Summer Arts Institute	300,000.00
AG in the Classroom	50,001.00
Office of Accountability	230,000.00
Oklahoma Ambassador of Teaching	48,000.00
Education Leadership Oklahoma	750,000.00
Student Identification System	1,500,000.00
Ad Valorem Tax Protest	<u>4,546,022.00</u>
SUBTOTAL, PARAGRAPH 2	\$119,146,683.00

3. Funds appropriated by Section 9 of Enrolled Senate Bill No. 160 of the 1st Session of the 46th Oklahoma Legislature, and Section 6 of this act:

Administrative and Support Functions of the State Department of Education	\$ 17,887,095.00
SUBTOTAL, PARAGRAPH 3	<u>\$ 17,887,095.00</u>
TOTAL State School Aid and Programs	\$1,626,053,611.00

SECTION 10. For the fiscal year ending June 30, 1998, the State Board of Education shall budget all funds in the following categories:

<u>Category</u>	<u>Total</u>
Payroll, Salaries or Wages, Including Tax-sheltered Deferment Contracts and Longevity Payments Authorized by State Statutes	
\$ 16,500,000.00	
Professional and Personal Services Contracts	19,800,000.00
Purchase of Equipment	2,000,000.00
Expenditure of Federal Funds	<u>325,000,000.00</u>
TOTAL	\$1,960,176,328.00

SECTION 11. Funds allocated in Section 9 of this act, except for Financial Support of Public Schools, Purchase of Textbooks, Psychometric Services, Staff Development, Teacher Consultant Stipends, School Lunch Matching, School Lunch Programs, Homebound Children, Adult Education Matching, Driver Education, Early Intervention, Comprehensive School Based Services Grants in Alternative and High Challenge Education, Special Education Assistance, Alternative Education Academies, Administrative and Support Functions and Hisson Compliance shall be made available on a statewide competitive application basis.

SECTION 12. The funds allocated in Section 9 of this act for the Parent Training Program as authorized in Section 10-105.3 of Title 70 of the Oklahoma Statutes, shall be used as follows: Seventy-four Thousand Six Hundred Thirty-four Dollars (\$74,634.00) shall be expended for the salaries, benefits, technical assistance and administrative costs incurred by the State Board of Education for contracting technical assistance in field operations for the coordination of the Oklahoma Parents as Teachers Program; Two Million One Hundred Seventy-three Thousand Eight Hundred Seventy Dollars (\$2,173,870.00) shall be expended for the continuation and expansion of the Oklahoma Parents as Teachers Program; Eighteen Thousand Six Hundred Fifty-eight Dollars (\$18,658.00) shall be expended for program evaluation conducted by the Child Service Demonstration Center; One Hundred Fifty Thousand Dollars (\$150,000.00) shall be expended for the establishment of the

Oklahoma Parents as Teachers Program in public housing projects; Forty-one Thousand Nine Hundred Eighty-two Dollars (\$41,982.00) shall be expended for the early childhood technical assistance provided by the State Department of Education.

SECTION 13. The funds allocated in Section 9 of this act specifically for the purpose of funding the Advanced Placement Program shall be used as follows: Two Million One Hundred Eleven Thousand Eight Hundred Fifty Dollars (\$2,111,850.00) shall be expended for one-time equipment or materials grants; Six Hundred Thousand Dollars (\$600,000.00) for subsidized training; Eight Hundred Seventy-six Thousand Seven Hundred Fifty Dollars (\$876,750.00) for school incentives; Three Hundred Fifty-six Thousand Four Hundred Dollars (\$356,400.00) for exam fee reimbursement; and Fifty-five Thousand Dollars (\$55,000.00) for administrative costs.

SECTION 14. The funds allocated in Section 9 of this act for Alternative and High Challenge Education shall be used for purposes of establishing and initiating education programs at the local school district level and for encouraging the local districts to participate in innovative educational programs. No less than Eighteen Million Five Hundred Sixty-two Thousand Three Hundred Twenty Dollars (\$18,562,320.00) shall be expended to meet the provisions of the Alternative Education Academies as created in Sections 1210.563 and 1210.564 and Alternative Academies created as directed by Section 1210.568 of Title 70 of the Oklahoma Statutes. The funds shall be expended as follows: Seventeen Million Five Hundred Seventy-six Thousand Two Hundred Seventy Dollars (\$17,576,270.00) for programs; Seven Hundred Three Thousand Fifty Dollars (\$703,050.00) for program evaluation, technical assistance and staff development conducted by the technical assistance provider contracted by the State Board of Education as provided for in Section 1210.568 of Title 70 of the Oklahoma Statutes; Two Hundred Thousand Dollars (\$200,000.00) for an arts component; and Eighty-three Thousand Dollars (\$83,000.00) for the salaries, benefits and administrative costs incurred by the State Board of Education in administering the Alternative

Education Academies and Alternative Academies. The remaining funds allocated shall be provided to school districts on a competitive application basis pursuant to the provisions of the rules promulgated by the State Board of Education.

SECTION 15. Funds allocated in Section 9 of this act for Psychometric Services shall be provided to school districts by the State Board of Education on a contractual basis for the continuance of Psychometric Services as funded by the program in the prior year.

SECTION 16. The funds allocated in Section 9 of this act for Staff Development are provided for teacher training, in-service teacher education and staff development plans. The funds for Staff Development shall be used to fund the Professional Development Centers as follows: Ninety-two Thousand Seven Hundred Eighty-five Dollars (\$92,785.00) to Ardmore (10-I-019), Ninety-two Thousand Seven Hundred Eighty-five Dollars (\$92,785.00) to Lawton (16-I-008), Ninety-two Thousand Seven Hundred Eighty-five Dollars (\$92,785.00) to Norman (14-I-029), Ninety-two Thousand Seven Hundred Eighty-five Dollars (\$92,785.00) to Stillwater (60-I-016), Ninety-two Thousand Seven Hundred Eighty-five Dollars (\$92,785.00) to Woodward (77-I-001), Ninety-two Thousand Seven Hundred Eighty-five Dollars (\$92,785.00) to Bartlesville (74-I-030), and Ninety-two Thousand Seven Hundred Eighty-five Dollars (\$92,785.00) to McAlester (61-I-080). Contingent upon the enactment of Enrolled House Bill No. 1336 of the 1st Session of the 46th Oklahoma Legislature, the sum of Five Hundred Thousand Dollars (\$500,000.00) shall provide for scholarships to the Great Expectations Summer Institutes for Teachers offered by an institution within The Oklahoma State System of Higher Education pursuant to Section 2 of Enrolled House Bill No. 1336 of the 1st Session of the 46th Oklahoma Legislature. From the funds provided for the Great Expectations Summer Institutes for Teachers the State Board of Education shall establish an elementary level Great Expectations Demonstration Project. The Project shall be established at an elementary school in the state which is participating in the Great Expectations Program and has shown

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significant progress while under that Program. Contingent upon the enactment of Enrolled House Bill No. 2017 of the 1st Session of the 46th Oklahoma Legislature and Enrolled House Bill No. 1877 of the 1st Session of the 46th Oklahoma Legislature, the sum of Three Million Three Hundred Fifty Thousand Dollars (\$3,350,000.00) shall be transferred to the Professional Development Institutes Revolving Fund created in Section 1 of Enrolled House Bill No. 1877 of the 1st Session of the 46th Oklahoma Legislature and shall be expended for the purpose of developing, offering and administering Professional Development Institutes in Reading for elementary school teachers as directed in Section 7 of Enrolled House Bill No. 2017 of the 1st Session of the 46th Oklahoma Legislature. The sum of One Million Dollars (\$1,000,000.00) shall be expended on a competitive application basis to the State Board of Vocational and Technical Education and to institutions in The Oklahoma State System of Higher Education for the purpose of implementing technology programs designed to train teachers in public school districts in the use of technology for the classroom and in classroom applications of technology information. The remainder shall be allocated on an average daily attendance basis for the purpose of teacher education staff development pursuant to rules established by the State Board of Education. Five percent (5%) of the funds allocated by average daily attendance for Staff Development may be used by local districts for the administration of the staff development program.

SECTION 17. A portion of the funds allocated in Section 9 of this act for Instructional, Cooperative and Technological Education shall be apportioned as follows:

1. Four Hundred Sixty-three Thousand Four Hundred Sixty-seven Dollars (\$463,467.00) for Small School Cooperative shall be awarded on a competitive application basis pursuant to the provisions of Section 18-125 of Title 70 of the Oklahoma Statutes. Up to Two Hundred Fifty Thousand Dollars (\$250,000.00) may be used for telecommunications purposes. No cooperative program shall receive more than a total of Sixty Thousand Dollars (\$60,000.00) each year from the allocation set out in this section. Each

calculated award shall be reduced by twenty-five percent (25%) for each district participating whose second preceding year per-child revenue, less federal revenue, is greater than one hundred fifty percent (150%) of the state average; and

2. Fifty-five Thousand Eight Hundred Fifty-two Dollars (\$55,852.00) shall be expended on a contractual basis to the Chickasha Public School District (26-I-001) for the purpose of room and board payments for students at the Jane Brooks School for the Deaf, pursuant to contracts between the Chickasha School District and the Jane Brooks School for the Deaf; and

3. Fifty-three Thousand Three Hundred Seventy-eight Dollars (\$53,378.00) shall be expended on a contractual basis for the Oklahoma Science and Engineering Fair; and

4. Two Hundred Eighty Thousand Three Hundred Forty-four Dollars (\$280,344.00) shall be expended on a competitive application basis to an institution of The Oklahoma State System of Higher Education for the purpose of implementing telecommunications curriculum statewide.

SECTION 18. Of the funds allocated in Section 9 of this act specifically for the purpose of funding Community Education Grants, the sum of Twenty-five Thousand Dollars (\$25,000.00) shall be expended on a contractual basis to a community education consortium group which is associated with an institution in The Oklahoma State System of Higher Education, for the purpose of providing coordination services for community education programs, providing statistical data and information about community education programs to the State Board of Education and to enhance accountability of community education programs.

SECTION 19. Of the funds appropriated to the State Board of Education in Section 2 and allocated in Section 9 of this act specifically for the purpose of funding Education Leadership Oklahoma, the sum of Three Hundred Fifty Thousand Dollars (\$350,000.00) shall be transferred to the Education Leadership Oklahoma Revolving Fund created in Section 4 of Enrolled Senate Bill No. 202 of the 1st Session of the 46th Oklahoma Legislature and shall be expended for the purpose of providing assistance and

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scholarships as directed in Enrolled Senate Bill No. 202 of the 1st Session of the 46th Oklahoma Legislature. Of the funds appropriated to the State Board of Education in Section 2 and allocated in Section 9 of this act specifically for the purpose of funding Education Leadership Oklahoma, the sum of Four Hundred Thousand Dollars (\$400,000.00) shall be transferred to the National Board Certification Revolving Fund created in Section 5 of Enrolled Senate Bill No. 202 of the 1st Session of the 46th Oklahoma Legislature for the purpose of awarding annual bonuses as directed in Enrolled Senate Bill No. 202 of the 1st Session of the 46th Oklahoma Legislature. The remaining funds in the Education Leadership Oklahoma Revolving Fund shall be used to provide program development and evaluation by the Oklahoma Commission for Teacher Preparation and curriculum enhancement and monitoring programs for teacher applicants on a contract basis with an institution within The Oklahoma State System of Higher Education.

SECTION 20. Funds allocated in Section 9 of this act for Oklahoma Ambassador of Teaching shall be used to enhance the Teacher of the Year Program and to assist the Teacher of the Year in acting as an ambassador for teaching.

SECTION 21. AMENDATORY 70 O.S. 1991, Section 18-103.1, as last amended by Section 19, Chapter 277, O.S.L. 1996 (70 O.S. Supp. 1996, Section 18-103.1), is amended to read as follows:

Section 18-103.1 The State Department of Education shall operate and maintain regional education service centers for the education and psycho-educational evaluation of children recommended for placement in special education programs and prescriptive teaching programs. The Board of Education is hereby authorized to promulgate rules required to operate the services described in this section. The Board is hereby directed to provide such services to all Oklahoma school districts. For the regional education service centers or programs designated for funding by this section, the Board, without approval of the Oklahoma Legislature, shall not cease the operation or maintenance or reduce the funding below the ~~1996~~ 1997 fiscal year general revenue funds budgeted for that purpose for the ~~1996~~ 1997 fiscal

year. Any regional education service center may contract with any school district, cooperative program between school districts, or any other governmental entity for psycho-educational evaluation and related services. Funds shall be allocated by the State Board of Education to operate the twenty-one (21) regional education service centers established by the Prescriptive Teaching Act of 1974, Sections 1210.271 through 1210.282 of this title, and to operate their satellites. Funds provided for the ~~1997~~ 1998 fiscal year for the Child Service Demonstration Center and allocated to the Child Service Demonstration Center for Administrative and Support Functions of the State Department of Education shall be no less than Four Hundred Six Thousand Five Hundred Forty-four Dollars (\$406,544.00), and funds provided for the 1998 fiscal year for Region X from funds and allocated to the Child Service Demonstration Center and Region X for administrative and support functions of the State Department of Education shall ~~include the sum of One Hundred Ninety-eight Thousand Ninety-five Dollars (\$198,095.00) from previous years' allocations~~ be no less than Forty-two Thousand Five Hundred Thirty Dollars (\$42,530.00).

SECTION 22. AMENDATORY Section 4, Chapter 215, O.S.L. 1996 (70 O.S. Supp. 1996, Section 18-200.1), is amended to read as follows:

Section 18-200.1 A. Beginning with the 1997-98 school year, and each school year thereafter, each school district shall have its initial allocation of State Aid ~~set~~ calculated based on the ~~current year chargeable revenue~~ state dedicated revenues actually collected during the preceding fiscal year, the adjusted assessed valuation of the preceding year and the highest weighted average daily membership for the school district of the two (2) preceding school years. The State Department of Education shall notify each school district by July 15 of the district's initial allocation level. Each school district shall submit the following data based on the first nine (9) weeks, to be used in the calculation of the average daily membership of the school district:

1. Student enrollment by grade level;
2. Pupil category counts; and

3. Transportation supplement data.

On or before December ~~15~~ 30, the State Department of Education shall determine each school district's current year allocation pursuant to subsection C D of this section. The State Department of Education shall complete an audit, using procedures established by the Department, of the student enrollment by grade level data, pupil category counts and transportation supplement data to be used in the State Aid Formula pursuant to subsection C D of this section by December 1 and by January ~~1~~ 15 shall notify each school district of the district's final State Aid allocation for the current school year. The January payment of State Aid and each subsequent payment for the remainder of the school year shall be based on the final State Aid allocation as calculated in subsection D of this section. Except for reductions made due to the assessment of penalties by the State Department of Education according to law, the January payment of State Aid and each subsequent payment for the remainder of the school year shall not decrease by an amount more than the amount that the ~~district's~~ current chargeable revenue increases for that district.

B. The State Department of Education shall retain not less than one and one-half percent (1 1/2%) of the total funds appropriated for financial support of schools, to be used to make midyear adjustments in State Aid and which shall be reflected in the final allocations. If the amount of appropriated funds, including the one and one-half percent (1 1/2%) retained, remaining after January 1 of each year is not sufficient to fully fund the final allocations, each school district shall receive a proportionate reduction in funding.

C. On and after July 1, 1997, the amount of State Aid each district shall receive shall be the sum of the Foundation Aid, the Salary Incentive Aid and the Transportation Supplement, as adjusted pursuant to the provisions of subsection G of this section and Section 18-112.2 of this title; provided, no district having per pupil revenue in excess of three hundred percent (300%) of the average per pupil revenue of all districts shall receive any State Aid or Supplement in State Aid.

The July calculation of per pupil revenue shall be determined by dividing the district's second preceding year's total weighted average daily membership (ADM) into the district's second preceding year's total revenues excluding federal revenue, insurance loss payments, reimbursements, recovery of overpayments and refunds, unused reserves, prior expenditures recovered, prior year surpluses, and less the amount of any transfer fees paid in that year.

The December calculation of per pupil revenue shall be determined by dividing the district's preceding year's total weighted average daily membership (ADM) into the district's preceding year's total revenues excluding federal revenue, insurance loss payments, reimbursements, recovery of overpayments and refunds, unused reserves, prior expenditures recovered, prior year surpluses, and less the amount of any transfer fees paid in that year.

D. For the 1997-98 school year, and each school year thereafter, Foundation Aid, the Transportation Supplement and Salary Incentive Aid shall be calculated as follows:

1. Foundation Aid shall be determined by subtracting the amount of the Foundation Program Income from the cost of the Foundation Program and adding to this difference the Transportation Supplement.

a. The Foundation Program shall be a district's highest weighted average daily membership based on the first nine (9) weeks of the current school year, the preceding school year or the second preceding school year of a school district, as determined by the provisions of subsection A of Section ~~6~~ 18-201.1 of this ~~act~~ title and paragraphs 1, 2, 3 and 4 of subsection B of Section ~~6~~ 18-201.1 of this ~~act~~ title, multiplied by the Base Foundation Support Level.

b. The Foundation Program Income shall be the sum of the following:

- (1) The adjusted assessed valuation of the current school year of the school district, minus the previous year protested ad valorem tax revenues held as prescribed in Section 2884 of Title 68 of the Oklahoma Statutes, multiplied by ~~fifteen~~ (15) the mills levied pursuant to subsection (c) of Section 9 of Article X of the Oklahoma Constitution, if applicable, as adjusted in subsection (c) of Section 8A of Article X of the Oklahoma Constitution. For purposes of this subsection, the "adjusted assessed valuation of the current school year" shall be the adjusted assessed valuation on which tax revenues are collected during the current school year, and
- (2) Seventy-five percent (75%) of the amount received by the school district from the proceeds of the county levy during the preceding fiscal year, as levied pursuant to subsection (b) of Section 9 of Article X of the Oklahoma Constitution, and
- (3) Motor Vehicle Collections, and
- (4) Gross Production Tax, and
- (5) State Apportionment, and
- (6) R.E.A. Tax.

The items listed in divisions (3), (4), (5), and (6) of this subparagraph shall consist of the amounts actually collected from such sources during the preceding fiscal year calculated on a per capita basis on the unit provided for by law for the distribution of each such revenue.

2. The Transportation Supplement shall be equal to the average daily haul times the per capita allowance times the appropriate transportation factor.

- a. The average daily haul shall be the number of children in a district who are legally transported

and who live one and one-half (1 1/2) miles or more from school.

b. The per capita allowance shall be determined using the following chart:

DENSITY FIGURE	PER CAPITA ALLOWANCE	DENSITY FIGURE	PER CAPITA ALLOWANCE
.3000 - .3083	\$167.00	.9334 - .9599	\$99.00
.3084 - .3249	\$165.00	.9600 - .9866	\$97.00
.3250 - .3416	\$163.00	.9867 - 1.1071	\$95.00
.3417 - .3583	\$161.00	1.1072 - 1.3214	\$92.00
.3584 - .3749	\$158.00	1.3215 - 1.5357	\$90.00
.3750 - .3916	\$156.00	1.5358 - 1.7499	\$88.00
.3917 - .4083	\$154.00	1.7500 - 1.9642	\$86.00
.4084 - .4249	\$152.00	1.9643 - 2.1785	\$84.00
.4250 - .4416	\$150.00	2.1786 - 2.3928	\$81.00
.4417 - .4583	\$147.00	2.3929 - 2.6249	\$79.00
.4584 - .4749	\$145.00	2.6250 - 2.8749	\$77.00
.4750 - .4916	\$143.00	2.8750 - 3.1249	\$75.00
.4917 - .5083	\$141.00	3.1250 - 3.3749	\$73.00
.5084 - .5249	\$139.00	3.3750 - 3.6666	\$70.00
.5250 - .5416	\$136.00	3.6667 - 3.9999	\$68.00
.5417 - .5583	\$134.00	4.0000 - 4.3333	\$66.00
.5584 - .5749	\$132.00	4.3334 - 4.6666	\$64.00
.5750 - .5916	\$130.00	4.6667 - 4.9999	\$62.00
.5917 - .6133	\$128.00	5.0000 - 5.5000	\$59.00
.6134 - .6399	\$125.00	5.5001 - 6.0000	\$57.00
.6400 - .6666	\$123.00	6.0001 - 6.5000	\$55.00
.6667 - .6933	\$121.00	6.5001 - 7.0000	\$53.00
.6934 - .7199	\$119.00	7.0001 - 7.3333	\$51.00
.7200 - .7466	\$117.00	7.3334 - 7.6667	\$48.00
.7467 - .7733	\$114.00	7.6668 - 8.0000	\$46.00
.7734 - .7999	\$112.00	8.0001 - 8.3333	\$44.00
.8000 - .8266	\$110.00	8.3334 - 8.6667	\$42.00
.8267 - .8533	\$108.00	8.6668 - 9.0000	\$40.00
.8534 - .8799	\$106.00	9.0001 - 9.3333	\$37.00

.8800 - .9066	\$103.00	9.3334 - 9.6667	\$35.00
.9067 - .9333	\$101.00	9.6668 or more	\$33.00

c. The formula transportation factor shall be 1.39.

3. Salary Incentive Aid shall be determined as follows:

- a. Multiply the Incentive Aid guarantee by the district's highest weighted average daily membership based on the first nine (9) weeks of the current school year, the preceding school year or the second preceding school year of a school ~~year~~ district, as determined by the provisions of subsection A of Section ~~6~~ 18-201.1 of this ~~act~~ title and paragraphs 1, 2, 3 and 4 of subsection B of Section ~~6~~ 18-201.1 of this ~~act~~ title.
- b. Divide the district's adjusted assessed valuation of the current school year by one thousand (1,000) and subtract the quotient from the product of subparagraph a of this paragraph. The remainder shall not be less than zero (0).
- c. Multiply the number of mills levied for general fund purposes above the fifteen (15) mills required to support Foundation Aid pursuant to division (1) of subparagraph b of paragraph 1 of this subsection, not including the county four-mill levy, by the remainder of subparagraph b of this paragraph. The product shall be the Salary Incentive Aid of the district.

~~D.~~ E. By June 30, 1998, the State Department of Education shall develop and the Department and all school districts shall have implemented a student identification system which is consistent with the provisions of subsections C and D of Section 3111 of Title 74 of the Oklahoma Statutes. The student identification system shall be used specifically for the purpose of reporting enrollment data by school sites and by school districts, the administration of the Oklahoma School Testing Program Act, the collection of appropriate and necessary data pursuant to the Oklahoma Educational Indicators Program,

determining student enrollment, establishing a student mobility rate, allocation of the State Aid Formula and mid-year adjustments in funding for student growth. This enrollment data shall be submitted to the State Department of Education in accordance with rules promulgated by the State Board of Education. Funding for the development, implementation, personnel training and maintenance of the student identification system shall be set out in a separate line item in the allocation section of the appropriation bill for the State Board of Education for each year.

F. 1. In the event that ad valorem taxes of a school district are determined to be uncollectible because of bankruptcy, clerical error, or a successful tax protest, and the amount of such taxes deemed uncollectible exceeds Fifty Thousand Dollars (\$50,000.00) or an amount greater than twenty-five percent (25%) of ad valorem taxes per tax year, or the valuation of a district is lowered by order of the State Board of Equalization, the school district's State Aid, for the school year that such ad valorem taxes are calculated in the State Aid Formula, shall be determined by subtracting the net assessed valuation of the property upon which taxes were deemed uncollectible from the assessed valuation of the school district and the state. Upon request of the local board of education, it shall be the duty of the county assessor to certify to the Director of Finance of the State Department of Education the net assessed valuation of the property upon which taxes were determined uncollectible.

2. In the event that the amount of funds a school district receives for reimbursement from the Ad Valorem Reimbursement Fund is less than the amount of funds claimed for reimbursement by the school district due to insufficiency of funds as provided in Section 193 of Title 62 of the Oklahoma Statutes, then the school district's assessed valuation for the school year that such ad valorem reimbursement is calculated in the State Aid Formula shall be adjusted accordingly.

~~E.~~ G. Notwithstanding the provisions of Section 18-112.2 of ~~Title 70 of the Oklahoma Statutes~~ this title, a school district shall have its State Aid reduced by an amount equal to the amount

of carryover in the ~~district's~~ general fund of the district as of June 30 of the preceding fiscal year, that is in excess of the following standards:

Total Amount of General Fund Collections, Excluding Previous Year Cash Surplus as of June 30	Amount of General Fund Balance Allowable
Less than \$1,000,000	40%
\$1,000,000 - \$2,999,999	35%
\$3,000,000 - \$3,999,999	30%
\$4,000,000 - \$4,999,999	25%
\$5,000,000 - \$5,999,999	20%
\$6,000,000 - \$7,999,999	16%
\$8,000,000 - \$10,000,000	12%
More than \$10,000,000	8%

By February 1 the State Department of Education shall send by certified mail, with return receipt requested, to each School District Superintendent, Auditor and Regional Accreditation Officer a notice of and calculation sheet reflecting the general fund balance penalty to be assessed against that school district. Within thirty (30) days of receipt of this written notice the school district shall submit to the Department a written reply either accepting or protesting the penalty to be assessed against the district. If protesting, the school district shall submit with its reply the reasons for rejecting the calculations and documentation supporting those reasons. The Department shall review all school district penalty protest documentation and notify each district by March 15 of its finding and the final penalty to be assessed to each district. General fund balance penalties shall be assessed to all school districts by April 1. ~~For the 1996-97 school year, any~~ Any school district which receives proceeds from a tax settlement during the last two (2) months of the preceding fiscal year ~~ending June 30, 1996,~~ shall be exempt from the penalties assessed in this ~~paragraph~~

subsection, if the penalty would occur solely as a result of receiving funds from the tax settlement.

~~F.~~ H. In order to provide startup funds for the implementation of early childhood programs, State Aid may be advanced to school districts that initially start early childhood instruction at a school site. School districts that desire such advanced funding shall make application to the State Department of Education no later than September 15 of each year and advanced funding shall be awarded to the approved districts no later than October 30. ~~Such~~ The advanced funding shall not exceed ~~One Thousand One Hundred Forty-seven Dollars and sixty cents (\$1,147.60)~~ the per pupil amount of State Aid as calculated in subsection D of this section per anticipated Head Start eligible student. The total amount of advanced funding shall be proportionately reduced from the monthly payments of the district's State Aid payments during the last six (6) months of the same fiscal year.

~~G.~~ I. 1. Beginning July 1, 1996, the Oklahoma Tax Commission, notwithstanding any provision of law to the contrary, shall report monthly to the Oklahoma State Department of Education the monthly apportionment of the following information:

- a. the assessed valuation of property,
- b. ~~the proceeds of the county levy,~~
- ~~c.~~ motor vehicle collections,
- ~~d.~~ c. R.E.A. tax collected, and
- ~~e.~~ d. gross productions tax collected.

2. Beginning July 1, 1997, the State Auditor and Inspector's Office, notwithstanding any provision of law to the contrary, shall report monthly to the Oklahoma State Department of Education the monthly apportionment of the proceeds of the county levy.

3. Beginning July 1, 1996, the Commissioners of the Land Office, notwithstanding any provision of law to the contrary, shall report monthly to the State Department of Education the monthly apportionment of state apportionment.

~~3.~~ 4. Beginning July 1, 1997, the county treasurers offices, notwithstanding any provision of law to the contrary, shall report

monthly to the Oklahoma State Department of Education the ad  
valorem tax protest amounts for each county.

5. The information reported by the Tax Commission, the State Auditor and Inspector's Office, the county treasurers' offices and the Commissioners of the Land Office, pursuant to this subsection shall be reported by school district on forms developed by the State Department of Education.

SECTION 23. The salary level of certified instructional staff employed in the same school district in the 1996-97 school year shall not be reduced for the 1997-98 school year unless the hours or the duties of the employee are reduced proportionately.

SECTION 24. The amount of Two Hundred Three Thousand Four Hundred Dollars (\$203,400.00) of the funds allocated in Section 9 of this act for Administrative and Support Functions of the State Department of Education shall be available for continued implementation of an Oklahoma Cost Accounting System. Said System shall account for costs by curricular subject area for the 1991-92 and subsequent school years.

SECTION 25. The amount of Two Hundred Forty-seven Thousand Four Hundred Sixty-three Dollars (\$247,463.00) of the funds allocated in Section 9 of this act for Administrative and Support Functions of the State Department of Education shall be expended for the continued development of the criterion-referenced test as required by Section 1210.508 of Title 70 of the Oklahoma Statutes. Said funds shall be limited to expenditures incurred for the further development of a criterion-referenced test as adopted by the State Board of Education.

SECTION 26. The amount of Forty-eight Thousand Dollars (\$48,000.00) of the funds allocated in Section 9 of this act for Administrative and Support Functions of the State Department of Education shall be expended to ensure school district participation in the National Assessment of Educational Progress.

SECTION 27. The amount of Forty-eight Thousand One Hundred Five Dollars (\$48,105.00) of the funds allocated in Section 9 of this act for Administrative and Support Functions of the State Department of Education shall be available for contracting with

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the Oklahoma Alliance for Geographic Education to provide in-service training and material for geography instruction.

SECTION 28. The duties and compensation of employees, not otherwise prescribed by law, necessary to perform the duties imposed upon the State Department of Education by law shall be set by the State Board of Education. The State Department of Education for the fiscal year ending June 30, 1998, shall be subject to the following budgetary limitations on full-time-equivalent employees and expenditures excluding expenditures for capital and special projects, except as may be authorized pursuant to the provision of Section 3603 of Title 74 of the Oklahoma Statutes:

<u>Budgetary Limitation</u>	<u>Amount</u>
Full-time-equivalent Employees	536.0
Lease-Purchase Agreement	\$41,817.00

SECTION 29. Of the five hundred thirty-six (536.0) full-time-equivalent employees authorized in Section 28 of this act, four (4.0) shall be employed to provide services related to the Hisson Compliance Agreement.

SECTION 30. Of the five hundred thirty-six (536.0) full-time-equivalent employees authorized in Section 28 of this act, sixty-nine (69.0) shall be employed to provide services under the provisions of the Oklahoma Early Intervention Act. Prior to February 1, 1998, the Superintendent of Public Instruction shall file a report with the Education Oversight Board on the Oklahoma Early Intervention Program.

SECTION 31. Of the five hundred thirty-six (536.0) full-time-equivalent employees authorized in Section 28 of this act, three (3.0) shall be designated for the Parent Training Program as authorized in Section 12 of this act.

SECTION 32. Of the five hundred thirty-six (536.0) full-time-equivalent employees authorized in Section 28 of this act, seven (7.0) shall be employed to provide services under the provisions of the Oklahoma School Testing Program Act pursuant to the Provisions of Section 1210.508 of Title 70 of the Oklahoma Statutes.

SECTION 33. Of the five hundred thirty-six (536.0) full-time-equivalent employees authorized in Section 28 of this act, one (1.0) shall be designated as coordinator of support personnel concerns. Responsibilities of the coordinator shall include liaison with the Legislature, with organizations representing support personnel, and with the State Board of Education, and shall include dissemination of information to support personnel, including but not limited to retirement information.

SECTION 34. Of the five hundred thirty-six (536.0) full-time-equivalent employees authorized in Section 28 of this act, eleven (11.0) shall be designated for the State Aid Section of Financial Services. These designated full-time-equivalent employees shall be responsible for processing data and other functions directly associated with the student identification system as authorized in subsection E of Section 18-200.1 of Title 70 of the Oklahoma Statutes.

SECTION 35. State Aid funds shall be reduced or withheld by the State Board of Education in an amount necessary to require compliance with the provisions of this act.

SECTION 36. If funds appropriated in this act are not sufficient to fully fund the provisions of this act, each school district which qualifies for funds pursuant to the provisions of this act shall take a proportionate reduction of funds.

#### OKLAHOMA SCHOOL OF SCIENCE AND MATHEMATICS

SECTION 37. There is hereby appropriated to the Board of Trustees of the Oklahoma School of Science and Mathematics from any monies not otherwise appropriated from the General Revenue Fund of the State Treasury for the fiscal year ending June 30, 1998, the sum of Three Hundred Ninety Thousand One Hundred Seventy-three Dollars (\$390,173.00) or so much thereof as may be necessary for the duties imposed upon the Board of Trustees of the Oklahoma School of Science and Mathematics by law.

SECTION 38. Of the funds appropriated in Section 19 of Enrolled Senate Bill No. 160 of the 1st Session of the 46th Oklahoma Legislature and Section 37 of this act, the sum of Three Hundred Thousand Dollars (\$300,000.00) shall be expended for the

purpose of developing and offering pilot outreach programs in science and mathematics as directed in Section 1 of Enrolled Senate Bill No. 1 of the 1st Session of the 46th Oklahoma Legislature. Such appropriation shall be contingent upon the enactment of Enrolled Senate Bill No. 1 of the 1st Session of the 46th Oklahoma Legislature.

SECTION 39. For the fiscal year ending June 30, 1998, the Board of Trustees of the Oklahoma School of Science and Mathematics shall budget all funds in the following categories:

<u>Category</u>	<u>Appropriation</u>	<u>Total</u>
Statewide Enhancement in the Fields of Mathematics and Science	\$4,316,578.00	\$4,616,578.00

SECTION 40. The duties and compensation of employees, not otherwise prescribed by law, necessary to perform the duties imposed upon the Oklahoma School of Science and Mathematics by law shall be set by the Director. The salary of the Director shall not exceed Sixty-four Thousand Seven Hundred Forty-four Dollars (\$64,744.00) per annum, payable monthly for the fiscal year ending June 30, 1998. The Oklahoma School of Science and Mathematics for the fiscal year ending June 30, 1998, shall be subject to the following budgetary limitations on full-time-equivalent employees and expenditures excluding expenditures for capital and special projects, except as may be authorized pursuant to the provision of Section 3603 of Title 74 of the Oklahoma Statutes:

<u>Budgetary Limitation</u>	<u>Amount</u>
Full-time-equivalent Employees	51.0
Lease-Purchase Agreement	0.00

OKLAHOMA COMMISSION FOR TEACHER PREPARATION

SECTION 41. There is hereby appropriated to the Oklahoma Commission for Teacher Preparation from any monies not otherwise appropriated from the General Revenue Fund of the State Treasury for the fiscal year ending June 30, 1998, the sum of One Million Eight Hundred Twenty-one Thousand Four Hundred Eight Dollars (\$1,821,408.00) or so much thereof as may be necessary for the

duties imposed upon the Oklahoma Commission for Teacher Preparation by law.

SECTION 42. For the fiscal year ending June 30, 1998, the State Commission for Teacher Preparation shall budget all funds in the following categories:

<u>Category</u>	<u>Appropriation</u>	<u>Total</u>
Preparation and Profession		
Development of Teachers		
and Administrators	\$1,968,123.00	\$6,418,123.00

SECTION 43. The duties and compensation of employees, not otherwise prescribed by law, necessary to perform the duties imposed upon the Oklahoma Commission for Teacher Preparation by law shall be set by the Executive Director of the Oklahoma Commission for Teacher Preparation. The salary of the Executive Director shall not exceed Fifty-six Thousand Two Hundred Dollars (\$56,200.00) per annum, payable monthly for the fiscal year ending June 30, 1998. The Oklahoma Commission for Teacher Preparation for the fiscal year ending June 30, 1998, shall be subject to the following budgetary limitations on full-time-equivalent employees except as may be authorized pursuant to the provisions of Section 3603 of Title 74 of the Oklahoma Statutes:

<u>Budgetary Limitation</u>	<u>Amount</u>
Full-time-equivalent Employees	8.0
Lease-Purchase Agreement	\$67,000.00

COMMISSIONERS OF THE LAND OFFICE

SECTION 44. There is hereby appropriated to the Commissioners of the Land Office from any monies not otherwise appropriated from the Commissioners of the Land Office Fund of the State Treasury for the fiscal year ending June 30, 1998, the sum of One Hundred Ten Thousand Four Hundred Twenty Dollars (\$110,420.00) or so much thereof as may be necessary to perform the duties imposed upon the Commissioners of the Land Office by law.

SECTION 45. For the fiscal year ending June 30, 1998, the Commissioner of the Land Office shall budget all funds in the following categories:

<u>Category</u>	<u>Appropriation</u>	<u>Total</u>
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Financial	\$ 728,597.00	\$
781,571.00		
Minerals	717,649.00	
809,161.00		
Real Estate	912,633.00	
1,080,109.00		
Administration	<u>1,459,496.00</u>	
<u>1,543,534.00</u>		
TOTAL	\$3,818,375.00	\$4,214,375.00

SECTION 46. The duties and compensation of employees, not otherwise prescribed by law, necessary to perform the duties imposed upon the Commissioner of the Land Office by law shall be set by the Secretary of the Commission. The salary of the Secretary shall not exceed Sixty-four Thousand Seventy-six Dollars (\$64,076.00) per annum, payable monthly for the fiscal year ending June 30, 1998. The salary of the Assistant Secretary shall not exceed ninety percent (90%) of the Secretary's salary per annum, payable monthly for the fiscal year ending June 30, 1998. The Commissioner of the Land Office for the fiscal year ending June 30, 1998, shall be subject to the following budgetary limitations on full-time-equivalent employees and expenditures excluding expenditures for capital and special projects, except as may be authorized pursuant to the provisions of Section 3603 of Title 74 of the Oklahoma Statutes:

<u>Budgetary Limitation</u>	<u>Amount</u>
Full-time-equivalent Employees	62.5

STATE BOARD OF VOCATIONAL AND TECHNICAL EDUCATION

SECTION 47. There is hereby appropriated to the State Board of Vocational and Technical Education from any monies not otherwise appropriated from the General Revenue Fund of the State Treasury for the fiscal year ending June 30, 1998, the sum of Three Million One Hundred Eleven Thousand Nine Hundred Seventy-two Dollars (\$3,111,972.00) or so much thereof as may be necessary for the duties imposed upon the State Board of Vocational and Technical Education by law.

SECTION 48. There is hereby appropriated to the State Board of Vocational and Technical Education from any monies not otherwise appropriated from the proceeds of the sale of the bonds deposited in the Oklahoma Building Bonds of 1992 Fund B in the State Treasury, the sum of Four Million Seven Hundred Forty Thousand One Hundred Sixty-eight Dollars (\$4,740,168.00) or so much thereof as may be necessary for duties imposed upon the State Board of Vocational and Technical Education by law.

SECTION 49. Contingent upon the enactment of House Bill No. 1338 of the 1st Session of the 46th Oklahoma Legislature, there is hereby appropriated to the State Board of Vocational and Technical Education from any monies not otherwise appropriated from the General Revenue Fund of the State Treasury for the fiscal year ending June 30, 1995, the sum of Seven Hundred Twenty-four Thousand Five Hundred Eighty-one Dollars (\$724,581.00) or so much thereof as may be necessary for the purpose of making payments to vocational-technical school districts for protests of ad valorem taxes by railroads, air carriers, or public service corporations for 1994 and 1995.

SECTION 50. The funds appropriated in Section 49 of this act shall be allocated to eligible school districts by the State Board of Vocational and Technical Education for reimbursement to those area vocational-technical school districts for any general fund ad valorem taxes paid by railroads, air carriers or public service corporations which were not received by the area school district because of a protest being filed on 1994 and 1995 taxes. If the funds appropriated in this section are not sufficient to reimburse the full amount to each area vocational-technical school district for both years, the reimbursement amount to each area vocational-technical school district for the 1994 taxes shall be paid in full, then the reimbursement amount to each area vocational-technical school district for the 1995 taxes shall be proportionately reduced.

If an area vocational-technical school district receives reimbursement as provided for in this section and subsequently the monies held in ad valorem tax protest are released to that area

school district, upon notification of such act, the State Board of Vocational and Technical Education shall reduce the current year allocation of formula funding to that area vocational-technical school district by an amount equal to the amount released to the area school district. Provided, the amount of formula funding reduction shall not be greater than the reimbursement amount allocated to the school district. All amounts withheld from formula funding allocations shall be transferred to the General Revenue Fund.

The State Board of Vocational and Technical Education shall promulgate rules as necessary for administration of the provisions of this section.

SECTION 51. Beginning with the 1997-98 school year and for each year thereafter, the State Board of Vocational and Technical Education is hereby directed to make adjustments to the area vocational-technical school funding formula to take into consideration ad valorem tax funds.

SECTION 52. Contingent upon the enactment of Enrolled House Bill No. 1873 of the 1st Session of the 46th Oklahoma Legislature, there is hereby appropriated to the State Board of Vocational and Technical Education from any monies not otherwise appropriated from the General Revenue Fund of the State Treasury for the fiscal year ending June 30, 1995, the sum of One Million Sixty-three Thousand Two Hundred Seventy-nine Dollars (\$1,063,279.00) or so much thereof as may be necessary to meet the employee contributions requirements set forth in Section 1 of Enrolled House Bill No. 1873 of the 1st Session of the 46th Oklahoma Legislature, which amount shall be transferred to the Teachers' Retirement System of Oklahoma.

SECTION 53. REAPPROPRIATION The amount of One Million Dollars (\$1,000,000.00) of the original appropriation of One Million Eighty-four Thousand Twenty-nine Dollars (\$1,084,029.00), originally appropriated by Section 62, Chapter 262, O.S.L. 1994, and reappropriated in Section 49, Chapter 277, O.S.L. 1996, from the proceeds of the sale of bonds deposited in the Oklahoma Building Bonds of 1992 Fund (A) in the State Treasury, is hereby

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reappropriated to the State Board of Vocational and Technical Education for the original purpose, less expenditures and encumbrances as adjusted by transfer on July 1, 1997.

SECTION 54. For the fiscal year ending June 30, 1998, the State Board of Vocational and Technical Education shall budget all funds in the following categories:

<u>Category</u>	<u>Appropriation</u>	<u>Total</u>
Business/Industry/Adult Education	\$ 15,843,366.00	
		\$18,392,597.00
Local Schools Support	73,598,429.00	
		101,777,456.00
Central Services	12,285,845.00	
		21,336,549.00
Inmate and Skills Centers	<u>4,089,475.00</u>	
		<u>7,633,398.00</u>
TOTAL	\$105,817,115.00	
		\$149,140,000.00

SECTION 55. The duties and compensation of employees, not otherwise prescribed by law, necessary to perform the duties imposed upon the State Department of Vocational and Technical Education by law shall be set by the Board. The salary of the Director of the State Department of Vocational and Technical Education shall not exceed Eighty-three Thousand Eight Hundred sixty-two Dollars (\$83,862.00) per annum, payable monthly for the fiscal year ending June 30, 1998. The State Department of Vocational and Technical Education for the fiscal year ending June 30, 1998, shall be subject to the following budgetary limitations on full-time-equivalent employees and expenditures excluding expenditures for capital and special projects, except as may be authorized pursuant to the provisions of Section 3603 of Title 74 of the Oklahoma Statutes:

<u>Budgetary Limitation</u>	<u>Amount</u>
Full-time-equivalent Employees	460.0
Lease-Purchase Agreement	0.00

SECTION 56. A. Of the amount appropriated in Section 47 of this act the Oklahoma Department of Vocational and Technical Education shall provide grants in amounts not less than Four Thousand Dollars (\$4,000.00) and not more than Nine Thousand Dollars (\$9,000.00) in increments of Four Hundred Sixty Dollars (\$460.00) according to the formula adopted by the Oklahoma Department of Vocational and Technical Education for each vocational education teacher program approved for reimbursement by the Oklahoma Department of Vocational and Technical Education.

B. The salary of a vocational education teacher shall be calculated, subject to the approval of the Oklahoma Department of Vocational and Technical Education, on the basis of the months for which the teacher is actually employed, but shall not exceed two (2) months in addition to the school year as defined in Section 1-109 of Title 70 of the Oklahoma Statutes. For each additional month such teacher is employed, the additional salary shall be calculated on the basis of one-tenth (1/10) of the base salary prescribed by the school district for a teacher of equal qualifications employed on a ten-month basis.

SECTION 57. Any monies allocated for the Opportunities Industrialization Center program shall be distributed on a performance-based contract submitted by the Opportunities Industrialization Center to the Director of the Oklahoma Department of Vocational and Technical Education. The Opportunities Industrialization Center shall be responsible for submitting financial reports on a monthly basis to the Oklahoma Department of Vocational and Technical Education for verification prior to the disbursement of the funds.

SECTION 58. Except as otherwise provided by law, appropriations made by this act, not including appropriations made for capital outlay purposes, may be budgeted for the fiscal year ending June 30, 1998 (hereinafter FY-98), or may be budgeted for the fiscal year ending June 30, 1999 (hereinafter FY-99). Funds budgeted for FY-98 may be encumbered only through June 30, 1998, and must be expended by November 15, 1998. Any funds remaining after November 15, 1998, and not budgeted for FY-99, shall lapse

to the credit of the proper fund for the then current fiscal year. Funds budgeted for FY-99 may be encumbered only through June 30, 1999. Any funds remaining after November 15, 1999, shall lapse to the credit of the proper fund for the then current fiscal year. These appropriations may not be budgeted in both fiscal years simultaneously. Funds budgeted in FY-98, and not required to pay obligations for that fiscal year, may be budgeted for FY-99, after the agency has prepared and submitted a budget work program and after such revision has been approved by the Office of State Finance.

SECTION 59. The appropriations and authorization made by Section 1 of this act for financial support of public schools shall become effective August 1, 1997.

SECTION 60. Sections 2 through 58 of this act shall become effective July 1, 1997.

SECTION 61. It being immediately necessary for the preservation of the public peace, health and safety, an emergency is hereby declared to exist, by reason whereof this act shall take effect and be in full force from and after its passage and approval.

46-1-10192          PC