ENGROSSED SENATE AMENDMENT
TO
ENGROSSED HOUSE
BILL NO. 2165

By: Benge and Newport of the House

and

Crutchfield and Rabon of the Senate

(education – appropriations - Teachers' Retirement System - budgeting procedures - effective date – emergency)

AUTHOR: Add the following Senate Coauthor: Lawler

AMENDMENT NO. 1. Page 1, strike the stricken title, enacting clause and entire bill and insert

"An Act relating to education; making appropriations; stating purposes; authorizing certain expenditures for certain purposes; specifying the apportionment of certain funds which were appropriated; requiring the development of certain performance measures; providing for the budgeting of funds in certain categories and amounts; providing that certain allocated funds be made available on a statewide competitive application basis; providing exceptions; providing salary increase for certified employees; directing allocation; providing exceptions; specifying certain payments; providing for disbursement of funds; requiring salary increase for support personnel; specifying amounts; specifying conditions; making exception; specifying certain payments; requiring the transfer of funds to the Teachers' Retirement System of Oklahoma for the Teacher Retirement Credit; requiring funds allocated for the Virtual Internet School in Oklahoma Network (VISION) Act to be used for certain purposes; stating purposes for funds allocated for the Parent Training Program; stating purpose for funds allocated for the Advanced Placement Program; limiting funding for administrative costs; stating purposes for funds allocated for Alternative and High Challenge Education; requiring certain funds be allocated on a competitive application basis; prohibiting reduction in services and number of students in certain circumstances; specifying purposes for funds allocated for Staff Development; authorizing use of funds for school districts for certain purpose; requiring certain apportionment of funds allocated for Instructional, Cooperative and Technological

Education; requiring funds allocated for the funding of Community Education Grants to be expended on a contractual basis to certain consortium groups for certain purposes; requiring transfer of Early Intervention Funds; stating intent regarding cost reimbursement for indirect administrative costs in the Oklahoma Early Intervention Act; requiring funds allocated for Education Leadership Oklahoma to be transferred and expended for certain purposes; requiring funds allocated for the Oklahoma Ambassador of Teaching to be used for certain purposes; requiring transfer of funds to the Charter Schools Incentive Fund; requiring transfer of funds to the School Consolidation Assistance Fund; requiring transfer of funds to the Teachers' Retirement System Dedicated Revenue Revolving Fund; requiring expenditure of funds on certain Mathematics Laboratories programs; requiring expenditure of funds on certain Academic Achievement Awards programs; directing State Board of Education to establish Early Childhood Initiative Pilot Program; specifying funding; requiring minimum match donation; providing program guidelines; requiring expenditure of funds on certain student tracking programs; requiring funds allocated for Administrative and Support Functions of the State Department of Education to be expended for certain purposes; stating legislative intent; providing for minimum funding levels; prohibiting use of certain funds for employee salaries; requiring certain funds allocated for Administrative and Support Functions of the State Department of Education to be transferred to the Legislative Service Bureau; authorizing the employment of an independent consultant; providing for duties and compensation of employees of the State Department of Education; providing budgetary limitations; providing designations for the State Department of Education's full-time-equivalent employees; providing for responsibilities of certain designated employees of the Department; requiring the reduction or withholding of State Aid funds for certain purposes; authorizing the State Board of Education to request certain transfer of funds; providing for certain proportional reduction of funds; requiring budgeting of certain funds in certain years; providing lapse dates; requiring certain budgeting procedures; prohibiting certain budgeting procedures; providing an effective date; and declaring an emergency.

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

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, 2007, the sum of One Billion One Hundred Ninety-five Million Seven Hundred Eighty-five Thousand Eight Hundred Thirty-

seven Dollars ($1,195,785,837.00) 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 Education Reform Revolving Fund created in Section 41.29b of Title 62 of the Oklahoma Statutes, the sum of Five Hundred Eighteen Million Four Hundred Thousand Eight Hundred Forty-eight Dollars ($518,400,848.00) or so much thereof as may be necessary for the financial support of public schools.

SECTION 3. The State Board of Education is hereby authorized to expend during the fiscal year ending June 30, 2007, from the Common Education Technology Revolving Fund of the State Treasury, the sum of Forty-five Million Seven Thousand Dollars ($45,007,000.00) or so much thereof as may be necessary for the financial support of public schools.

SECTION 4. There is hereby appropriated to the State Board of Education, from any monies not otherwise appropriated from the Mineral Leasing Fund of the State Treasury for the fiscal year ending June 30, 2007, the sum of Four Million Five Hundred Sixty Thousand Dollars ($4,560,000.00) or so much thereof as may be necessary for the financial support of public schools.

SECTION 5. There is hereby appropriated to the State Board of Education, from any monies not otherwise appropriated from the Mineral Leasing Fund of the State Treasury for the fiscal year ending June 30, 2005, the sum of Two Million Eight Hundred Forty-three Thousand Seven Hundred Thirty-three Dollars ($2,843,733.00) or so much thereof as may be necessary for the financial support of public schools.

SECTION 6. The State Board of Education is hereby authorized to expend during the fiscal year ending June 30, 2007, from the Oklahoma Education Lottery Trust Fund of the State Treasury for the fiscal year ending June 30, 2007, the sum of Fifty-two Million Nine

Hundred Eighty Thousand Seventy-five Dollars ($52,980,075.00) or so much thereof as may be necessary for Certified Employee Salary Increases for the fiscal year ending June 30, 2007, in the support of public school activities.

SECTION 7. 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, 2007, the sum of Four Hundred Eighty-one Million Eight Hundred Eighty-four Thousand Five Hundred Forty-five Dollars ($481,884,545.00) or so much thereof as may be necessary for the support of public school activities.

SECTION 8. There is hereby appropriated to the State Board of Education from any monies not otherwise appropriated from the Special Cash Fund of the State Treasury the sum of Thirty-three Million Dollars ($33,000,000.00) or so much thereof as may be necessary for the purchase of textbooks.

SECTION 9. 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, 2007, the sum of Twenty-two Million Seven Hundred Twenty-nine Thousand Two Hundred Twenty Dollars ($22,729,220.00) or so much thereof as may be necessary for Administrative and Support Functions of the State Department of Education.

SECTION 10. There is hereby appropriated to the State Board of Education from any monies not otherwise appropriated from the Oklahoma Education Lottery Trust Fund of the State Treasury for the fiscal year ending June 30, 2007, the sum of Five Million Eight Hundred Eighty-six Thousand Six Hundred Seventy-five Dollars ($5,886,675.00) or so much thereof as may be necessary for transfer to the School Consolidation Assistance Fund.

SECTION 11. There is hereby appropriated to the State Board of Education from any monies not otherwise appropriated from the

Oklahoma Education Lottery Trust Fund of the State Treasury for the fiscal year ending June 30, 2007, the sum of Five Million Eight Hundred Eighty-six Thousand Six Hundred Seventy-five Dollars ($5,886,675.00) or so much thereof as may be necessary for transfer to the Teachers' Retirement System Dedicated Revenue Revolving Fund.

SECTION 12. Beginning July 1, 2006, the support of public school activities by the State Board of Education payable from monies appropriated and authorized by Sections 1 through 9 of this act shall be apportioned as follows:

1. Funds appropriated and authorized by Sections 1 through 5 of this act:

Local and State-supported Financial Support
of Public Schools.....$1,766,597,418.00

SUBTOTAL, PARAGRAPH 1.....$1,766,597,418.00

2. Funds appropriated by Sections 6 through 8 of this act:

Certified Employee Salary Increase.....$137,652,000.00

Support Employee Salary Increase.....$18,750,000.00

Certified Employee Health Benefit
Allowance.....$158,399,545.00

Support Personnel Health Benefit
Allowance.....$85,119,230.00

Teachers' Retirement Credit.....$35,311,375.00

Education Leadership Oklahoma.....$18,927,807.00

Mentor Teacher Stipends.....$3,119,326.00

Staff Development.....$16,280,174.00

Purchase of Textbooks and
Instructional Materials.....$33,000,000.00

Alternative and High Challenge
Education.....$21,529,981.00

Early Intervention.....$15,889,532.00

Early Childhood Initiative.....$5,000,000.00

Parent Training Program.....$3,752,612.00

Advanced Placement Incentives.....$3,111,169.00

Middle School Mathematics

Laboratories.....$2,000,000.00

School Lunch Matching.....$4,170,422.00

School Lunch Programs.....$359,000.00

Academic Achievement Awards.....$500,000.00

Student Tracking and Reporting

Pilot Program.....$800,000.00

Charter Schools Incentive Fund.....$150,000.00

Adult Education Matching.....$2,315,297.00

Driver Education.....$442,547.00

Instructional, Cooperative and

Technological Education.....$507,083.00

Summer Arts Institute.....$447,076.00

School/Community Network for

Arts-in-Education.....$113,379.00

AG in the Classroom.....$43,788.00

Community Education Grants.....$40,000.00

Oklahoma Ambassador of Teaching.....$33,277.00

Vision Project.....$100,000.00

SUBTOTAL, PARAGRAPH 2.....$567,864,620.00

3. Funds appropriated by Section 9 of this act:

Administrative and Support Functions of the

State Department of Education.....$22,729,220.00

SUBTOTAL, PARAGRAPH 3.....$22,729,220.00

TOTAL State School Aid, Programs and

Administration..... $2,357,191,258.00

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

SECTION 13. For the fiscal year ending June 30, 2007, the State Board of Education shall budget all funds in the following categories and amounts:

Category	Total
Payroll, Salaries or Wages, Including Tax-sheltered Deferment Contracts and Longevity Payments Authorized by State Statutes	$15,282,231.00
Professional and Personal Services Contracts	66,780,811.00
Purchase of Equipment	2,271,000.00
Lease-Purchase Agreements	500,000.00
Expenditure of Federal Funds	473,036,130.00
TOTAL	$3,138,217,043.00

SECTION 14. Funds allocated in Section 12 of this act, except for local and state-supported Financial Support of Public Schools, Certified Employee Salary Increase, Support Employee Salary Increase, Purchase of Textbooks and Instructional Materials, Staff Development, Teacher Retirement Credit, Certified Employee and Support Personnel Health Benefit Allowances, School Lunch Matching, School Lunch Programs, Adult Education Matching, Driver Education, Early Intervention, Early Childhood Initiative, Alternative and High Challenge Education, and Administrative and Support Functions shall be made available on a statewide competitive application basis.

SECTION 15. The funds allocated in Section 12 of this act for Certified Employee Salary Increase shall be allocated to increase the salary level of state-paid certified personnel employed by local school districts during the 2005-06 school year by Three Thousand Dollars ($3,000.00) for the 2006-07 school year, unless the hours or duties of the employees are reduced proportionately. For certified personnel whose salary is funded partially by federal funds, the salary increase provided for in this section shall be prorated based on the percentage of the salary that is state funded. For certified personnel who are employed for less than a full six-hour school day by any one or more school districts, the salary increase provided

for in this section shall be prorated based on the number of hours worked by the certified employee. The increased salary level of Three Thousand Dollars ($3,000.00) shall include the employer contribution to retirement pursuant to Section 17-108.1 of Title 70 of the Oklahoma Statutes and the employer Federal Insurance Contributions Act (F.I.C.A) payments attributable to the salary increase provided for in this section. The State Department of Education shall disburse these monies to local school districts on a monthly basis beginning August 1, 2006.

SECTION 16. Effective October 1, 2006, each school district shall provide to every support employee a wage increase over the base amount the employee earned during the 2005-2006 school year if the support employee is employed by the same school district for the 2006-2007 school year according to the following schedule:

1. Support employees employed on a full-time basis shall receive Eighty Dollars ($80.00) per month;

2. Support employees employed for a minimum of four (4) hours per day shall receive Forty Dollars ($40.00) per month; and

3. Support employees employed for a minimum of two (2) hours per day shall receive Twenty Dollars ($20.00) per month.

The increase prescribed by this section shall be in addition to any other compensation and fringe benefits provided by the district, or mandated by law or collective bargaining agreement, unless the hours or duties of the support employee are reduced proportionately, and shall include the employers contribution to retirement pursuant to Section 17-108.1 of Title 70 of the Oklahoma Statutes and the employer Federal Insurance Contribution Act (FICA) payments attributable to the salary increases provided in this section.

SECTION 17. The funds allocated in Section 12 of this act specifically for the purpose of funding the Teacher Retirement Credit shall be transferred to the Teachers' Retirement System of Oklahoma.

SECTION 18. Of the funds allocated in Section 12 of this act, One Hundred Thousand Dollars ($100,000.00) shall be expended to implement the provisions of the Virtual Internet School in Oklahoma Network (VISION) Act, which provides for the establishment of the Virtual Internet School in Oklahoma Network Pilot Program.

SECTION 19. The funds allocated in Section 12 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:

1. Sixty-five Thousand Three Hundred Thirty-six Dollars ($65,336.00) 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;

2. Three Million Five Hundred One Thousand Nine Hundred Sixty-seven Dollars ($3,501,967.00) shall be expended for the continuation and expansion of the Oklahoma Parents as Teachers Program;

3. Sixteen Thousand Three Hundred Thirty-four Dollars ($16,334.00) shall be expended for program evaluation conducted by the Oklahoma Technical Assistance Center;

4. One Hundred Thirty-one Thousand Three Hundred Fourteen Dollars ($131,314.00) shall be expended for the establishment of the Oklahoma Parents as Teachers Program in public housing projects; and

5. Thirty-seven Thousand Six Hundred Sixty-one Dollars ($37,661.00) shall be expended for the early childhood technical assistance and field operations provided by the State Department of Education.

SECTION 20. The funds allocated in Section 12 of this act for the Advanced Placement Incentives shall be used for one-time equipment or materials, grants, subsidized training, school incentives, exam fee reimbursement, and administrative costs. Funds for administrative costs shall not exceed Forty-eight Thousand One Hundred Forty-eight Dollars ($48,148.00).

SECTION 21. The funds allocated in Section 12 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 Twenty-one Million Five Hundred Twenty-nine Thousand Nine Hundred Eighty-one Dollars ($21,529,981.00) shall be expended to meet the provisions of the statewide system of alternative education programs created as directed by Section 1210.568 of Title 70 of the Oklahoma Statutes. The funds shall be expended as follows:

1. Nineteen Million Five Hundred Eighty-one Thousand One Hundred Dollars ($19,581,100.00) for programs;

2. Nine Hundred Forty Thousand Sixty-five Dollars ($940,065.00) 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;

3. One Hundred Seventy-five Thousand Eighty-five Dollars ($175,085.00) for an arts component; and

4. Seventy-two Thousand Six Hundred Sixty Dollars ($72,660.00) for the salaries, benefits and administrative costs incurred by the State Board of Education in administering the Alternative Education Programs 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. Salary increases provided to certified or noncertified personnel within a school district shall be made without a reduction in the services provided or number of students served in the district's alternative education statewide academy programs.

SECTION 22. The funds allocated in Section 12 of this act for Staff Development shall be expended for teacher training, in-service teacher education and staff development plans as follows:

1. Seven Hundred Seventy-one Thousand Seven Hundred Fifty-six Dollars ($771,756.00) for scholarships to the Great Expectations Summer Institutes for Teachers offered by an institution within The Oklahoma State System of Higher Education pursuant to the provisions of Section 6-194.2 of Title 70 of the Oklahoma Statutes;

2. Two Million Five Hundred Twenty-nine Thousand Nine Hundred Seventy-eight Dollars ($2,529,978.00) shall be transferred to the Professional Development Institutes Revolving Fund created in Section 6-204.5 of Title 70 of the Oklahoma Statutes 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 6-200 of Title 70 of the Oklahoma Statutes;

3. Seven Million One Hundred Three Thousand Four Hundred Four Dollars ($7,103,404.00) for costs associated with multiple ongoing assessments and remediation as provided in Section 1210.508D of Title 70 of the Oklahoma Statutes;

4. Nine Hundred Seventy-seven Thousand Seven Hundred Sixty-two Dollars ($977,762.00) for a comprehensive professional development program for teachers and other school personnel on neurodevelopmentally based student learning differences. The program shall provide research-based knowledge and skills training to help educators recognize, understand and manage students with differences in learning. The Board shall select a public, private, or nonprofit provider on a competitive bid basis to conduct the program;

5. Four Hundred Six Thousand Five Hundred Forty-four Dollars ($406,544.00) to continue research-based professional development for teachers through the Oklahoma Technical Assistance Center;

6. One Hundred Sixty-three Thousand Seven Hundred Eighty-five Dollars ($163,785.00) for the purpose of expanding the number of elementary schools which utilize the Oklahoma A+ Schools Art Program offered through an institution within The Oklahoma State System of Higher Education; and

7. Two Million Dollars ($2,000,000.00) for the purpose of implementing the Mathematics Improvement Program offered through the State Board of Education pursuant to the provisions of Section 6-207 of Title 70 of the Oklahoma Statutes.

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 23. The funds allocated in Section 12 of this act for Instructional, Cooperative and Technological Education shall be apportioned as follows:

1. Two Hundred Forty-five Thousand Eight Hundred Fifty-four Dollars ($245,854.00) for Small School Cooperatives 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 Thirty-seven Thousand Five Hundred Dollars ($237,500.00) may be used for telecommunications and other purposes as determined by the State Department of Education. No cooperative program shall receive more than a total of Fifty-seven Thousand Dollars ($57,000.00) 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;

2. Forty-eight Thousand Eight Hundred Ninety-four Dollars ($48,894.00) 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;

3. Forty-six Thousand Seven Hundred Twenty-eight Dollars ($46,728.00) shall be expended on a contractual basis for the Oklahoma Science and Engineering Fair;

4. One Hundred Thirty Thousand Five Hundred Ninety Dollars ($130,590.00) shall be awarded to independent school districts which meet the average daily attendance required to obtain a small school incentive grant pursuant to Section 18-125 of Title 70 of the Oklahoma Statutes for costs incurred for expanding the number of grades; and

5. Thirty-five Thousand Seventeen Dollars ($35,017.00) shall be awarded to a nonprofit arts center located in Oklahoma that has been selected by the John F. Kennedy Performing Arts Center for a Special Educator Professional Development Program. The State Board of Education shall give priority to any arts center which received funding in the prior year if the operations of the arts center are deemed satisfactory by the Board.

SECTION 24. The funds allocated in Section 12 of this act for Community Education Grants 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 25. The funds allocated in Section 12 of this act for Early Intervention shall be transferred to the fund designated

within the Office of State Finance as the Early Intervention Fund 250. It is the intent of the Legislature that funding available for SoonerStart Early Intervention Services be applied to the provision of direct services to eligible infants, toddlers and their families. The Oklahoma State Department of Education is specifically prohibited from contracting for, paying or reimbursing administrative cost recovery personnel, accounting, and management information system costs, maintenance and operations at the state or local level or indirect costs which fail to comply with the requirements of Section 13-125 of Title 70 of the Oklahoma Statutes.

SECTION 26. The funds allocated in Section 12 of this act specifically for the purpose of funding Education Leadership Oklahoma shall be expended as follows:

1. One Million Two Hundred Five Thousand Three Hundred Seven Dollars ($1,205,307.00) shall be transferred to the Education Leadership Oklahoma Revolving Fund created in Section 6-204.3 of Title 70 of the Oklahoma Statutes and shall be expended for the purpose of providing assistance with test application fees; and

2. Seventeen Million Seven Hundred Twenty-two Thousand Five Hundred Dollars ($17,722,500.00) shall be transferred to the Oklahoma National Board Certification Revolving Fund created in Section 6-204.4 of Title 70 of the Oklahoma Statutes for the purpose of awarding annual bonuses and paying FICA as directed and required by law.

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 27. Funds allocated in Section 12 of this act for the 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 28. The funds allocated in Section 12 of this act for the Charter Schools Incentive Fund shall be transferred to the Charter Schools Incentive Fund for use pursuant to the provisions of Section 3-144 of Title 70 of the Oklahoma Statutes.

SECTION 29. The funds appropriated in Section 10 of this act in the amount of Five Million Eight Hundred Eighty-six Thousand Six Hundred Seventy-five Dollars ($5,886,675.00) shall be transferred to the School Consolidation Assistance Fund.

SECTION 30. The funds appropriated in Section 11 of this act in the amount of Five Million Eight Hundred Eighty-six Thousand Six Hundred Seventy-five Dollars ($5,886,675.00) shall be transferred to the Teachers' Retirement System Dedicated Revenue Revolving Fund.

SECTION 31. The funds allocated in Section 12 of this act for Middle School Mathematics Laboratories shall be expended for the purpose of funding Middle School Mathematics Laboratories offered through the State Board of Education pursuant to the provisions of Section 1210.558 of Title 70 of the Oklahoma Statutes.

SECTION 32. The funds allocated in Section 12 of this act for Academic Achievement Awards shall be expended for the purpose of funding awards pursuant to the provisions of Section 3-152.1 of Title 70 of the Oklahoma Statutes.

SECTION 33. Funds allocated in Section 12 of this act for the Early Childhood Initiative shall be used by the State Board of Education to establish a pilot program for early childhood education with Five Million Dollars ($5,000,000.00) in state funds that is matched on a two-to-one basis with donations from the private sector. The private donations shall consist of a minimum of Ten Million Dollars ($10,000,000.00), and may consist of more. The program shall serve at-risk children in at least one urban area and one rural area.

SECTION 34. The funds allocated in Section 12 of this act for the Student Tracking and Reporting Pilot Program shall be expended for the purpose of funding the Student Tracking and Reporting Pilot Program pursuant to the provisions of Section 3-161 of Title 70 of the Oklahoma Statutes.

SECTION 35. The amount of Five Million Dollars ($5,000,000.00) of the funds allocated in Section 12 of this act for Administrative and Support Functions of the State Department of Education shall be used for test development and technology planning pursuant to the Achieving Classroom Excellence Act.

SECTION 36. The amount of One Hundred Seventy-eight Thousand Sixty-two Dollars ($178,062.00) of the funds allocated in Section 12 of this act for Administrative and Support Functions of the State Department of Education shall be available for continued implementation of the Oklahoma Cost Accounting System. Said System shall account for costs by curricular subject area for the 1991-92 and subsequent school years.

SECTION 37. The amount of Forty-four Thousand Two Hundred Thirty-two Dollars ($44,232.00) of the funds allocated in Section 12 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 38. The amount of Two Hundred Twenty-six Thousand Four Hundred Thirteen Dollars ($226,413.00) of the funds allocated in Section 12 of this act for Administrative and Support Functions of the State Department of Education shall be available for contracting with the Oklahoma Alliance for Geographic Education to provide in-service training and material for geography instruction.

SECTION 39. The amount of Three Hundred Six Thousand Eight Hundred Sixty Dollars ($306,860.00) of the funds allocated in Section 12 of this act for Administrative and Support Functions of the State Department of Education shall be used for reimbursement

for costs associated with the Eighth Grade Reading Test pursuant to the provisions of Section 1210.515 of Title 70 of the Oklahoma Statutes.

SECTION 40. It is the intent of the Legislature that the State Board of Education provide funding to the North Central Accreditation office located in the State Department of Education from the funds allocated for the Administrative and Support Functions of the State Department of Education. The amount of funding shall be sufficient to fund two (2) full-time-equivalent employees, to provide office space, to support all of the daily operations of the office, and to allow the office to fully function and perform its duties during the fiscal year ending June 30, 2007. North Central Subvention Funds shall not be used for employee salaries.

SECTION 41. Of the funds appropriated in Section 9 of this act and allocated in Section 12 of this act for Administrative and Support Functions of the State Department of Education, the sum of Thirty Thousand Dollars ($30,000.00) shall be transferred to the Legislative Service Bureau to contract with an independent consultant as part of the study of the Task Force on School District Administrative Efficiency as authorized in Section 1 of Enrolled House Bill No. 1021 of the 1st Session of the 50th Oklahoma Legislature.

SECTION 42. Of the funds appropriated in Section 9 of this act and allocated in Section 12 of this act for Administrative and Support Functions of the State Department of Education, the sum of Two Million Five Hundred Forty-three Thousand Six Hundred Fifty-four Dollars ($2,543,654.00) shall be expended for the purpose of implementing a student identification system pursuant to the provisions of Section 18-200.1 of Title 70 of the Oklahoma Statutes.

SECTION 43. Of the funds appropriated in Section 9 of this act and allocated in Section 12 of this act for Administrative and

Support Functions of the State Department of Education, the sum of Fifty Thousand Dollars ($50,000.00) shall be expended by the State Department of Education to provide for training for local district school board members pursuant to the provisions of Sections 5-110 and 5-110.1 of Title 70 of the Oklahoma Statutes.

SECTION 44. 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, 2007, 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:

Budgetary Limitation	Amount
Full-time-equivalent Employees	400.0

SECTION 45. Of the four hundred (400.0) full-time-equivalent employees authorized in Section 44 of this act, ninety-eight (98.0) shall be employed to provide services under the provisions of the Oklahoma Early Intervention Act. Prior to February 1, 2007, the Superintendent of Public Instruction shall file a report with the Education Oversight Board on the Oklahoma Early Intervention Program.

SECTION 46. Of the four hundred (400.0) full-time-equivalent employees authorized in Section 44 of this act, three (3.0) shall be designated for the Parent Training Program as authorized in Section 19 of this act.

SECTION 47. Of the four hundred (400.0) full-time-equivalent employees authorized in Section 44 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 48. Of the four hundred (400.0) full-time-equivalent employees authorized in Section 44 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 49. Of the four hundred (400.0) full-time-equivalent employees authorized in Section 44 of this act, eleven (11.0) shall be designated for the State Aid Section of Financial Services.

SECTION 50. 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 51. The State Board of Education is authorized to request the Office of State Finance to transfer appropriated funds to the appropriate dispensing fund.

SECTION 52. If funds appropriated in this act are not sufficient to fully fund the provisions of this act, each school district which qualifies for funds, excluding Financial Support of Schools, pursuant to the provisions of this act shall take a proportionate reduction.

SECTION 53. Appropriations made by this act, not including appropriations made for capital outlay purposes, may be budgeted for the fiscal year ending June 30, 2007 (hereafter FY-07), or may be budgeted for the fiscal year ending June 30, 2008 (hereafter FY-08). Funds budgeted for FY-07 may be encumbered only through June 30, 2007, and must be expended by November 15, 2007. Any funds remaining after November 15, 2007, and not budgeted for FY-08, shall lapse to the credit of the proper fund for the then current fiscal year. Funds budgeted for FY-08 may be encumbered only through June 30, 2008. Any funds remaining after November 15, 2008, 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-07, and not required to pay obligations for that fiscal year, may be budgeted for FY-08, after the agency to which the funds have been appropriated has prepared and submitted a budget work program revision removing these funds from the FY-07 budget work program and after such revision has been approved by the Office of State Finance.

SECTION 54. This act shall become effective July 1, 2006.

SECTION 55. 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."

Passed the Senate the 29th day of March, 2006.

_____
Presiding Officer of the Senate

Passed the House of Representatives the ____ day of _____, 2006.

_____
Presiding Officer of the House
of Representatives