

ENROLLED HOUSE
BILL NO. 1020

By: Bengé, Newport and
Deutschendorf of the House

and

Morgan and Crutchfield of
the Senate

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; 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; amending 70 O.S. 2001, Section 1210.508D, which relates to Reading Sufficiency Act funding; providing for reimbursement for summer reading remediation programs; requiring teachers to have certain professional development training; requiring certain apportionment of funds allocated for Instructional, Cooperative and Technological Education; requiring funds to be awarded to certain nonprofit arts centers; giving priority to certain arts centers; 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; requiring expenditure of funds on certain student tracking programs; requiring the Oklahoma Cost Accounting System to account for costs by curricular subject area; 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; stating legislative intent that certain new funds be utilized 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, 2006, the sum of One Billion One Hundred Seventy-six Million Seven Hundred Eighty-one Thousand Ten Dollars (\$1,176,781,010.00) 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 Four Hundred Seventy Million Six Hundred Ninety-five Thousand Twenty-eight Dollars (\$470,695,028.00) 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, 2006, from the

Oklahoma Education Lottery Trust Fund of the State Treasury, the sum of Twenty-eight Million Twenty-two Thousand One Hundred Thirty-nine Dollars (\$28,022,139.00) or so much thereof as may be necessary for the financial support of public schools.

SECTION 4. The State Board of Education is hereby authorized to expend during the fiscal year ending June 30, 2006, from the Common Education Technology Revolving Fund of the State Treasury, the sum of Sixty-three Million Three Hundred Eighteen Thousand Six Hundred Forty-seven Dollars (\$63,318,647.00) 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, 2006, the sum of Two Million Nine Hundred Forty-five Thousand Dollars (\$2,945,000.00) or so much thereof as may be necessary for the financial support of public schools.

SECTION 6. 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, 2004, the sum of Two Million Two Hundred Twenty-two Thousand Five Hundred Ninety-four Dollars (\$2,222,594.00) or so much thereof as may be necessary for the financial support of public schools.

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, 2006, the sum of Three Hundred Fifty-one Million Nine Hundred Twenty-two Thousand Six Hundred Seventy Dollars (\$351,922,670.00) 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 "Jobs and Growth Tax Relief Fund" otherwise designated as Fund 720 within the Office of State Finance, 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, 2006, the sum of Seventeen Million Seven Hundred Twenty-nine Thousand Two Hundred Twenty Dollars (\$17,729,220.00) 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, the sum of Three Million One Hundred Thirteen Thousand Five Hundred Seventy-one Dollars (\$3,113,571.00) 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, the sum

of Three Million One Hundred Thirteen Thousand Five Hundred Seventy-one Dollars (\$3,113,571.00) or so much thereof as may be necessary for transfer to the Teachers' Retirement System Dedicated Revenue Revolving Fund.

SECTION 12. Beginning July 1, 2005, 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 6 of this act:

Local and State-supported Financial Support of Public Schools	\$1,743,984,418.00
SUBTOTAL, PARAGRAPH 1	\$1,743,984,418.00

2. Funds appropriated by Sections 7 and 8 of this act:

Purchase of Textbooks and Instructional Materials	\$ 33,000,000.00
Staff Development	\$16,280,174.00
Advanced Placement Incentives	\$3,111,169.00
Mentor Teacher Stipends	\$700,000.00
Teachers' Retirement Credit	\$35,311,375.00
Certified Employee Health Benefit Allowance	\$158,399,545.00
Support Personnel Health Benefit Allowance	\$85,119,230.00
School Lunch Matching	\$4,025,422.00
School Lunch Programs	\$359,000.00
Alternative and High Challenge Education	\$18,892,981.00
Adult Education Matching	\$2,315,297.00
Driver Education	\$442,547.00
Early Intervention	\$12,695,311.00
Community Education Grants	\$40,000.00
Parent Training Program	\$2,045,709.00
School/Community Network for Arts-in-Education	\$113,379.00
Instructional, Cooperative and Technological Education	\$507,083.00

Summer Arts Institute	\$447,076.00
AG in the Classroom	\$43,788.00
Oklahoma Ambassador of Teaching	\$33,277.00
Education Leadership Oklahoma	\$7,490,307.00
Vision Project	\$100,000.00
Charter Schools Incentive Fund	\$150,000.00
Middle School Mathematics Laboratories	\$2,000,000.00
Academic Achievement Awards	\$500,000.00
Student Tracking and Reporting Pilot Program	<u>\$ 800,000.00</u>
SUBTOTAL, PARAGRAPH 2	\$384,922,670.00

3. Funds appropriated by Section 9 of this act:

Administrative and Support Functions of the State Department of Education	\$17,729,220.00
SUBTOTAL, PARAGRAPH 3	<u>\$ 17,729,220.00</u>
TOTAL State School Aid and Programs	\$2,146,636,308.00

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

SECTION 13. For the fiscal year ending June 30, 2006, the State Board of Education shall budget all funds in the following categories and amounts:

<u>Category</u>	<u>Total</u>
Payroll, Salaries or Wages, Including Tax-sheltered Deferment Contracts and Longevity Payments Authorized by State Statutes	\$ 15,005,312.00
Professional and Personal Services Contracts	45,818,513.00
Purchase of Equipment	2,171,000.00
Lease-Purchase Agreements	500,000.00
Expenditure of Federal Funds	<u>743,036,130.00</u>
TOTAL	\$2,908,605,734.00

SECTION 14. Funds allocated in Section 12 of this act, except for local and state-supported Financial Support of Public Schools, Purchase of Textbooks and Instructional Materials, Staff Development, School Lunch Matching, School Lunch Programs, Adult Education Matching, Driver Education, Early Intervention,

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 specifically for the purpose of funding the Teacher Retirement Credit shall be transferred to the Teachers' Retirement System of Oklahoma.

SECTION 16. 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 17. 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: 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; One Million Seven Hundred Ninety-five Thousand Sixty-four Dollars (\$1,795,064.00) shall be expended for the continuation and expansion of the Oklahoma Parents as Teachers Program; Sixteen Thousand Three Hundred Thirty-four Dollars (\$16,334.00) shall be expended for program evaluation conducted by the Child Service Demonstration Center; 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; 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 18. The funds allocated in Section 12 of this act specifically for the purpose of funding 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 19. 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 Eighteen Million Eight Hundred Ninety-two Thousand Nine Hundred Eighty-one Dollars (\$18,892,981.00) 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: Sixteen Million Nine Hundred Forty-four Thousand One Hundred Dollars (\$16,944,100.00) for programs; 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; One Hundred Seventy-five Thousand Eighty-five Dollars

(\$175,085.00) for an arts component; and 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 20. The funds allocated in Section 12 of this act for Staff Development are provided for teacher training, in-service teacher education and staff development plans. The sum of Seven Hundred Seventy-one Thousand Seven Hundred Fifty-six Dollars (\$771,756.00) 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 6-194.2 of Title 70 of the Oklahoma Statutes. The sum of 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. The sum of Seven Million One Hundred Three Thousand Four Hundred Four Dollars (\$7,103,404.00) shall be used for costs associated with multiple ongoing assessments and remediation as contained in Section 1210.508D of Title 70 of the Oklahoma Statutes. The sum of Nine Hundred Seventy-seven Thousand Seven Hundred Sixty-two Dollars (\$977,762.00) shall be used to provide 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. The sum of Four Hundred Six Thousand Five Hundred Forty-four Dollars (\$406,544.00) shall be used to continue research-based professional development for teachers through the Child Service Demonstration Center. The sum of One Hundred Sixty-three Thousand Seven Hundred Eighty-five Dollars (\$163,785.00) shall be expended 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. The sum of Two Million Dollars (\$2,000,000.00) shall be expended for the purpose of implementing the Mathematics Improvement Program offered through the State Board of Education pursuant to Section 2 of Enrolled Senate Bill No. 982 of the 1st Session of the 50th Oklahoma Legislature. 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 21. AMENDATORY 70 O.S. 2001, Section 1210.508D, is amended to read as follows:

Section 1210.508D A. Contingent on the provision of appropriated funds designated for the Reading Sufficiency Act, school districts may be reimbursed in the amount of up to One Hundred Fifty Dollars (\$150.00) for each enrolled first-, second- and third-grade student of the current school year who is found to be in need of remediation in reading. The reimbursement shall be for expenses incurred in reading assessment and remediation at those grade levels pursuant to the provisions of the Reading Sufficiency Act. School districts may be reimbursed up to Four Hundred Dollars (\$400.00) for each student completing the third grade who is found not to be reading at the third-grade level and who subsequently participates in a summer reading remediation program. The State Board of Education shall promulgate rules for such a course that specify at least four (4) weeks of tutoring a half (1/2) day each day. The summer reading remediation programs shall be taught by teachers who have successfully completed a professional development institute in reading administered by the Oklahoma Commission for Teacher Preparation or a scientifically-based reading professional development program administered by the State Board of Education.

B. In order to be reimbursed, school districts shall file a claim with the State Department of Education at the end of each school semester or prior to the end of the fiscal year in which the remediation is provided. Claims from summer remediation provided in July or August shall be filed with the first semester claim of the subsequent school year. Claims shall be reimbursed in a timely manner. The State Board of Education shall promulgate rules for the administration of reimbursements.

C. If a teacher attends and completes a professional development institute in elementary reading approved by the Oklahoma Commission for Teacher Preparation during the summer or when school is not in session, the teacher shall receive a stipend equal to the amount of the cost for a substitute teacher, based on the amount of funds allocated.

SECTION 22. A portion of 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 23. Of the funds allocated in Section 12 of this act specifically for the purpose of funding Community Education Grants, the sum of Forty Thousand Dollars (\$40,000.00) 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 24. Of the funds allocated in Section 12 of this act specifically for the purpose of funding Early Intervention, the sum of Twelve Million Six Hundred Ninety-five Thousand Three Hundred Eleven Dollars (\$12,695,311.00) 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 25. Of the funds allocated in Section 12 of this act specifically for the purpose of funding Education Leadership Oklahoma, the sum of 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 and scholarships. Of the funds allocated in Section 12 of this act specifically for the purpose of funding Education Leadership Oklahoma, the sum of Six Million Two Hundred Eighty-five Thousand Dollars (\$6,285,000.00) 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 as directed. 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 26. 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 27. Of the funds appropriated in Section 7 and allocated in Section 12 of this act, the sum of One Hundred Fifty Thousand Dollars (\$150,000.00) shall be transferred to the Charter Schools Incentive Fund pursuant to Section 3-144 of Title 70 of the Oklahoma Statutes.

SECTION 28. Of the funds appropriated in Section 10 of this act, the sum of Three Million One Hundred Thirteen Thousand Five Hundred Seventy-one Dollars (\$3,113,571.00) shall be transferred to the School Consolidation Assistance Fund.

SECTION 29. Of the funds appropriated in Section 11 of this act, the sum of Three Million One Hundred Thirteen Thousand Five Hundred Seventy-one Dollars (\$3,113,571.00) shall be transferred to the Teachers' Retirement System Dedicated Revenue Revolving Fund.

SECTION 30. Of the funds allocated in Section 12 of this act the sum of Two Million Dollars (\$2,000,000.00) shall be expended for the purpose of funding Middle School Mathematics Laboratories offered through the State Board of Education pursuant to Section 3 of Enrolled Senate Bill No. 982 of the 1st Session of the 50th Oklahoma Legislature.

SECTION 31. Of the funds allocated in Section 12 of this act, the sum of Five Hundred Thousand Dollars (\$500,000.00) shall be expended for the purpose of funding Academic Achievement Awards pursuant to Section 1 of Enrolled House Bill No. 1992 of the 1st Session of the 50th Oklahoma Legislature.

SECTION 32. Of the funds allocated in Section 12 of this act, the sum of Eight Hundred Thousand Dollars (\$800,000.00) shall be expended for the purpose of funding the Student Tracking and Reporting Pilot Program pursuant to Section 2 of Enrolled House Bill No. 1021 of the 1st Session of the 50th Oklahoma Legislature.

SECTION 33. 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 34. 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 35. 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 36. 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 Section 1210.515 of Title 70 of the Oklahoma Statutes.

SECTION 37. 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, 2006. North Central Subvention Funds shall not be used for employee salaries.

SECTION 38. 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 39. 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 Section 18-200.1 of Title 70 of the Oklahoma Statutes.

SECTION 40. 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 41. 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, 2006, 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	400.0

SECTION 42. Of the four hundred (400.0) full-time-equivalent employees authorized in Section 41 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, 2006, the Superintendent of Public Instruction shall file a report with the Education Oversight Board on the Oklahoma Early Intervention Program.

SECTION 43. Of the four hundred (400.0) full-time-equivalent employees authorized in Section 41 of this act, three (3.0) shall be designated for the Parent Training Program as authorized in Section 17 of this act.

SECTION 44. Of the four hundred (400.0) full-time-equivalent employees authorized in Section 41 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 45. Of the four hundred (400.0) full-time-equivalent employees authorized in Section 41 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 46. Of the four hundred (400.0) full-time-equivalent employees authorized in Section 41 of this act, eleven (11.0) shall be designated for the State Aid Section of Financial Services.

SECTION 47. 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 48. It is the intent of the Legislature that Fifty-seven Million Seven Hundred Seventy-four Thousand Four Hundred Forty-three Dollars (\$57,774,443.00) of the new funds appropriated to school districts through the State Aid formula for the fiscal year ending June 30, 2006, be utilized by the districts for teacher salary increases in the interests of attaining the regional average.

SECTION 49. The State Board of Education is authorized to request the Office of State Finance to transfer appropriated funds to the appropriate dispensing fund.

SECTION 50. 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 51. Appropriations and authorizations made by Sections 1 through 11 of this act, not including appropriations made for capital outlay purposes, may be budgeted for the fiscal year ending June 30, 2006 (hereafter FY-06) or may be budgeted for the fiscal year ending June 30, 2007 (hereafter FY-07). Funds budgeted for FY-06 may be encumbered only through June 30, 2006, and must be expended by November 15, 2006. Any funds remaining after November 15, 2006, and not budgeted for FY-07, shall lapse to the credit of the proper fund for the then current fiscal year. Funds budgeted for FY-07 may be encumbered only through June 30, 2007. Any funds remaining after November 15, 2007, 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-06, and not required to pay obligations for that fiscal year, may be budgeted for FY-07, 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-06 budget work program and after such revision has been approved by the Office of State Finance.

SECTION 52. This act shall become effective July 1, 2005.

SECTION 53. 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 House of Representatives the 23rd day of May, 2005.

Presiding Officer of the House of
Representatives

Passed the Senate the 23rd day of May, 2005.

Presiding Officer of the Senate