

STATE OF OKLAHOMA

1st Session of the 50th Legislature (2005)

HOUSE BILL 1357

By: Terrill

AS INTRODUCED

An Act relating to education; amending Section 14, Chapter 58, O.S.L. 2003 (3A O.S. Supp. 2004, Section 713), which relates to the Oklahoma Education Lottery Trust Fund; modifying distribution of monies in the Oklahoma Education Lottery Trust Fund; amending 70 O.S. 2001, Sections 2603, as amended by Section 1, Chapter 293, O.S.L. 2002 and 2605, as amended by Section 1, Chapter 134, O.S.L. 2003 (70 O.S. Supp. 2004, Sections 2603 and 2605), which relate to the Oklahoma Higher Learning Access Program; modifying eligibility requirements; allowing eligibility for students in certain home-based educational programs; modifying public awareness and participation requirements; and declaring an emergency.

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

SECTION 1. AMENDATORY Section 14, Chapter 58, O.S.L. 2003 (3A O.S. Supp. 2004, Section 713), is amended to read as follows:

Section 713. A. All gross proceeds shall be the property of the Oklahoma Lottery Commission. From its gross proceeds, the Commission shall pay the operating expenses of the Commission. At least forty-five percent (45%) of gross proceeds shall be made available as prize money. However, the provisions of this subsection shall be deemed not to create any lien, entitlement, cause of action, or other private right, and any rights of holders of tickets or shares shall be determined by the Commission in setting the terms of its lottery or lotteries. For each fiscal year, net proceeds shall equal at least thirty-five percent (35%) of the gross proceeds. However, for the purpose of repaying indebtedness issued pursuant to Section ~~33~~ 732 of this ~~act~~ title,

for the first two (2) full fiscal years and any partial first fiscal year of the Commission, net proceeds need only equal at least thirty percent (30%) of the gross proceeds. All of the net proceeds shall be transferred to the Oklahoma Education Lottery Trust Fund as provided in subsection B of this section.

B. There is hereby created in the State Treasury a fund to be designated the "Oklahoma Education Lottery Trust Fund". On or before the fifteenth day of each calendar quarter, the Commission shall transfer to the State Treasurer, for credit to the Oklahoma Education Lottery Trust Fund, the amount of all net proceeds accruing during the preceding calendar quarter. Expenditures from the fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of State Finance for approval and payment.

Upon their deposit into the State Treasury, any monies representing a deposit of net proceeds shall then become the unencumbered property of this state, and neither the Commission nor the board of trustees shall have the power to agree or undertake otherwise. The monies shall be invested by the State Treasurer in accordance with state investment practices. All earnings attributable to such investments shall likewise be the unencumbered property of the state and shall accrue to the credit of the fund.

C. Monies in the Oklahoma Education Lottery Trust Fund shall only be appropriated as follows:

1. Forty-five percent (45%) for the following:
 - a. kindergarten through twelfth grade public education, including but not limited to compensation and benefits for public school teachers and support employees, and
 - b. early childhood development programs, which shall include but not be limited to costs associated with prekindergarten and full-day kindergarten programs;
2. ~~Forty-five percent (45%)~~

a. For the fiscal year ending June 30, 2006, forty percent (40%) for the following:

- ~~a.~~ (1) tuition grants, loans and scholarships to citizens of this state to enable such citizens to attend colleges and universities located within this state, regardless of whether such colleges and universities are ~~owned or operated by~~ under the control of the Oklahoma State Regents for Higher Education, or to attend institutions operated under the authority of the Oklahoma Department of Career and Technology Education, ~~including but not limited to such programs as the Oklahoma Higher Learning Access Program;~~ provided such tuition grants, loans and scholarships shall not be made to a citizen of this state to attend a college or university which is not accredited by the Oklahoma State Regents for Higher Education,
- ~~b.~~ (2) construction of educational facilities for elementary school districts, independent school districts, The Oklahoma State System of Higher Education, and career and technology education,
- ~~c.~~ (3) capital outlay projects for elementary school districts, independent school districts, The Oklahoma State System of Higher Education, and career and technology education,
- ~~d.~~ (4) technology for public elementary school district, independent school district, state higher education, and career and technology education facilities, which shall include but not be limited to costs of providing to teachers at accredited public institutions who teach levels

kindergarten through twelfth grade, personnel at technology centers under the authority of the Oklahoma State Department of Career and Technology Education, and professors and instructors within The Oklahoma State System of Higher Education, the necessary training in the use and application of computers and advanced electronic instructional technology to implement interactive learning environments in the classroom and to access the state-wide distance learning network and costs associated with repairing and maintaining advanced electronic instructional technology,

~~e.~~ (5) endowed chairs for professors at institutions of higher education ~~operated by~~ which are a part of The Oklahoma State System of Higher Education, and

~~f.~~ (6) programs and personnel of the Oklahoma School for the Deaf and the Oklahoma School for the Blind,

b. for the fiscal year ending June 30, 2007, and each fiscal year thereafter, thirty-five percent (35%) for the following:

(1) tuition grants, loans and scholarships to citizens of this state to enable such citizens to attend colleges and universities located within this state, regardless of whether such colleges and universities are under the control of the Oklahoma State Regents for Higher Education, or to attend institutions operated under the authority of the Oklahoma Department of Career and Technology Education; provided such tuition grants, loans and scholarships shall not be made

- to a citizen of this state to attend a college or university which is not accredited by the Oklahoma State Regents for Higher Education,
- (2) construction of educational facilities for elementary school districts, independent school districts, The Oklahoma State System of Higher Education, and career and technology education,
- (3) capital outlay projects for elementary school districts, independent school districts, The Oklahoma State System of Higher Education, and career and technology education,
- (4) technology for public elementary school district, independent school district, state higher education, and career and technology education facilities, which shall include but not be limited to costs of providing to teachers at accredited public institutions who teach levels kindergarten through twelfth grade, personnel at technology centers under the authority of the Oklahoma State Department of Career and Technology Education, and professors and instructors within The Oklahoma State System of Higher Education, the necessary training in the use and application of computers and advanced electronic instructional technology to implement interactive learning environments in the classroom and to access the state-wide distance learning network and costs associated with repairing and maintaining advanced electronic instructional technology,

- (5) endowed chairs for professors at institutions of higher education which are a part of The Oklahoma State System of Higher Education, and
- (6) programs and personnel of the Oklahoma School for the Deaf and the Oklahoma School for the Blind;

3. Five percent (5%) to the School Consolidation and Assistance Fund; ~~and~~

4. Five percent (5%) to the Teachers' Retirement System Dedicated Revenue Revolving Fund; and

5. a. For the fiscal year ending June 30, 2006, five percent (5%) to the Oklahoma Higher Learning Access Trust Fund, and

b. for the fiscal year ending June 30, 2007, and each fiscal year thereafter, ten percent (10%) to the Oklahoma Higher Learning Access Trust Fund.

D. The Legislature shall appropriate funds from the Oklahoma Education Lottery Trust Fund only for the purposes specified in subsection C of this section. Even when funds from the trust fund are used for these purposes, the Legislature shall not use funds from the trust fund to supplant or replace other state funds supporting common education, higher education, or career and technology education.

E. In order to ensure that the funds from the trust fund are used to enhance and not supplant funding for education, the State Board of Equalization shall examine and investigate appropriations from the trust fund each year. At the meeting of the State Board of Equalization held within five (5) days after the monthly apportionment in February of each year, the State Board of Equalization shall issue a finding and report which shall state whether appropriations from the trust fund were used to enhance or supplant education funding. If the State Board of Equalization finds that education funding was supplanted by funds from the trust

fund, the Board shall specify the amount by which education funding was supplanted. In this event, the Legislature shall not make any appropriations for the ensuing fiscal year until an appropriation in that amount is made to replenish the trust fund.

F. No deficiency in the Oklahoma Education Lottery Trust Fund shall be replenished by reducing any nonlottery funds, including specifically but without limitation, the General Revenue Fund, the Constitutional Reserve Fund or the Education Reform Revolving Fund of the State Department of Education. No program or project started specifically from lottery proceeds shall be continued from the General Revenue Fund, the Constitutional Reserve Fund or the Education Reform Revolving Fund of the State Department of Education. Such programs must be adjusted or discontinued according to available lottery proceeds unless the Legislature by general law establishes eligibility requirements and appropriates specific funds therefor. No surplus in the Oklahoma Education Lottery Trust Fund shall be reduced or transferred to correct any nonlottery deficiencies in sums available for general appropriations.

G. There is hereby created in the State Treasury a revolving fund to be designated the "Oklahoma Education Lottery Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies received by the Commission. The Commission shall make payments of net proceeds from the fund to the Oklahoma Education Lottery Trust Fund on or before the fifteenth day of each calendar quarter as provided in subsection B of this section. All monies accruing to the credit of the Oklahoma Education Lottery Revolving Fund are hereby appropriated and may be budgeted and expended for the payment of net proceeds, prizes, commissions to retailers, administrative expenses and all other expenses arising out of the operation of the education lottery, subject to the limitations provided in this act. Expenditures from the fund shall be made upon warrants issued by the

State Treasurer against claims filed as prescribed by law with the Director of State Finance for approval and payment.

The monies in the fund shall be invested by the State Treasurer in accordance with state investment practices. All earnings attributable to such investments shall likewise accrue to the credit of the fund.

SECTION 2. AMENDATORY 70 O.S. 2001, Section 2603, as amended by Section 1, Chapter 293, O.S.L. 2002 (70 O.S. Supp. 2004, Section 2603), is amended to read as follows:

Section 2603. A. To be eligible to participate in the Oklahoma Higher Learning Access Program and to qualify for an award which includes payment of an amount equivalent to resident tuition or other tuition pursuant to Section 2604 of this title for the first semester or other academic unit of postsecondary enrollment, a student shall:

1. Be a resident of this state;
2. Have a record of satisfactory compliance with agreements executed pursuant to Section 2605 of this title;
3. a. Have graduated within the previous three (3) years from a high school accredited by the State Board of Education, or the Oklahoma School of Science and Mathematics with a minimum 2.5 cumulative grade point average on a 4.0 scale for all work attempted in grades nine through twelve, ~~or~~
b. Have graduated within the previous three (3) years from a high school not accredited by the State Board of Education with a minimum 2.5 cumulative grade point average on a 4.0 scale for all work attempted in grades nine through twelve and have achieved a composite score of 22 or higher on the American College Test, or

c. Have satisfactorily completed within the previous three (3) years a home-based educational program and have achieved a composite score of 22 or higher on the American College Test;

4. Have completed the curricular requirements for admission to an institution within The Oklahoma State System of Higher Education and one additional unit or set of competencies in a course that meets college admission requirements; ~~provided the~~. The curriculum requirements shall include two units or sets of competencies in foreign or non-English language or technology courses that meet the college admission requirements and one unit or set of competencies of a fine arts course. Students shall also have attained a 2.5 grade point average in the core curriculum courses; ~~provided that students~~. Students who attended a high school which did not offer all the core curriculum courses or students who were in a home-based education program which did not offer all the core curriculum courses shall be allowed to satisfy this curriculum requirement by participating in a program approved by the State Regents for remediation of high school curricular deficiencies;

5. Have satisfied admission standards as determined by the Oklahoma State Regents for Higher Education for first-time-entering students for the appropriate type of institution, or, if attending a private institution, have satisfied admission standards as determined by the private institution; provided, no student participating in the Oklahoma Higher Learning Access Program shall be admitted into an institution of higher education by special admission standards;

6. Have secured admission to, and enrolled in, an institution which is a member of The Oklahoma State System of Higher Education, a postsecondary vocational-technical program offered pursuant to a duly approved cooperative agreement between a technology center school and an institution of The Oklahoma State System of Higher

Education, or a private institution of higher learning located within this state and accredited pursuant to Section 4103 of this title; and

7. Have established financial need during the eighth-grade year, ninth-grade year or tenth-grade year according to the standards and provisions promulgated by the Oklahoma State Regents for Higher Education; ~~a.~~ For a student who is in a home-based educational program, financial need shall be established between the ages of thirteen (13) and fifteen (15). A student who satisfies the financial need criteria upon initial participation in the Oklahoma Higher Learning Access Program ~~during the eighth, ninth, or tenth grade~~ shall not later be denied participation in the Oklahoma Higher Learning Access Program on grounds that the student does not meet the financial need criteria.

B. To retain eligibility while pursuing the program of higher learning in which enrolled, the student shall:

1. Maintain good academic standing and satisfactory academic progress according to standards of the Oklahoma State Regents for Higher Education; ~~and~~

2. Comply with the standards related to maintenance of eligibility as promulgated by the Oklahoma State Regents for Higher Education; and

3. Comply with codes of conduct of the institution of higher education the student is attending and refrain from substance abuse and commission of crimes or delinquent acts.

C. The Oklahoma State Regents for Higher Education and the State Board of Career and Technology Education shall promulgate rules relating to maintenance of eligibility under this act by a student.

D. It is the intent of the Legislature that students in the ninth grade for the 1992-93 school year who are determined to be eligible Oklahoma Higher Learning Access students pursuant to this

act shall be the first students eligible for benefits from the Oklahoma Higher Learning Access Trust Fund.

E. The Oklahoma State Regents for Higher Education are authorized to study, develop and propose criteria for determining students' award eligibility based upon the completion of seven (7) semesters of high school coursework.

SECTION 3. AMENDATORY 70 O.S. 2001, Section 2605, as amended by Section 1, Chapter 134, O.S.L. 2003 (70 O.S. Supp. 2004, Section 2605), is amended to read as follows:

Section 2605. A. Each school year, every fifth- through ninth-grade student in the public and private schools of this state and students who are in a home-based education program and are in the equivalent of the fifth- through ninth-grade shall be apprised, together with the student's parent, custodial parent, or guardian, of the student's opportunity for access to higher learning under the Oklahoma Higher Learning Access Program. The Oklahoma State Regents for Higher Education and the State Board of Education shall develop, promote, and coordinate a public awareness program to be utilized in making students and parents aware of the Oklahoma Higher Learning Access Program.

B. On a form provided by the Oklahoma State Regents for Higher Education, every public school district shall designate at least one Oklahoma Higher Learning Access Program contact person, who shall be a counselor or teacher, at each public school site in this state in which eighth-, ninth- or tenth-grade classes are taught. When requested by the State Regents, the State Board of Education shall assist the State Regents to ensure the designation of contact persons. For students enrolled in a private school or who participate in a home-based educational program, a parent or guardian or other person approved by the State Regents shall be designated the contact person.

C. Students who qualify on the basis of financial need according to the standards and provisions promulgated by the Oklahoma State Regents for Higher Education shall be given the opportunity throughout the eighth-, ninth-, and tenth-grade years, for students enrolled in a public or private school, or between thirteen (13) through fifteen (15) years of age, for students enrolled in a home-based educational program, to enter into participation in the program by agreeing to, throughout the remainder of their school years or educational program:

1. Attend school or a home-based educational program regularly and do homework regularly;
2. Refrain from substance abuse;
3. Refrain from commission of crimes or delinquent acts;
4. Have school work and school records reviewed by mentors designated pursuant to the program;
5. Provide information requested by the Oklahoma State Regents for Higher Education or the State Board of Education; and
6. Participate in program activities.

The contact person ~~at the school~~ shall maintain the agreements, which shall be executed on forms provided by the Oklahoma State Regents for Higher Education and managed according to regulations promulgated by the Oklahoma State Regents for Higher Education, and the contact person shall monitor the student's compliance with the terms of the agreement. The Oklahoma State Regents for Higher Education are authorized to process student agreements and verify compliance with the agreements. Students failing to comply with the terms of the agreement shall not be eligible for the awards provided in Section 2604 of this title.

D. A student shall not be found to be in financial need for purposes of the Oklahoma Higher Learning Access Program if the income from taxable and nontaxable sources of the student's parent(s) exceeds Fifty Thousand Dollars (\$50,000.00) per year. The

student's financial qualification shall be certified by the contact person ~~at the school~~ or by the Oklahoma State Regents for Higher Education on the agreement form provided by the Oklahoma State Regents for Higher Education; ~~the~~. The form shall be retained in the student's permanent record and a copy forwarded to the Oklahoma State Regents for Higher Education.

E. Agreements shall be witnessed by the student's parent, custodial parent, or guardian, who shall further agree to:

1. Assist the student in achieving compliance with the agreements;
2. Confer, when requested to do so, with the school contact person, other school personnel, and program mentors;
3. Provide information requested by the Oklahoma State Regents for Higher Education or the State Board of Education; and
4. Assist the student in completing forms and reports required for program participation, making applications to institutions and schools of higher learning, and filing applications for student grants and scholarships.

F. The Oklahoma State Regents for Higher Education shall promulgate rules for the determination of student compliance with agreements made pursuant to this section.

G. The Oklahoma State Regents for Higher Education shall designate personnel to coordinate tracking of program records for the years when students participating in the program are still in the ~~public~~ public schools or in a home-based educational program, provide staff development for contact persons in the public schools, and provide liaison with the State Board of Education and local organizations and individuals participating in the program.

H. The school district where an Oklahoma Higher Learning Access Program student is enrolled when the student begins participation in the program and any subsequent school district where the student enrolls shall forward information regarding the student's

participation in the program to a school to which the student transfers upon the school's request for the student's records.

I. Students participating in the Oklahoma Higher Learning Access Program shall provide their social security number or their student identification number used by their school to the Oklahoma State Regents for Higher Education. The Regents shall keep the numbers confidential and use them only for administrative purposes.

SECTION 4. 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.

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