

1 STATE OF OKLAHOMA

2 2nd Session of the 51st Legislature (2008)

3 HOUSE BILL 2873

By: Shelton

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5
6 AS INTRODUCED

7 An Act relating to labor; amending Section 14,
8 Chapter 58, O.S.L. 2003, as last amended by Section
9 1, Chapter 336, O.S.L. 2007 (3A O.S. Supp. 2007,
10 Section 713), which relates to the Oklahoma Education
11 Lottery Trust Fund; modifying distribution of monies
12 in the Oklahoma Education Lottery Trust Fund;
13 directing payment of certain wages; providing certain
14 definition; requiring rest periods for certain
15 employees; requiring lunch periods for certain
16 employees; explaining applicability to certain
17 agreements; providing relation to other law;
18 providing for codification; providing an effective
19 date; and declaring an emergency.

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

21 SECTION 1. AMENDATORY Section 14, Chapter 58, O.S.L.
22 2003, as last amended by Section 1, Chapter 336, O.S.L. 2007 (3A
23 O.S. Supp. 2007, Section 713), is amended to read as follows:

24 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

1 subsection shall be deemed not to create any lien, entitlement,
2 cause of action, or other private right, and any rights of holders
3 of tickets or shares shall be determined by the Commission in
4 setting the terms of its lottery or lotteries. For each fiscal
5 year, net proceeds shall equal at least thirty-five percent (35%) of
6 the gross proceeds. However, for the purpose of repaying
7 indebtedness issued pursuant to Section 732 of this title, for the
8 first two (2) full fiscal years and any partial first fiscal year of
9 the Commission, net proceeds need only equal at least thirty percent
10 (30%) of the gross proceeds. All of the net proceeds shall be
11 transferred to the Oklahoma Education Lottery Trust Fund as provided
12 in subsection B of this section.

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

22 Upon their deposit into the State Treasury, any monies
23 representing a deposit of net proceeds shall then become the
24 unencumbered property of this state, and neither the Commission nor

1 the board of trustees shall have the power to agree or undertake
2 otherwise. The monies shall be invested by the State Treasurer in
3 accordance with state investment practices. All earnings
4 attributable to such investments shall likewise be the unencumbered
5 property of the state and shall accrue to the credit of the fund.

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

8 1. Forty-five percent (45%) for the following:

9 a. kindergarten through twelfth grade public education,
10 including but not limited to compensation and benefits
11 for public school ~~teachers and~~ support employees.
12 School districts shall dedicate such funds as are
13 necessary to provide a living wage for school district
14 employees and employees of contractors as provided
15 pursuant to Section 2 of this act, and

16 b. early childhood development programs, which shall
17 include but not be limited to costs associated with
18 prekindergarten and full-day kindergarten programs;

19 2. Forty-five percent (45%) for the following:

20 a. tuition grants, loans and scholarships to citizens of
21 this state to enable such citizens to attend colleges
22 and universities located within this state, regardless
23 of whether such colleges and universities are owned or
24 operated by the Oklahoma State Regents for Higher

1 Education, or to attend institutions operated under
2 the authority of the Oklahoma Department of Career and
3 Technology Education, including but not limited to
4 such programs as the Oklahoma Higher Learning Access
5 Program; provided such tuition grants, loans and
6 scholarships shall not be made to a citizen of this
7 state to attend a college or university which is not
8 accredited by the Oklahoma State Regents for Higher
9 Education,

10 b. construction of educational facilities for elementary
11 school districts, independent school districts, the
12 Oklahoma State System of Higher Education, and career
13 and technology education,

14 c. capital outlay projects for elementary school
15 districts, independent school districts, the Oklahoma
16 State System of Higher Education, and career and
17 technology education,

18 d. technology for public elementary school district,
19 independent school district, state higher education,
20 and career and technology education facilities, which
21 shall include but not be limited to costs of providing
22 to teachers at accredited public institutions who
23 teach levels kindergarten through twelfth grade,
24 personnel at technology centers under the authority of

1 the Oklahoma State Department of Career and Technology
2 Education, and professors and instructors within the
3 Oklahoma State System of Higher Education, the
4 necessary training in the use and application of
5 computers and advanced electronic instructional
6 technology to implement interactive learning
7 environments in the classroom and to access the state-
8 wide distance learning network and costs associated
9 with repairing and maintaining advanced electronic
10 instructional technology,

11 e. endowed chairs for professors at institutions of
12 higher education operated by the Oklahoma State System
13 of Higher Education, and

14 f. programs and personnel of the Oklahoma School for the
15 Deaf and the Oklahoma School for the Blind;

16 3. Five percent (5%) to the School Consolidation and Assistance
17 Fund. When the total amount in the School Consolidation and
18 Assistance Fund from all sources equals Five Million Dollars
19 (\$5,000,000.00), all monies appropriated pursuant to this paragraph
20 which would otherwise be deposited in the School Consolidation and
21 Assistance Fund in excess of Five Million Dollars (\$5,000,000.00)
22 shall be allocated by the State Department of Education to public
23 schools based on the audited end-of-year average daily membership in
24 grades 8 through 12 during the preceding school year for the purpose

1 of purchasing technology equipment in order to conduct on-line
2 testing as required by the Achieving Classroom Excellence Act of
3 2005. If at any time the total amount in the School Consolidation
4 and Assistance Fund drops below Five Million Dollars
5 (\$5,000,000.00), the monies appropriated pursuant to this paragraph
6 shall be deposited in the School Consolidation and Assistance Fund
7 until the Fund again reaches Five Million Dollars (\$5,000,000; and

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

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

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

1 supplanted education funding. If the State Board of Equalization
2 finds that education funding was supplanted by funds from the trust
3 fund, the Board shall specify the amount by which education funding
4 was supplanted. In this event, the Legislature shall not make any
5 appropriations for the ensuing fiscal year until an appropriation in
6 that amount is made to replenish the trust fund.

7 F. Except as otherwise provided by this subsection, no
8 deficiency in the Oklahoma Education Lottery Trust Fund shall be
9 replenished by reducing any nonlottery funds, including specifically
10 but without limitation, the General Revenue Fund, the Constitutional
11 Reserve Fund or the Education Reform Revolving Fund of the State
12 Department of Education. No program or project started specifically
13 from lottery proceeds shall be continued from the General Revenue
14 Fund, the Constitutional Reserve Fund or the Education Reform
15 Revolving Fund of the State Department of Education. Such programs
16 must be adjusted or discontinued according to available lottery
17 proceeds unless the Legislature by general law establishes
18 eligibility requirements and appropriates specific funds therefor.
19 No surplus in the Oklahoma Education Lottery Trust Fund shall be
20 reduced or transferred to correct any nonlottery deficiencies in
21 sums available for general appropriations. The provisions of this
22 subsection shall not apply to bonds or other obligations issued
23 pursuant to or to the repayment of bonds or other obligations issued

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1 pursuant to the Oklahoma Higher Education Promise of Excellence Act
2 of 2005.

3 G. There is hereby created in the State Treasury a revolving
4 fund to be designated the "Oklahoma Education Lottery Revolving
5 Fund". The fund shall be a continuing fund, not subject to fiscal
6 year limitations, and shall consist of all monies received by the
7 Commission. The Commission shall make payments of net proceeds from
8 the fund to the Oklahoma Education Lottery Trust Fund on or before
9 the fifteenth day of each calendar quarter as provided in subsection
10 B of this section. All monies accruing to the credit of the
11 Oklahoma Education Lottery Revolving Fund are hereby appropriated
12 and may be budgeted and expended for the payment of net proceeds,
13 prizes, commissions to retailers, administrative expenses and all
14 other expenses arising out of the operation of the education
15 lottery, subject to the limitations provided in the Oklahoma
16 Education Lottery Act. Expenditures from the fund shall be made
17 upon warrants issued by the State Treasurer against claims filed as
18 prescribed by law with the Director of State Finance for approval
19 and payment.

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

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1 SECTION 2. NEW LAW A new section of law to be codified
2 in the Oklahoma Statutes as Section 196 of Title 40, unless there is
3 created a duplication in numbering, reads as follows:

4 A. A living wage for school district employees and employees of
5 contractors shall be paid to those employees as provided in this
6 section.

7 B. As used in this section, "living wage for school district
8 employees and employees of contractors" means a wage payment at an
9 initial hourly rate of Eleven Dollars and sixty-seven cents (\$11.67)
10 per hour. This rate shall be adjusted annually beginning on July 1,
11 2008, by an amount corresponding to the change in the Consumer Price
12 Index for Urban Wage Earners and Clerical Workers from the previous
13 year as compiled by the Bureau of Labor Statistics. This wage shall
14 be a minimum wage for any worker employed by the school district and
15 for any employee of a contractor or subcontractor working for the
16 school district on a service contract who is performing work on that
17 contract.

18 SECTION 3. NEW LAW A new section of law to be codified
19 in the Oklahoma Statutes as Section 201 of Title 40, unless there is
20 created a duplication in numbering, reads as follows:

21 A. No employer shall require any employee to work without a
22 rest period of at least ten (10) minutes for each four (4)
23 consecutive hours worked, except for those employers not covered by
24 the Fair Labor Standards Act. The employer shall have the

1 discretion to determine when the rest period shall be taken by the
2 employee. The rest period shall be incorporated into the four-hour
3 work period. This shall be in addition to any regularly scheduled
4 lunch period. No reduction in compensation shall be made for hourly
5 or salaried employees.

6 B. Employers, except those not covered by the Fair Labor
7 Standards Act, shall grant their employees a reasonable period for
8 lunch for shifts of eight (8) consecutive hours or more. The lunch
9 period shall be as close to the middle of the scheduled work shift
10 of the employee as possible. In no case shall an employee be
11 required to take a lunch period sooner than three (3) hours after
12 the work shift commences, or more than five (5) hours from the time
13 the work shift commences.

14 C. This section shall not be construed to negate any provision
15 of a collective bargaining agreement or mutual agreement between an
16 employer and employee.

17 D. This section shall not be construed to alter the
18 requirements for children under sixteen (16) years of age provided
19 by subsection C of Section 75 of Title 40 of the Oklahoma Statutes.

20 SECTION 4. This act shall become effective July 1, 2008.

21 SECTION 5. It being immediately necessary for the preservation
22 of the public peace, health and safety, an emergency is hereby
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1 declared to exist, by reason whereof this act shall take effect and
2 be in full force from and after its passage and approval.

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