

1 STATE OF OKLAHOMA

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

3 HOUSE BILL 3257

By: Pittman

4  
5  
6 AS INTRODUCED

7 An Act relating to amusements and sports and labor;  
8 amending Section 14, Chapter 58, O.S.L. 2003, as last  
9 amended by Section 1, Chapter 336, O.S.L. 2007 (3A  
10 O.S. Supp. 2007, Section 713), which relates to the  
11 Oklahoma Education Lottery Act; modifying authorized  
12 use of Oklahoma Education Lottery Trust Fund;  
13 requiring school districts to provide living wage to  
14 certain employees; requiring payment of a living  
15 wage; defining term; providing for adjustment;  
16 specifying employees required to receive certain  
17 wage; providing for codification; providing an  
18 effective date; and declaring an emergency.

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

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

23 Section 713. A. All gross proceeds shall be the property of  
24 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,

1 cause of action, or other private right, and any rights of holders  
2 of tickets or shares shall be determined by the Commission in  
3 setting the terms of its lottery or lotteries. For each fiscal  
4 year, net proceeds shall equal at least thirty-five percent (35%) of  
5 the gross proceeds. However, for the purpose of repaying  
6 indebtedness issued pursuant to Section 732 of this title, for the  
7 first two (2) full fiscal years and any partial first fiscal year of  
8 the Commission, net proceeds need only equal at least thirty percent  
9 (30%) of the gross proceeds. All of the net proceeds shall be  
10 transferred to the Oklahoma Education Lottery Trust Fund as provided  
11 in subsection B of this section.

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

21 Upon their deposit into the State Treasury, any monies  
22 representing a deposit of net proceeds shall then become the  
23 unencumbered property of this state, and neither the Commission nor  
24 the board of trustees shall have the power to agree or undertake

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

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

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

8 a. kindergarten through twelfth grade public education,  
9 including but not limited to compensation and benefits  
10 for public school teachers and support employees.

11 School districts shall dedicate such funds as are  
12 necessary to provide a living wage for school district  
13 support employees and employees of contractors, and

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

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

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

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

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

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

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

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

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

12 f. programs and personnel of the Oklahoma School for the  
13 Deaf and the Oklahoma School for the Blind;

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

1 2005. If at any time the total amount in the School Consolidation  
2 and Assistance Fund drops below Five Million Dollars  
3 (\$5,000,000.00), the monies appropriated pursuant to this paragraph  
4 shall be deposited in the School Consolidation and Assistance Fund  
5 until the Fund again reaches Five Million Dollars (\$5,000,000.00);  
6 and

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

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

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

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

6 F. Except as otherwise provided by this subsection, no  
7 deficiency in the Oklahoma Education Lottery Trust Fund shall be  
8 replenished by reducing any nonlottery funds, including specifically  
9 but without limitation, the General Revenue Fund, the Constitutional  
10 Reserve Fund or the Education Reform Revolving Fund of the State  
11 Department of Education. No program or project started specifically  
12 from lottery proceeds shall be continued from the General Revenue  
13 Fund, the Constitutional Reserve Fund or the Education Reform  
14 Revolving Fund of the State Department of Education. Such programs  
15 must be adjusted or discontinued according to available lottery  
16 proceeds unless the Legislature by general law establishes  
17 eligibility requirements and appropriates specific funds therefor.  
18 No surplus in the Oklahoma Education Lottery Trust Fund shall be  
19 reduced or transferred to correct any nonlottery deficiencies in  
20 sums available for general appropriations. The provisions of this  
21 subsection shall not apply to bonds or other obligations issued  
22 pursuant to or to the repayment of bonds or other obligations issued  
23 pursuant to the Oklahoma Higher Education Promise of Excellence Act  
24 of 2005.

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

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

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

1 A. A living wage for school district employees, excluding  
2 teachers, and employees of contractors shall be paid to those  
3 employees as provided in this section.

4 B. As used in this section, "living wage for school district  
5 employees and employees of contractors" means a wage payment at an  
6 initial hourly rate of no less than Eleven Dollars and sixty-seven  
7 cents (\$11.67) per hour. This rate shall be adjusted annually  
8 beginning on July 1, 2008, by an amount corresponding to the change  
9 in the Consumer Price Index for Urban Wage Earners and Clerical  
10 Workers from the previous year as compiled by the Bureau of Labor  
11 Statistics.

12 C. The living wage for school district employees and employees  
13 of contractors shall be a minimum wage for any employee of the  
14 school district, excluding teachers, and for any employee of a  
15 contractor or subcontractor working for the school district on a  
16 service contract who is performing work on that contract.

17 SECTION 3. This act shall become effective July 1, 2008.

18 SECTION 4. It being immediately necessary for the preservation  
19 of the public peace, health and safety, an emergency is hereby  
20 declared to exist, by reason whereof this act shall take effect and  
21 be in full force from and after its passage and approval.

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23 51-2-9208 LRB 01/08/08  
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