

1 STATE OF OKLAHOMA

2 2nd Session of the 52nd Legislature (2010)

3 HOUSE BILL 3329

By: Pittman

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5
6 AS INTRODUCED

7 An Act relating to education; amending 3A O.S. 2001,
8 Section 713, as last amended by Section 1, Chapter
9 389, O.S.L. 2008 (3A O.S. Supp. 2009, Section 713),
10 which relates to the Oklahoma Education Lottery Trust
11 Fund; modifying distribution of funds; establishing
12 minimum wage for school district support employees;
13 providing for annual adjustment of minimum wage;
14 providing definition of support employees; providing
15 for codification; providing an effective date; and
16 declaring an emergency.

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

18 SECTION 1. AMENDATORY 3A O.S. 2001, Section 713, as last
19 amended by Section 1, Chapter 389, O.S.L. 2008 (3A O.S. Supp. 2009,
20 Section 713), is amended to read as follows:

21 Section 713. A. All gross proceeds shall be the property of
22 the Oklahoma Lottery Commission. From its gross proceeds, the
23 Commission shall pay the operating expenses of the Commission. At
24 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". Except as
14 otherwise provided in subsections H and I of this section, 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, and~~

12 b. compensation and benefits for public school support
13 employees as necessary to meet the minimum wage
14 requirements set forth in Section 2 of this act, and
15 the national average minimum wage salary requirements,
16 and

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

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

21 a. tuition grants, loans and scholarships to citizens of
22 this state to enable such citizens to attend colleges
23 and universities located within this state, regardless
24 of whether such colleges and universities are owned or

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

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

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

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

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

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

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

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

1 testing as required by the Achieving Classroom Excellence Act of
2 2005. If at any time the total amount in the School Consolidation
3 and Assistance Fund drops below Five Million Dollars
4 (\$5,000,000.00), the monies appropriated pursuant to this paragraph
5 shall be deposited in the School Consolidation and Assistance Fund
6 until the Fund again reaches Five Million Dollars (\$5,000,000; 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 H. When appropriations from the Oklahoma Education Lottery
23 Trust Fund are made to common education pursuant to the provisions
24 of paragraph 1 of subsection C of this section, the appropriations

1 shall be made available on a monthly basis. In addition to the
2 provisions of subsection B of this section, the following process
3 shall be used to insure that the appropriations are made available
4 to common education in a timely manner:

5 1. Beginning in July of the fiscal year in which appropriations
6 are made to common education from the Oklahoma Education Lottery
7 Trust Fund, the Commission, on or before the ninth day of each
8 month, shall transfer to the State Treasurer, for credit to the
9 Oklahoma Education Lottery Trust Fund, the amount of net proceeds
10 accruing during the preceding month equal to the amount of total
11 monthly collections due to common education as required by paragraph
12 1 of subsection C of this section;

13 2. The Director of the Office of State Finance shall allocate
14 the transfers provided for in paragraph 1 of this subsection to the
15 State Department of Education on a monthly basis, not to exceed one-
16 twelfth (1/12) of the annual apportionment for the fiscal year; and

17 3. The total amount of transfers to the Oklahoma Education
18 Lottery Trust Fund of net lottery proceeds made pursuant to this
19 subsection shall not exceed the total appropriations made to common
20 education from the Oklahoma Education Lottery Trust Fund for the
21 specific fiscal year.

22 I. When appropriations from the Oklahoma Education Lottery
23 Trust Fund are made to The Oklahoma State System of Higher
24 Education, the appropriations shall be made available to the System

1 on a monthly basis. In addition to the provisions of subsection B
2 of this section, the following process shall be used to insure that
3 the appropriations are made available to The Oklahoma State System
4 of Higher Education in a timely manner:

5 1. Beginning in July of the fiscal year in which appropriations
6 are made to The Oklahoma State System of Higher Education from the
7 Oklahoma Education Lottery Trust Fund, the Commission, on or before
8 the ninth day of each month, shall transfer to the State Treasurer,
9 for credit to the Oklahoma Education Lottery Trust Fund, the amount
10 of net proceeds accruing during the preceding month equal to the
11 amount of total monthly collections due to the Oklahoma State
12 Regents for Higher Education as required by paragraph 2 of
13 subsection C of this section;

14 2. The Director of the Office of State Finance shall allocate
15 the transfers provided for in paragraph 1 of this subsection to the
16 Oklahoma State Regents for Higher Education on a monthly basis, not
17 to exceed one-twelfth (1/12) of the annual apportionment for the
18 fiscal year; and

19 3. The total amount of transfers to the Oklahoma Education
20 Lottery Trust Fund of net lottery proceeds made pursuant to this
21 subsection shall not exceed the total appropriations made to The
22 Oklahoma State System for Higher Education from the Oklahoma
23 Education Lottery Trust Fund for the specific fiscal year.

24

1 SECTION 2. NEW LAW A new section of law to be codified
2 in the Oklahoma Statutes as Section 18-114.14 of Title 70, unless
3 there is created a duplication in numbering, reads as follows:

4 A. Beginning July 1, 2010, every public school district in the
5 state shall pay to each support employee wages at a rate of not less
6 than Eleven Dollars and sixty-seven cents (\$11.67) per hour.

7 B. Beginning July 1, 2011, and each July 1 thereafter, the
8 minimum wage rate provided for in subsection A of this section shall
9 be adjusted by an amount equal to the change in the Consumer Price
10 Index for Urban Wage Earners and Clerical Workers for the previous
11 year as compiled by the Bureau of Labor Statistics.

12 C. For purposes of this section, a "support employee" shall
13 include all employees as defined in Section 6-101.40 of Title 70 of
14 the Oklahoma Statutes and shall include any person employed by a
15 person or business having a contract with a school or school
16 district to perform work that would otherwise be performed by a
17 school district employee.

18 SECTION 3. This act shall become effective July 1, 2010.

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

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24 52-2-8418 LRB 12/03/09