

1                   **HOUSE OF REPRESENTATIVES - FLOOR VERSION**

2                                   STATE OF OKLAHOMA

3                                   2nd Session of the 54th Legislature (2014)

4 COMMITTEE SUBSTITUTE  
5 FOR  
6 HOUSE BILL NO. 3513

By: Martin (Scott) and Sears of  
the House

and

Jolley and Justice of the  
Senate

11                                   COMMITTEE SUBSTITUTE

12                   An Act relating to education; specifying  
13                   apportionment of certain funds which were  
14                   appropriated; providing for the budgeting of funds in  
15                   certain categories and amounts; requiring development  
16                   of certain performance measures; requiring transfer  
17                   of funds to the School Consolidation Assistance Fund;  
18                   requiring transfer of funds to the Teachers'  
19                   Retirement System Dedicated Revenue Revolving Fund;  
20                   requiring the transfer of funds to the Teachers'  
21                   Retirement System of Oklahoma for the Teachers'  
22                   Retirement Credit; requiring funds allocated for  
23                   Education Leadership Oklahoma to be transferred and  
24                   expended for certain purposes; specifying purposes  
                 for funds allocated for Reform Implementation;  
                 stating purposes for funds allocated for Alternative  
                 and High Challenge Education; stating purpose of  
                 funds allocated for Financial Literacy; requiring  
                 transfer of Early Intervention funds; stating intent  
                 regarding expenditures for direct costs; prohibiting  
                 the State Department of Education from contracting  
                 for certain administrative costs in the Oklahoma  
                 Early Intervention Act; stating purpose for funds  
                 allocated for the Early Childhood Initiative; stating  
                 purpose for funds allocated for the Parent Training  
                 Program; stating purpose for funds allocated for

1 Rural Infant Stimulation Environment Program;  
2 providing for duties and compensation of employees of  
3 the State Department of Education; requiring the  
4 reduction or withholding of State Aid funds for  
5 certain purposes; authorizing the State Board of  
6 Education to request certain transfer of funds;  
7 providing for certain proportional reduction of  
8 funds; requiring budgeting of certain funds in  
9 certain years; providing lapse dates; requiring  
10 certain budgeting procedures; prohibiting certain  
11 budgeting procedures; providing an effective date;  
12 and declaring an emergency.

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

14 SECTION 1. For the fiscal year ending June 30, 2015, the  
15 support of public schools by the State Board of Education payable  
16 from monies appropriated and authorized by Sections 1 through 10 of  
17 Enrolled Senate Bill No. 2127 of the 2nd Session of the 54th  
18 Oklahoma Legislature shall be apportioned as follows:

19 1. Funds appropriated and authorized by Sections 1 through 7 of  
20 Enrolled Senate Bill No. 2127 of the 2nd Session of the 54th  
21 Oklahoma Legislature:

22 Local and State-supported Financial Support

23 of Public Schools.....\$1,877,570,777.00

24 SUBTOTAL, PARAGRAPH 1.....\$1,877,570,777.00

25 2. Funds appropriated by Sections 8 and 9 of Enrolled Senate  
26 Bill No. 2127 of the 2nd Session of the 54th Oklahoma Legislature:

27 Certified Employee Health Benefit

28 Allowance.....\$263,956,552.00

1 Support Personnel Health Benefit

2 Allowance.....143,824,310.00

3 Teachers' Retirement Credit.....35,311,375.00

4 Education Leadership Oklahoma.....14,942,350.00

5 Reform Implementation.....42,859,836.00

6 Purchase of Textbooks and

7 Instructional Materials.....33,000,000.00

8 Alternative and High Challenge

9 Education.....14,027,366.00

10 Financial Literacy.....150,000.00

11 Early Intervention.....14,417,922.00

12 Early Childhood Initiative.....10,500,000.00

13 Parent Training Program.....1,000,000.00

14 School Lunch Matching.....4,600,425.00

15 School Lunch Programs.....359,863.00

16 Rural Infant Stimulation Environment

17 Program.....529,943.00

18 Oklahoma Arts Institute.....350,000.00

19 AG in the Classroom.....38,675.00

20 SUBTOTAL, PARAGRAPH 2.....\$579,868,617.00

21 3. Funds appropriated by Section 10 of Enrolled Senate Bill

22 No. 2127 of the 2nd Session of the 54th Oklahoma Legislature:

23 Administrative and Support Functions of

24 the State Department of Education.....\$22,426,642.00

1 SUBTOTAL, PARAGRAPH 3..... 22,426,642.00

2 TOTAL State School Aid and Programs.....\$2,479,866,036.00

3 SECTION 2. For the fiscal year ending June 30, 2015, the State  
4 Board of Education shall budget all funds in the following  
5 categories and amounts:

<u>Category</u>	<u>Total</u>
6 Payroll, Salaries or Wages, Including	
7 Tax-sheltered Deferment Contracts and	
8 Longevity Payments Authorized by	
9 State Statutes	\$15,246,558.00
10 Professional and Personal Services	
11 Contracts	66,861,450.00
12 Other Operating Funds	2,439,381,089.00
13 Expenditure of Federal Funds	<u>745,142,181.00</u>
14 TOTAL	\$3,266,631,278.00

15  
16 The agency shall develop outcome-based performance measures for  
17 each budget category.

18 SECTION 3. The funds appropriated in Sections 11 and 12 of  
19 Enrolled Senate Bill No. 2127 of the 2nd Session of the 54th  
20 Oklahoma Legislature in the amount of Three Million Four Hundred  
21 Ninety-four Thousand Twenty-three Dollars (\$3,494,023.00) shall be  
22 transferred to the School Consolidation Assistance Fund.

23 SECTION 4. The funds appropriated in Sections 13 and 14 of  
24 Enrolled Senate Bill No. 2127 of the 2nd Session of the 54th

1 Oklahoma Legislature in the amount of Three Million Four Hundred  
2 Ninety-four Thousand Twenty-three Dollars (\$3,494,023.00) shall be  
3 transferred to the Teachers' Retirement System Dedicated Revenue  
4 Revolving Fund.

5 SECTION 5. The funds allocated in Section 1 of this act  
6 specifically for the purpose of funding the Teachers' Retirement  
7 Credit shall be transferred to the Teachers' Retirement System of  
8 Oklahoma.

9 SECTION 6. The funds allocated in Section 1 of this act for the  
10 purpose of funding Education Leadership Oklahoma shall be expended  
11 as follows:

12 1. Eleven Million Three Hundred Forty-two Thousand Three  
13 Hundred Fifty Dollars (\$11,342,350.00) shall be transferred to the  
14 Oklahoma National Board Certification Revolving Fund created in  
15 Section 6-204.4 of Title 70 of the Oklahoma Statutes for the purpose  
16 of awarding annual bonuses as directed; and

17 2. Three Million Six Hundred Thousand Dollars (\$3,600,000.00)  
18 shall be transferred to the Oklahoma School Psychologist, Speech-  
19 Language Pathologist, and Audiologist National Certification  
20 Revolving Fund created in Section 6-206.1 of Title 70 of the  
21 Oklahoma Statutes for the purpose of awarding annual bonuses as  
22 directed.

23 SECTION 7. The funds allocated in Section 1 of this act for  
24 Reform Implementation shall be expended as follows:

1           1. Eight Million Dollars (\$8,000,000.00) for ACE Remediation  
2 shall be allocated by the State Department of Education to school  
3 districts for the purpose of funding school districts on a per-hour  
4 per-student basis for the costs associated with providing  
5 remediation to students pursuant to the provisions of Section  
6 1210.522 of Title 70 of the Oklahoma Statutes. The State Board of  
7 Education shall determine the per-hour per-student dollar amount to  
8 be allocated to school districts;

9           2. Four Million One Hundred Fifty Thousand Dollars  
10 (\$4,150,000.00) for the Advanced Placement Incentives shall be  
11 expended for one-time equipment or materials, grants, subsidized  
12 training, school incentives, exam fee reimbursement, Advancement  
13 Through Individual Determination (AVID), National Math and Science  
14 Initiative (NMSI) and administrative costs. The amount of funds  
15 expended for administrative costs shall not exceed Ninety-two  
16 Thousand Nine Hundred Ninety-seven Dollars (\$92,997.00);

17           3. Six Million Five Hundred Thousand Dollars (\$6,500,000.00)  
18 for Reading Sufficiency. Funds shall be expended for costs  
19 associated with multiple ongoing assessments and remediation  
20 pursuant to the provisions of Sections 1210.508C and 1210.508D of  
21 Title 70 of the Oklahoma Statutes;

22           4. Fifty Thousand Dollars (\$50,000.00) for the Charter Schools  
23 Incentive Fund shall be transferred to the Charter Schools Incentive  
24

1 Fund for use pursuant to the provisions of Section 3-144 of Title 70  
2 of the Oklahoma Statutes;

3 5. Five Hundred Sixty-four Thousand Dollars (\$564,000.00) for  
4 development and implementation of standards. Funds shall be used to  
5 provide professional development to schools throughout the state;

6 6. Three Hundred Thousand Dollars (\$300,000.00) for STEM-Ready  
7 schools. Funds shall be used to prepare teachers in selected  
8 Oklahoma schools in Science, Technology, Engineering and Math;

9 7. One Million Eight Hundred Thousand Dollars (\$1,800,000.00)  
10 for Think Through Math. Funds shall be used to develop and  
11 implement a technology-based intervention and remediation program in  
12 mathematics;

13 8. Four Million Two Hundred Fifty Thousand Dollars  
14 (\$4,250,000.00) for Staff Development for schools shall be allocated  
15 on an average daily attendance basis for the purpose of teacher  
16 education and staff development pursuant to rules that shall be  
17 promulgated by the State Board of Education;

18 9. Two Million Dollars (\$2,000,000.00) for Teacher and Leader  
19 Effectiveness (TLE) Development of Value Added Component. Funds  
20 shall be used to implement the provisions of Section 6-101.16 of  
21 Title 70 of the Oklahoma Statutes;

22 10. Two Million Five Hundred Thousand Dollars (\$2,500,000.00)  
23 for 3rd Grade Reading Readiness shall be used to implement the  
24

1 provisions of Section 1210.508C of Title 70 of the Oklahoma  
2 Statutes;

3 11. One Million Eight Hundred Forty-five Eight Hundred Thirty-  
4 six Dollars (\$1,845,836.00) for Oklahoma Student Information System  
5 Data. Funds shall be used to support the data systems development  
6 and integration and other activities as outlined in the State  
7 Longitudinal Data Systems (SLDS) grant;

8 12. Three Million Dollars (\$3,000,000.00) for student testing;

9 13. Two Million Five Hundred Thousand Dollars (\$2,500,000.00)  
10 shall be allocated for the Teach for America program; and

11 14. Five Million Four Hundred Thousand Dollars (\$5,400,000.00)  
12 shall be used for School Competitive Grants Pool. These funds shall  
13 be made available on a statewide competitive application basis as  
14 specified by the State Department of Education.

15 SECTION 8. The funds allocated in Section 1 of this act for  
16 Alternative and High Challenge Education shall be expended for the  
17 purpose of operating the statewide system of alternative education  
18 programs as provided in Section 1210.568 of Title 70 of the Oklahoma  
19 Statutes, and for encouraging school districts to participate in  
20 innovative alternative education programs. The funds shall be  
21 expended as follows:

22 1. Thirteen Million Seven Hundred Twenty-seven Thousand Three  
23 Hundred Sixty-six Dollars (\$13,727,366.00) for statewide programs;  
24 and

1           2. Three Hundred Thousand Dollars (\$300,000.00) for program  
2 evaluation, technical assistance and staff development conducted by  
3 the contracted technical assistance provider as provided for in  
4 Section 1210.568 of Title 70 of the Oklahoma Statutes.

5           SECTION 9. The funds allocated in Section 1 of this act for  
6 Financial Literacy shall be used to implement the provisions of  
7 Section 11-103.6h of Title 70 of the Oklahoma Statutes.

8           SECTION 10. The funds allocated in Section 1 of this act for  
9 Early Intervention shall be transferred to the fund designated  
10 within the Office of Management and Enterprise Services as the Early  
11 Intervention Fund 250. It is the intent of the Legislature that  
12 funding available for SoonerStart Early Intervention Services be  
13 expended for direct services to eligible infants, toddlers and their  
14 families. The State Department of Education shall not contract, pay  
15 or reimburse for administrative cost recovery personnel, accounting,  
16 and management information system costs, maintenance and operations  
17 at the state or local level or indirect costs which do not comply  
18 with the requirements of Section 13-125 of Title 70 of the Oklahoma  
19 Statutes.

20           SECTION 11. The funds allocated in Section 1 of this act for  
21 the Early Childhood Initiative shall be expended for the purpose of  
22 funding the early childhood program pursuant to the provisions of  
23 Section 10-105.4 of Title 70 of the Oklahoma Statutes.

24

1 SECTION 12. The funds allocated in Section 1 of this act for  
2 the Parent Training Program, as authorized in Section 10-105.3 of  
3 Title 70 of the Oklahoma Statutes, shall be expended for the  
4 continuation and expansion of the Oklahoma Parents as Teachers  
5 Program.

6 SECTION 13. The funds allocated for the Rural Infant  
7 Stimulation Environment (RISE) Program in Section 1 of this act  
8 shall be used for capital expenditures and operations for a school  
9 designed to serve children with disabilities from birth to five (5)  
10 years of age.

11 SECTION 14. The duties and compensation of employees, not  
12 otherwise prescribed by law, necessary to perform the duties imposed  
13 upon the State Department of Education by law shall be set by the  
14 State Board of Education.

15 SECTION 15. State Aid funds shall be reduced or withheld by the  
16 State Board of Education in an amount necessary to ensure compliance  
17 with the provisions of this act.

18 SECTION 16. The State Board of Education is authorized to  
19 request the Office of Management and Enterprise Services to transfer  
20 appropriated funds to the appropriate dispensing fund.

21 SECTION 17. If funds appropriated in Sections 1 through 14 of  
22 Enrolled Senate Bill No. 2127 of the 2nd Session of the 54th  
23 Oklahoma Legislature are not sufficient to fully fund the provisions  
24 of this act, each school district which qualifies for funds,

UNDERLINED language denotes Amendments to present Statutes.  
**BOLD FACE CAPITALIZED** language denotes Committee Amendments.  
~~Strike thru~~ language denotes deletion from present Statutes.

1 excluding Financial Support of Public Schools, pursuant to the  
2 provisions of this act shall take a proportionate reduction.

3 SECTION 18. Appropriations made by Sections 1 through 14 of  
4 Enrolled Senate Bill No. 2720 of the 2nd Session of the 54th  
5 Oklahoma Legislature, not including appropriations made for capital  
6 outlay purposes, may be budgeted for the fiscal year ending June 30,  
7 2015 (hereafter FY-15) or may be budgeted for the fiscal year ending  
8 June 30, 2016 (hereafter FY-16). Funds budgeted for FY-15 may be  
9 encumbered only through June 30, 2015, and must be expended by  
10 November 15, 2015. Any funds remaining after November 15, 2015, and  
11 not budgeted for FY-16, shall lapse to the credit of the proper fund  
12 for the then current fiscal year. Funds budgeted for FY-16 may be  
13 encumbered only through June 30, 2016. Any funds remaining after  
14 November 15, 2016, shall lapse to the credit of the proper fund for  
15 the then current fiscal year. These appropriations may not be  
16 budgeted in both fiscal years simultaneously. Funds budgeted in FY-  
17 15, and not required to pay obligations for that fiscal year, may be  
18 budgeted for FY-16, after the agency to which the funds have been  
19 appropriated has prepared and submitted a budget work program  
20 revision removing these funds from the FY-15 budget work program and  
21 after such revision has been approved by the Office of Management  
22 and Enterprise Services.

23 SECTION 19. This act shall become effective July 1, 2014.  
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1       SECTION 20. It being immediately necessary for the preservation  
2 of the public peace, health and safety, an emergency is hereby  
3 declared to exist, by reason whereof this act shall take effect and  
4 be in full force from and after its passage and approval.

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6 DIRECT TO CALENDAR.  
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