

<DateSubmitted>

HOUSE OF REPRESENTATIVES
CONFERENCE COMMITTEE REPORT

Mr. President:
Mr. Speaker:

The Conference Committee, to which was referred

HB1578

By: Caldwell of the House and Stanislawski of the Senate

Title: Schools; creating the School Finance Review Commission Act; creating Commission;
effective date.

Together with Engrossed Senate Amendments thereto, beg leave to report that we have had the same under consideration and herewith return the same with the following recommendations:

1. That the Senate recede from its amendment; and
2. That the attached Conference Committee Substitute be adopted.

Respectfully submitted,

House Action _____ Date _____ Senate Action _____ Date _____

SENATE CONFEREES

Allen _____
 Bass _____
 Bergstrom _____
 Bice _____
 Boggs _____
 Brecheen _____
 Brown _____
 Dahm _____
 Daniels _____
 David _____
 Dossett _____
 Dugger _____
 Fields _____
 Floyd _____
 Fry _____
 Griffin _____
 Holt _____
 Jech _____
 Kidd _____
 Leewright _____
 Marlatt _____
 Matthews _____
 McCortney _____
 Newberry _____

Newhouse _____
 Paxton _____
 Pederson _____
 Pemberton _____
 Pittman _____
 Pugh _____
 Quinn _____
 Rader _____
 Scott _____
 Sharp _____
 Shaw _____
 Silk _____
 Simpson _____
 Smalley _____
 Sparks _____
 Standridge _____
 Stanislawski _____
 Sykes _____
 Thompson _____
 Yen _____

House Action _____ Date _____

Senate Action _____ Date _____

STATE OF OKLAHOMA

1st Session of the 56th Legislature (2017)

CONFERENCE COMMITTEE
SUBSTITUTE
FOR ENGROSSED
HOUSE BILL NO. 1578

By: Caldwell and Newton of the
House

and

Stanislawski of the Senate

CONFERENCE COMMITTEE SUBSTITUTE

An Act relating to schools; creating the School Finance Review Commission Act; creating a task force to study and make recommendations to improve the State Aid formula; establishing expiration date; setting duties; providing for membership; providing for naming of cochairs; requiring appointments by certain date; requiring organizational meeting by certain date; specifying quorum; providing frequency of meetings; authorizing creation of a technical advisory team by the cochairs; subjecting meetings to the Oklahoma Open Meeting Act; prohibiting compensation or travel reimbursement for members; providing for staff support; requiring State Department of Education to provide requested information; directing submission of early recommendations; requiring certain report; creating the School Finance Review Commission; designating membership, appointing authorities and terms; providing for staff and administrative support; prohibiting travel reimbursement; requiring Commission to conduct certain review and issue certain reports; providing for codification; providing for noncodification; providing an effective date; and declaring an emergency.

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

1 SECTION 1. NEW LAW A new section of law to be codified
2 in the Oklahoma Statutes as Section 3-117.1 of Title 70, unless
3 there is created a duplication in numbering, reads as follows:

4 This act shall be known and may be cited as the "School Finance
5 Review Commission Act".

6 SECTION 2. NEW LAW A new section of law not to be
7 codified in the Oklahoma Statutes reads as follows:

8 A. There is hereby created until December 31, 2018, a task
9 force to study and make recommendations to the Legislature on
10 improving the State Aid formula. The task force's study shall
11 include but not be limited to the State Aid funding formula; local
12 ad valorem rates; formula structure including but not limited to
13 grade level weights, the student category weights and the
14 transportation factor of the State Aid formula; and efficiencies and
15 cost-saving measures regarding the footprint of school districts.

16 B. The task force shall be comprised of sixteen (16) members to
17 be appointed as follows:

18 1. Two members who are appointed by the Governor;

19 2. The Secretary of Education and Workforce Development or
20 designee;

21 3. Three members who are members of the Senate, appointed by
22 the President Pro Tempore of the Senate;

23

24

1 4. Three members who are members of the House of
2 Representatives, appointed by the Speaker of the House of
3 Representatives;

4 5. One member who represents a statewide organization that
5 represents businesses, appointed by the Governor;

6 6. One member who is a superintendent or financial officer for
7 a school district with an average daily membership (ADM) of two
8 thousand five hundred (2,500) students or less, appointed by the
9 President Pro Tempore of the Senate;

10 7. One member who is a superintendent or financial officer for
11 a school district with an ADM of more than two thousand five hundred
12 (2,500) students but less than ten thousand (10,000) students,
13 appointed by the Speaker of the House of Representatives;

14 8. One member who is a superintendent or financial officer for
15 a school district with an ADM of more than ten thousand (10,000)
16 students, appointed by the Governor;

17 9. One member who is employed in the financial sector,
18 appointed by the Speaker of the House of Representatives;

19 10. One member who is a professional auditor, appointed by the
20 President Pro Tempore of the Senate; and

21 11. One member who is appointed by the Superintendent of Public
22 Instruction.

23 The cochair of the task force shall be the Secretary of
24 Education and Workforce Development, a member of the Senate

1 appointed as a member of the task force selected by the President
2 Pro Tempore of the Senate and a member of the House of
3 Representatives appointed as a member of the task force selected by
4 the Speaker of the House of Representatives.

5 C. Appointments to the task force shall be made within thirty
6 (30) days after the effective date of this act. The task force
7 shall conduct an organizational meeting not later than August 31,
8 2017.

9 D. A quorum of the task force shall be required to approve any
10 final action of the task force. For purposes of this section, nine
11 members shall constitute a quorum.

12 E. The task force may meet as often as may be required in order
13 to perform the duties imposed upon it.

14 F. The cochairs of the task force may create a technical
15 advisory team to research and study the funding formula and make
16 recommendations to the task force on actions to consider.

17 G. The meetings of the task force shall be subject to the
18 Oklahoma Open Meeting Act.

19 H. Members of the task force shall receive no compensation or
20 travel reimbursement.

21 I. The Educational Quality and Accountability Commission shall
22 provide staff and administrative support to the task force. The
23 State Department of Education shall assist the Educational Quality
24 and Accountability Commission as needed in providing staff and

1 administrative support to the task force. The State Department of
2 Education shall provide information as requested to the task force
3 and technical advisory team including the annual report on school
4 finance and information on the structure of the State Aid formula.

5 J. If the task force develops recommendations prior to December
6 31, 2017, it shall submit them to the Governor, the President Pro
7 Tempore of the Senate, the Speaker of the House of Representatives
8 and the chairs of the education committees of the Senate and the
9 House of Representatives. The task force shall submit a report of
10 its findings and recommendations by December 31, 2018, to the
11 Governor, the President Pro Tempore of the Senate, the Speaker of
12 the House of Representatives and the chairs of the education
13 committees of the Senate and the House of Representatives.

14 SECTION 3. NEW LAW A new section of law to be codified
15 in the Oklahoma Statutes as Section 3-117.2 of Title 70, unless
16 there is created a duplication in numbering, reads as follows:

17 A. There is hereby created the School Finance Review Commission
18 consisting of:

19 1. A member appointed by and serving at the pleasure of the
20 Governor whose term shall begin not later than March 1, 2021;

21 2. A member appointed by and serving at the pleasure of the
22 Lieutenant Governor whose term shall begin not later than March 1,
23 2021;

1 3. A member appointed by and serving at the pleasure of the
2 Speaker of the House of Representatives whose term shall begin not
3 later than March 1, 2021;

4 4. A member appointed by and serving at the pleasure of the
5 Minority Leader of the House of Representatives whose term shall
6 begin not later than March 1, 2021;

7 5. A member appointed by and serving at the pleasure of the
8 President Pro Tempore of the Senate whose term shall begin not later
9 than March 1, 2021;

10 6. A member appointed by and serving at the pleasure of the
11 Minority Leader of the Senate whose term shall begin not later than
12 March 1, 2021;

13 7. The Executive Director of the Office of Educational Quality
14 and Accountability or his or her designee who is an employee of the
15 Office of Educational Quality and Accountability who shall be an ex
16 officio and nonvoting member; and

17 8. The State Superintendent or his or her designee who is an
18 employee of the State Department of Education who shall be an ex
19 officio and nonvoting member.

20 B. Thereafter persons shall be appointed by the appointing
21 authority for terms of four (4) years beginning on January 1, or
22 until the Commission expires. Any vacancy shall be filled by the
23 appointing authority for the remainder of the unexpired term.
24

1 C. No voting member shall be appointed to the Commission who at
2 the time of his or her appointment is an elected official. Any
3 person who is appointed to the Commission who subsequently becomes
4 an elected official during his or her term on the Commission shall
5 be required to vacate his or her position on the Commission.

6 D. The Educational Quality and Accountability Commission shall
7 provide staff and administrative support to the Commission. The
8 State Department of Education shall assist the Educational Quality
9 and Accountability Commission as needed in providing staff and
10 administrative support to the Commission.

11 E. The Commission shall hold its meetings in compliance with
12 the Oklahoma Open Meeting Act.

13 F. No person appointed to the Commission shall be permitted to
14 receive travel reimbursement or compensation.

15 SECTION 4. NEW LAW A new section of law to be codified
16 in the Oklahoma Statutes as Section 3-117.3 of Title 70, unless
17 there is created a duplication in numbering, reads as follows:

18 A. The School Finance Review Commission shall conduct a review
19 of all matters related to school finance, including but not limited
20 to teacher compensation, benefits and administration costs.

21 B. The Commission shall submit a report of its findings to the
22 Governor, the President Pro Tempore of the Senate and the Speaker of
23 the House of Representatives no later than December 31, 2023, and
24 every subsequent four (4) years by December 31.

SECTION 5. This act shall become effective July 1, 2017.

SECTION 6. It being immediately necessary for the preservation of the public peace, health or 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.

56-1-8047 EK 05/18/17