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February 19, 2020

AS AMENDED

SENATE BILL NO. 1364

By: Stanislawski

[State Public Common School Building Equalization
Fund - powers and duties of the State Board of
Education - grants - codification - effective date -
emergency]

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

SECTION 1. AMENDATORY 70 O.S. 2011, Section 3-104, as last amended by Section 1, Chapter 271, O.S.L. 2013 (70 O.S. Supp. 2019, Section 3-104), is amended to read as follows:

Section 3-104. The supervision of the public school system of Oklahoma shall be vested in the State Board of Education and, subject to limitations otherwise provided by law, the State Board of Education shall:

1. Adopt policies and make rules for the operation of the public school system of the state;

2. Appoint, prescribe the duties and fix the compensation of a secretary, an attorney and all other personnel necessary for the proper performance of the functions of the State Board of Education. The secretary shall not be a member of the Board;

1 3. Submit to the Governor a departmental budget based upon
2 major functions of the Department as prepared by the State
3 Superintendent of Public Instruction and supported by detailed data
4 on needs and proposed operations as partially determined by the
5 budgetary needs of local school districts filed with the State Board
6 of Education for the ensuing fiscal year. Appropriations therefor
7 shall be made in lump-sum form for each major item in the budget as
8 follows:

9 a. State Aid to schools,

10 b. the supervision of all other functions of general and
11 special education including general control, free
12 textbooks, school lunch, Indian education and all
13 other functions of the Board and an amount sufficient
14 to adequately staff and administer these services, and

15 c. the Board shall determine the details by which the
16 budget and the appropriations are administered.

17 Annually, the Board shall make preparations to
18 consolidate all of the functions of the Department in
19 such a way that the budget can be based on two items,
20 administration and aid to schools. A maximum amount
21 for administration shall be designated as a part of
22 the total appropriation;

23 4. On the first day of December preceding each regular session
24 of the Legislature, prepare and deliver to the Governor and the

1 Legislature a report for the year ending June 30 immediately
2 preceding the regular session of the Legislature. The report shall
3 contain:

- 4 a. detailed statistics and other information concerning
5 enrollment, attendance, expenditures including State
6 Aid, and other pertinent data for all public schools
7 in this state,
- 8 b. reports from each and every division within the State
9 Department of Education as submitted by the State
10 Superintendent of Public Instruction and any other
11 division, department, institution or other agency
12 under the supervision of the Board,
- 13 c. recommendations for the improvement of the public
14 school system of the state,
- 15 d. a statement of the receipts and expenditures of the
16 State Board of Education for the past year, and
- 17 e. a statement of plans and recommendations for the
18 management and improvement of public schools and such
19 other information relating to the educational
20 interests of the state as may be deemed necessary and
21 desirable;

22 5. Provide for the formulation and adoption of curricula,
23 courses of study and other instructional aids necessary for the
24 adequate instruction of pupils in the public schools;

1 6. Have authority in matters pertaining to the licensure and
2 certification of persons for instructional, supervisory and
3 administrative positions and services in the public schools of the
4 state subject to the provisions of Section 6-184 of this title, and
5 shall formulate rules governing the issuance and revocation of
6 certificates for superintendents of schools, principals,
7 supervisors, librarians, clerical employees, school nurses, school
8 bus drivers, visiting teachers, classroom teachers and for other
9 personnel performing instructional, administrative and supervisory
10 services, but not including members of boards of education and other
11 employees who do not work directly with pupils, and may charge and
12 collect reasonable fees for the issuance of such certificates:

13 a. the State Department of Education shall not issue a
14 certificate to and shall revoke the certificate of any
15 person who has been convicted, whether upon a verdict
16 or plea of guilty or upon a plea of nolo contendere,
17 or received a suspended sentence or any probationary
18 term for a crime or an attempt to commit a crime
19 provided for in Section 843.5 of Title 21 of the
20 Oklahoma Statutes if the offense involved sexual abuse
21 or sexual exploitation as those terms are defined in
22 Section 1-1-105 of Title 10A of the Oklahoma Statutes,
23 Sections 741, 843.1, if the offense included sexual
24 abuse or sexual exploitation, 865 et seq., 885, 888,

1 891, 1021, 1021.2, 1021.3, 1040.13a, 1087, 1088,
2 1111.1, 1114 or 1123 of Title 21 of the Oklahoma
3 Statutes or who enters this state and who has been
4 convicted, received a suspended sentence or received a
5 deferred judgment for a crime or attempted crime
6 which, if committed or attempted in this state, would
7 be a crime or an attempt to commit a crime provided
8 for in any of ~~said~~ the laws,

9 b. all funds collected by the State Department of
10 Education for the issuance of certificates to
11 instructional, supervisory and administrative
12 personnel in the public schools of the state shall be
13 deposited in the "Teachers' Certificate Fund" in the
14 State Treasury and may be expended by the State Board
15 of Education to finance the activities of the State
16 Department of Education necessary to administer the
17 program, for consultative services, publication costs,
18 actual and necessary travel expenses as provided in
19 the State Travel Reimbursement Act incurred by persons
20 performing research work, and other expenses found
21 necessary by the State Board of Education for the
22 improvement of the preparation and certification of
23 teachers in Oklahoma. Provided, any unobligated
24 balance in the Teachers' Certificate Fund in excess of

1 Ten Thousand Dollars (\$10,000.00) on June 30 of any
2 fiscal year shall be transferred to the General
3 Revenue Fund of the State of Oklahoma. Until July 1,
4 1997, the State Board of Education shall have
5 authority for approval of teacher education programs.
6 The State Board of Education shall also have authority
7 for the administration of teacher residency and
8 professional development, subject to the provisions of
9 the Oklahoma Teacher Preparation Act;

10 7. Promulgate rules governing the classification, inspection,
11 supervision and accrediting of all public nursery, kindergarten,
12 elementary and secondary schools and on-site educational services
13 provided by public school districts or state-accredited private
14 schools in partial hospitalization programs, day treatment programs,
15 and day hospital programs as defined in this act for persons between
16 the ages of three (3) and twenty-one (21) years of age in the state.
17 However, no school shall be denied accreditation solely on the basis
18 of average daily attendance.

19 Any school district which maintains an elementary school and
20 faces the necessity of relocating its school facilities because of
21 construction of a lake, either by state or federal authority, which
22 will inundate the school facilities, shall be entitled to receive
23 probationary accreditation from the State Board of Education for a
24 period of five (5) years after the effective date of this act and

1 any school district, otherwise qualified, shall be entitled to
2 receive probationary accreditation from the State Board of Education
3 for a period of two (2) consecutive years to attain the minimum
4 average daily attendance. The Head Start and public nurseries or
5 kindergartens operated from Community Action Program funds shall not
6 be subjected to the accrediting rules of the State Board of
7 Education. Neither will the State Board of Education make rules
8 affecting the operation of the public nurseries and kindergartens
9 operated from federal funds secured through Community Action
10 Programs even though they may be operating in the public schools of
11 the state. However, any of the Head Start or public nurseries or
12 kindergartens operated under federal regulations may make
13 application for accrediting from the State Board of Education but
14 will be accredited only if application for the approval of the
15 programs is made. The status of no school district shall be changed
16 which will reduce it to a lower classification until due notice has
17 been given to the proper authorities thereof and an opportunity
18 given to correct the conditions which otherwise would be the cause
19 of such reduction.

20 Private and parochial schools may be accredited and classified
21 in like manner as public schools or, if an accrediting association
22 is approved by the State Board of Education, by procedures
23 established by the State Board of Education to accept accreditation
24

1 by such accrediting association, if application is made to the State
2 Board of Education for such accrediting;

3 8. Be the legal agent of the State of Oklahoma to accept, in
4 its discretion, the provisions of any Act of Congress appropriating
5 or apportioning funds which are now, or may hereafter be, provided
6 for use in connection with any phase of the system of public
7 education in Oklahoma. It shall prescribe such rules as it finds
8 necessary to provide for the proper distribution of such funds in
9 accordance with the state and federal laws;

10 9. Be and is specifically hereby designated as the agency of
11 this state to cooperate and deal with any officer, board or
12 authority of the United States Government under any law of the
13 United States which may require or recommend cooperation with any
14 state board having charge of the administration of public schools
15 unless otherwise provided by law;

16 10. Be and is hereby designated as the "State Educational
17 Agency" referred to in Public Law 396 of the 79th Congress of the
18 United States, which law states that ~~said~~ the act may be cited as
19 the "National School Lunch Act", and ~~said~~ the State Board of
20 Education is hereby authorized and directed to accept the terms and
21 provisions of ~~said~~ the act and to enter into such agreements, not in
22 conflict with the Constitution of Oklahoma or the Constitution and
23 Statutes of the United States, as may be necessary or appropriate to
24

1 secure for the State of Oklahoma the benefits of the school lunch
2 program established and referred to in ~~said~~ the act;

3 11. Have authority to secure and administer the benefits of the
4 National School Lunch Act, Public Law 396 of the 79th Congress of
5 the United States, in the State of Oklahoma and is hereby authorized
6 to employ or appoint and fix the compensation of such additional
7 officers or employees and to incur such expenses as may be necessary
8 for the accomplishment of the above purpose, administer the
9 distribution of any state funds appropriated by the Legislature
10 required as federal matching to reimburse on children's meals;

11 12. Accept and provide for the administration of any land,
12 money, buildings, gifts, donation or other things of value which may
13 be offered or bequeathed to the schools under the supervision or
14 control of ~~said~~ the Board;

15 13. Have authority to require persons having administrative
16 control of all school districts in Oklahoma to make such regular and
17 special reports regarding the activities of the schools in ~~said~~ the
18 districts as the Board may deem needful for the proper exercise of
19 its duties and functions. Such authority shall include the right of
20 the State Board of Education to withhold all state funds under its
21 control, to withhold official recognition, including accrediting,
22 until such required reports have been filed and accepted in the
23 office of ~~said~~ the Board and to revoke the certificates of persons
24 failing or refusing to make such reports;

1 14. Have general supervision of the school lunch program. The
2 State Board of Education may sponsor workshops for personnel and
3 participants in the school lunch program and may develop, print and
4 distribute free of charge or sell any materials, books and bulletins
5 to be used in such school lunch programs. There is hereby created
6 in the State Treasury a revolving fund for the Board, to be
7 designated the School Lunch Workshop Revolving Fund. The fund shall
8 consist of all fees derived from or on behalf of any participant in
9 any such workshop sponsored by the State Board of Education, or from
10 the sale of any materials, books and bulletins, and such funds shall
11 be disbursed for expenses of such workshops and for developing,
12 printing and distributing of such materials, books and bulletins
13 relating to the school lunch program. The fund shall be
14 administered in accordance with Section 155 of Title 62 of the
15 Oklahoma Statutes;

16 15. Prescribe all forms for school district and county officers
17 to report to the State Board of Education where required. The State
18 Board of Education shall also prescribe a list of appropriation
19 accounts by which the funds of school districts shall be budgeted,
20 accounted for and expended; and it shall be the duty of the State
21 Auditor and Inspector in prescribing all budgeting, accounting and
22 reporting forms for school funds to conform to such lists;

23 16. Provide for the establishment of a uniform system of pupil
24 and personnel accounting, records and reports;

1 17. Have authority to provide for the health and safety of
2 school children and school personnel while under the jurisdiction of
3 school authorities;

4 18. Provide for the supervision of the transportation of
5 pupils;

6 19. Have authority, upon request of the local school board, to
7 act in behalf of the public schools of the state in the purchase of
8 transportation equipment;

9 20. Have authority and is hereby required to perform all duties
10 necessary to the administration of the public school system in
11 Oklahoma as specified in the Oklahoma School Code; and, in addition
12 thereto, those duties not specifically mentioned herein if not
13 delegated by law to any other agency or official;

14 21. Administer the State Public Common School Building
15 Equalization Fund established by Section 32 of Article X of the
16 Oklahoma Constitution. ~~Any monies as may be appropriated or~~
17 ~~designated by the Legislature, other than ad valorem taxes, any~~
18 ~~other funds identified by the State Department of Education, which~~
19 ~~may include, but not be limited to, grants in aid from the federal~~
20 ~~government for building purposes, the proceeds of all property that~~
21 ~~shall fall to the state by escheat, penalties for unlawful holding~~
22 ~~of real estate by corporations, and capital gains on assets of the~~
23 ~~permanent school funds, shall be deposited in the State Public~~
24 ~~Common School Building Equalization Fund. The fund shall be used to~~

1 ~~aid school districts and charter schools in acquiring buildings,~~
2 ~~subject to the limitations fixed by Section 32 of Article X of the~~
3 ~~Oklahoma Constitution. It is hereby declared that the term~~
4 ~~"acquiring buildings" as used in Section 32 of Article X of the~~
5 ~~Oklahoma Constitution shall mean acquiring or improving school~~
6 ~~sites, constructing, repairing, remodeling or equipping buildings,~~
7 ~~or acquiring school furniture, fixtures, or equipment. For charter~~
8 ~~schools, the fund shall only be used to acquire buildings in which~~
9 ~~students enrolled in the charter school will be attending. It is~~
10 ~~hereby declared that the term "school districts" as used in Section~~
11 ~~32 of Article X of the Oklahoma Constitution shall mean school~~
12 ~~districts and charter schools created pursuant to the provisions of~~
13 ~~the Oklahoma Charter Schools Act. If sufficient monies are~~
14 ~~available in the fund, the Board shall solicit proposals for grants~~
15 ~~from school districts and charter schools and shall determine the~~
16 ~~process for consideration of proposals. Grants shall be awarded~~
17 ~~only to school districts which have a total assessed property~~
18 ~~valuation per average daily membership that is less than the state~~
19 ~~average total assessed property valuation per average daily~~
20 ~~membership and, at the time of application, the district has voted~~
21 ~~the five-mill building fund levy authorized in Section 10 of Article~~
22 ~~X of the Oklahoma Constitution, and has voted indebtedness through~~
23 ~~the issuance of new bonds for at least fifty percent (50%) within~~
24 ~~the last three (3) years of the maximum allowable pursuant to the~~

1 ~~provisions of Section 26 of Article X of the Oklahoma Constitution~~
2 ~~as shown on the school district budget filed with the State Board of~~
3 ~~Equalization for the current school year and certifications by the~~
4 ~~Attorney General prior to April 1 of the school year. Grants shall~~
5 ~~be awarded only to charter schools which have secured matching funds~~
6 ~~for the specific purpose of acquiring buildings in an amount of not~~
7 ~~less than ten percent (10%) of the total grant amount. The amount~~
8 ~~of each grant awarded by the Board each year shall not exceed Four~~
9 ~~Million Dollars (\$4,000,000.00). From the total amount available to~~
10 ~~provide grants to public schools and charter schools, charter~~
11 ~~schools shall be allocated the greater of ten percent (10%) of the~~
12 ~~total amount or the percent of students enrolled in charter schools~~
13 ~~that are not sponsored by the Statewide Virtual Charter School Board~~
14 ~~as compared to the student enrollment in school districts which have~~
15 ~~a total assessed property valuation per average daily membership~~
16 ~~that is equal to or less than twenty-five percent (25%) of the state~~
17 ~~total assessed property valuation per average daily membership. The~~
18 ~~Board shall give priority consideration to school districts which~~
19 ~~have a total assessed property valuation per average daily~~
20 ~~membership that is equal to or less than twenty-five percent (25%)~~
21 ~~of the state average total assessed property valuation per average~~
22 ~~daily membership. The Board is authorized to prorate grants awarded~~
23 ~~if monies are not sufficient in the fund to award grants to~~
24 ~~qualified districts and charter schools. The State Board of~~

1 ~~Education shall make available to eligible charter schools any~~
2 ~~unused grant funds that remain after the initial allocation to all~~
3 ~~eligible public school districts and charter schools of this state.~~
4 ~~The State Board of Education shall prescribe rules for making grants~~
5 ~~of aid from, and for otherwise administering, the fund pursuant to~~
6 ~~the provisions of this paragraph, and may employ and fix the duties~~
7 ~~and compensation of technicians, aides, clerks, stenographers,~~
8 ~~attorneys and other personnel deemed necessary to carry out the~~
9 ~~provisions of this paragraph. The cost of administering the fund~~
10 ~~shall be paid from monies appropriated to the State Board of~~
11 ~~Education for the operation of the State Department of Education as~~
12 ~~provided for in Section 2 of this act;~~

13 22. Recognize that the Director of the Oklahoma Department of
14 Corrections shall be the administrative authority for the schools
15 which are maintained in the state reformatories and shall appoint
16 the principals and teachers in such schools. Provided, that rules
17 of the State Board of Education for the classification, inspection
18 and accreditation of public schools shall be applicable to such
19 schools; and such schools shall comply with standards set by the
20 State Board of Education; and

21 23. Have authority to administer a revolving fund which is
22 hereby created in the State Treasury, to be designated the
23 Statistical Services Revolving Fund. The fund shall consist of all
24 monies received from the various school districts of the state, the

1 United States Government, and other sources for the purpose of
2 furnishing or financing statistical services and for any other
3 purpose as designated by the Legislature. The State Board of
4 Education is hereby authorized to enter into agreements with school
5 districts, municipalities, the United States Government, foundations
6 and other agencies or individuals for services, programs or research
7 projects. The Statistical Services Revolving Fund shall be
8 administered in accordance with Section 155 of Title 62 of the
9 Oklahoma Statutes.

10 SECTION 2. NEW LAW A new section of law to be codified
11 in the Oklahoma Statutes as Section 3-104.10 of Title 70, unless
12 there is created a duplication in numbering, reads as follows:

13 A. The State Board of Education shall administer the State
14 Public Common School Building Equalization Fund established by
15 Section 32 of Article X of the Oklahoma Constitution.

16 B. Any monies as may be appropriated or designated by the
17 Legislature, other than ad valorem taxes, any other funds identified
18 by the State Department of Education, which may include but not be
19 limited to grants-in-aid from the federal government for building
20 purposes, the proceeds of all property that shall fall to the state
21 by escheat, penalties for unlawful holding of real estate by
22 corporations and capital gains on assets of the permanent school
23 funds shall be deposited in the State Public Common School Building
24 Equalization Fund.

1 C. The fund shall be used to aid school districts in acquiring
2 buildings, subject to the limitations fixed by Section 32 of Article
3 X of the Oklahoma Constitution. It is hereby declared that the term
4 "acquiring buildings" as used in Section 32 of Article X of the
5 Oklahoma Constitution shall mean acquiring school sites by lease or
6 purchase, improving school sites, constructing, repairing,
7 remodeling or equipping buildings, or acquiring school furniture,
8 fixtures or equipment. It is hereby declared that the term "school
9 districts" as used in Section 32 of Article X of the Oklahoma
10 Constitution shall mean school districts and charter schools created
11 pursuant to Section 3-132 of Title 70 of the Oklahoma Statutes which
12 have no assessed valuation. For the purposes of this section,
13 "charter schools" shall not mean virtual charter schools created
14 pursuant to Section 3-145.3 of Title 70 of the Oklahoma Statutes.

15 D. If sufficient monies are available in the fund, the Board
16 shall solicit proposals from school districts for one-time capital
17 expenditure grants which shall comprise twenty-five percent (25%) of
18 the fund and for multi-year facility grants which shall comprise
19 seventy-five percent (75%) of the fund and shall be used for
20 facility expenditures including but not limited to building lease
21 payments, utilities and building maintenance. The Board shall
22 determine the process for consideration of proposals.

23 E. Grants shall be awarded to school districts based on the
24 following criteria and priority consideration:

1 1. First priority consideration shall be given to school
2 districts that submit a grant proposal and have an assessed
3 valuation in the bottom five percent (5%) of all school districts,
4 with preference given to school districts with the lowest assessed
5 valuation;

6 2. If the amount in the fund exceeds the needs of grant
7 proposals submitted by school districts that meet the criteria of
8 paragraph 1 of this subsection, second priority consideration shall
9 be given to school districts that submit a grant proposal and have
10 an assessed valuation in the bottom fifteen percent (15%) of all
11 school districts, with preference given to school districts with the
12 lowest assessed valuation within this tier; and

13 3. If the amount in the fund exceeds the needs of grant
14 proposals submitted by school districts that meet the criteria of
15 paragraph 2 of this subsection, third priority consideration shall
16 be given to school districts that submit a grant proposal and have
17 an assessed valuation in the bottom twenty-five percent (25%) of all
18 school districts, with preference given to school districts with the
19 lowest assessed valuation within this tier.

20 F. A school district that submits a multi-year facility grant
21 proposal that is approved by the State Board of Education shall
22 receive an amount equal to the state financial support of public
23 schools per weighted average daily membership as calculated pursuant
24 to Section 18-200.1 of Title 70 of the Oklahoma Statutes and

1 reported to school districts by the State Department of Education on
2 the initial tentative State Aid allocation notice multiplied by six
3 percent (6%).

4 G. A school district that submits a one-time capital
5 expenditure grant proposal that is approved by the State Board of
6 Education shall receive an amount based upon the proposal submitted
7 to the State Board of Education but in no case shall exceed Four
8 Million Dollars (\$4,000,000.00) per school district.

9 H. The State Board of Education is authorized to prorate grants
10 awarded if monies are not sufficient in the fund to award grants to
11 qualified school districts.

12 I. The State Board of Education shall promulgate rules to
13 implement the provisions of this section.

14 ~~SECTION 3. This act shall become effective July 1, 2020.~~

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

19 COMMITTEE REPORT BY: COMMITTEE ON APPROPRIATIONS
20 February 19, 2020 - DO PASS AS AMENDED
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