

STATE OF OKLAHOMA

2nd Session of the 58th Legislature (2022)

SENATE BILL 1420

By: Dahm

AS INTRODUCED

An Act relating to scholarships; creating the Fund Students, Not Systems Scholarship Act; providing short title; creating the Fund Students, Not Systems Scholarship Program; providing purpose; providing definition; allowing certain parents and legal guardians to request a scholarship; establishing requirements for scholarship; requiring certain parents and legal guardians to assume certain financial responsibility; providing for notification if certain acceptance is pending space availability; establishing eligibility criteria for private school participation; providing for calculation of scholarship amount; providing immunity from liability for certain entities based on the use or award of certain funds; prohibiting the expansion of certain regulatory authority over private schools; providing for codification; providing an effective date; and declaring an emergency.

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

SECTION 1. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 18-500 of Title 70, unless there is created a duplication in numbering, reads as follows:

A. This act shall be known and may be cited as the "Fund Students, Not Systems Scholarship Act".

1 B. There is hereby created the Fund Students, Not Systems
2 Scholarship Program to provide a scholarship to a private school of
3 choice that meets the requirements of subsection F of this section
4 for an eligible student. For the purposes of this section,
5 "eligible student" means a resident of this state who is eligible to
6 enroll in pre-kindergarten through grade twelve in a public school
7 district in this state.

8 C. 1. Beginning with the 2022-2023 school year, the parent or
9 legal guardian of an eligible student may exercise their parental
10 option and request to have a scholarship awarded for an eligible
11 student to enroll in and attend a private school. The scholarship
12 shall be awarded if the parent or legal guardian has obtained
13 acceptance for admission of an eligible student to a private school
14 that meets the requirements of subsection F of this section and has
15 notified the State Department of Education of the request for a
16 scholarship. Requests to participate in the Program made after
17 December 1 shall be granted, but funding for scholarships requested
18 after December 1 shall not be available until the beginning of the
19 next school year. The request shall be through a communication
20 directly to the State Department of Education in a manner that
21 creates a written or electronic record of the request and the date
22 of the receipt of the request. The Department shall notify the
23 eligible student's resident district, as defined in Section 1-113 of
24 Title 70 of the Oklahoma Statutes, of the request.

1 2. For purposes of continuity of educational choice, the
2 scholarship shall remain in force until the eligible student returns
3 to a public school, graduates from high school, or reaches the age
4 of twenty-one (21), whichever occurs first. At any time, the parent
5 or legal guardian of the eligible student may remove the student
6 from the private school and place the student in another private
7 school that meets the requirements of subsection F of this section
8 or place the student in a public school.

9 D. Upon acceptance of a scholarship, the parent or legal
10 guardian of the eligible student shall assume full financial
11 responsibility for the education of the eligible student including
12 but not limited to transportation to and from the private school.
13 The parent or legal guardian of the eligible student shall sign a
14 document releasing the student's resident school district from all
15 obligations to educate the eligible student.

16 E. If a parent or legal guardian requests a scholarship and the
17 eligible student is accepted by a private school pending the
18 availability of a space for the student, the parent or legal
19 guardian shall notify the State Department of Education before
20 entering the private school and before December 1 to be eligible for
21 the scholarship during the school year when a space becomes
22 available in the private school. If notification is made after
23 December 1, payment of the scholarship shall not begin until the
24 following school year.

1 F. To be eligible to participate in the Fund Students, Not
2 Systems Scholarship Program, a private school shall notify the State
3 Department of Education of its intent to participate. The private
4 school shall:

5 1. Meet the accreditation requirements set by the State Board
6 of Education or another accrediting association approved by the
7 State Board of Education. The State Department of Education shall
8 list on its website all accrediting associations approved by the
9 Board;

10 2. Demonstrate fiscal soundness by having been in operation for
11 a minimum of one school year; and

12 3. Meet state and local health and safety laws and codes.

13 G. Provisions governing payment of a scholarship pursuant to
14 this act shall be as follows:

15 1. The State Department of Education shall calculate the total
16 cost of all scholarships for all eligible students in this state.
17 The State Department of Education shall then reserve or retain from
18 the total amount appropriated to the State Board of Education for
19 State Aid purposes and any other revenue available for allocation
20 for State Aid purposes the total cost for all scholarship payments;

21 2. The maximum scholarship granted for an eligible student
22 shall be a calculated amount equivalent to the total State Aid
23 factors for the applicable school year multiplied by the grade
24 weight generated by the student for the applicable school year. The

1 maximum scholarship amount shall be calculated by the State Board of
2 Education for each year the student is participating in the Fund
3 Students, Not Systems Scholarship Program;

4 3. The amount of the scholarship shall be the amount calculated
5 in paragraph 2 of this subsection or the amount of tuition and fees
6 for the private school, whichever is less. If the scholarship is
7 granted after the beginning of the school year, the amount of the
8 scholarship shall be prorated to reflect the number of days
9 remaining in the current school year;

10 4. The State Department of Education shall notify the private
11 school of the amount of the scholarship within ten (10) days after
12 receiving the request for a scholarship, when the total State Aid
13 factors have been determined for the current fiscal year. The
14 initial payment shall be made after the Department verifies
15 admission acceptance and enrollment of the eligible student.
16 Quarterly payments shall be made upon verification of continued
17 enrollment and attendance at the private school. Payment shall be
18 made by the Department with an individual warrant made payable to
19 the parent or legal guardian of the eligible student and mailed by
20 the Department to the private school that the parent or legal
21 guardian chooses. The parent or legal guardian shall restrictively
22 endorse the warrant to the private school for deposit into the
23 account of the private school. The parent or legal guardian may not
24 designate any entity or individual associated with the private

1 school as the attorney in fact for the parent or legal guardian to
2 endorse a warrant. A parent or legal guardian who fails to comply
3 with this paragraph shall forfeit the scholarship;

4 5. The State Department of Education shall not be responsible
5 for any additional costs associated with the education services
6 incurred by the private school for the eligible student including
7 the cost of teachers, equipment, and materials; and

8 6. The State Department of Education shall cross-check the list
9 of participating scholarship students with the public school
10 enrollments prior to each scholarship payment to avoid duplication.

11 H. No liability shall arise on the part of the state, the State
12 Board of Education, the State Department of Education, or a school
13 district based on the award or use of funds provided through the
14 Fund Students, Not Systems Scholarship Program.

15 I. The inclusion of private schools within options available to
16 public school students in Oklahoma pursuant to this section shall
17 not expand the regulatory authority of the state or any school
18 district to impose any additional regulation of private schools
19 beyond those reasonably necessary to enforce the requirements
20 expressly set forth in this section.

21 J. The State Board of Education shall promulgate rules to
22 implement the provisions of this act.

23 SECTION 2. This act shall become effective July 1, 2022.
24
25

SECTION 3. 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.

58-2-2303 EB 1/19/2022 3:00:21 PM