

OKLAHOMA STATE SENATE
CONFERENCE
COMMITTEE REPORT

May 28, 2024

Mr. President:

Mr. Speaker:

The Conference Committee, to which was referred

SB1432

By: Howard of the Senate and Kannady of the House

Title: Oklahoma Education Lottery Act; updating statutory language trustees; reporting; Commission employees; Education Lottery Trust Fund; apportionment. Effective date. Emergency.

together with Engrossed House 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 House recede from all Amendments.
2. That the attached Conference Committee Substitute (Request #3852) be adopted.

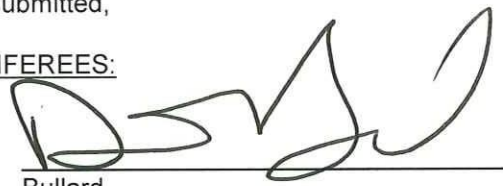
Respectfully submitted,

SENATE CONFEREES:


Howard


Rader

Woods


Bullard

Hicks

HOUSE CONFEREES:

Conference Committee on General Government

STATE OF OKLAHOMA

2nd Session of the 59th Legislature (2024)

CONFERENCE COMMITTEE SUBSTITUTE
FOR ENGROSSED

SENATE BILL NO. 1432

By: Howard of the Senate

and

Kannady of the House

CONFERENCE COMMITTEE SUBSTITUTE

An Act relating to the Oklahoma Education Lottery Act; amending 3A O.S. 2021, Section 703, which relates to definitions; modifying definitions; amending 3A O.S. 2021, Section 705, which relates to the board of trustees; removing provisions for initial membership; amending 3A O.S. 2021, Section 711, which relates to the executive director; modifying reporting frequency; amending 3A O.S. 2021, Section 712, as amended by Section 1, Chapter 332, O.S.L. 2023 (3A O.S. Supp. 2023, Section 712), which relates to employees of the Oklahoma Lottery Commission; updating statutory language; amending 3A O.S. 2021, Section 713, as last amended by Section 2, Chapter 332, O.S.L. 2023 (3A O.S. Supp. 2023, Section 713), which relates to the Oklahoma Education Lottery Trust Fund; removing method of transfer of certain funds; modifying portion of annual appropriation; directing certain funds from the Oklahoma Education Lottery Trust Fund to go into certain funds; providing for method of apportionment to be transferred from fund into specified funds; directing remainder of funds to be transferred into certain fund by certain date; updating statutory reference; repealing 3A O.S. 2021, Section 719, which relates to the Fidelity Revolving Fund; repealing 3A O.S. 2021, Section 732, which relates to negotiable bonds and promissory notes; and declaring an emergency.

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

SECTION 1. AMENDATORY 3A O.S. 2021, Section 703, is amended to read as follows:

Section 703. As used in the Oklahoma Education Lottery Act:

1. "Administrative expenses" means operating expenses, excluding amounts set aside for prizes, regardless of whether such prizes are claimed ~~and excluding amounts deposited to the Fidelity Revolving Fund pursuant to Section 20 of this act;~~

2. "Board" means the board of trustees of the Oklahoma Lottery Commission;

3. "Capital outlay projects" means the acquisition, construction, installation, modification, renovation, repair, extension, renewal, replacement, or rehabilitation of land, interests in land, buildings, structures, facilities, or other improvements and the acquisition, installation, modification, renovation, repair, extension, renewal, replacement, rehabilitation, or furnishing of fixtures, machinery, equipment, computers, software, laboratories, furniture, textbooks, and reference material or other property of any nature whatsoever used on, in, or in connection with educational facilities;

4. "Commission" means the Oklahoma Lottery Commission;

5. "Educational facilities" means land, structures, and buildings owned or operated by and through the Oklahoma State

1 Regents for Higher Education, the State Board of Education, the
2 Oklahoma Department of Career and Technology Education, or by any
3 school district within this state. A public road or highway leading
4 to an educational facility shall not be considered an educational
5 facility;

6 6. "Executive director" means the chief executive officer and
7 administrator of the Oklahoma Lottery Commission;

8 7. "Gross proceeds" means all revenue derived from the sale of
9 lottery tickets or shares and all other monies derived from the
10 lottery;

11 8. "Instant ticket" means a lottery ticket that requires the
12 player to remove a coating to determine if a prize has been won;

13 9. "Lottery", "lotteries", "lottery game", or "lottery games"
14 means an activity conducted by the Commission under the Oklahoma
15 Education Lottery Act through which prizes are awarded or
16 distributed by chance among persons who have paid for a chance or
17 other opportunity to receive a prize, including, but not limited to,
18 instant tickets and on-line games, but excluding charity bingo and
19 games conducted pursuant to the Oklahoma Charity Games Act, poker,
20 blackjack, slot machines, pulltab machines, card games, dice,
21 dominos, roulette wheels, or other similar forms of gambling, or
22 electronic or video forms of these gambling activities, or games
23 where winners are determined by the outcome of a sports contest, or
24

1 pari-mutuel betting conducted pursuant to the Oklahoma Horse Racing
2 Act;

3 10. "Major procurement contract" means any gaming product or
4 service costing in excess of Twenty-five Thousand Dollars
5 (\$25,000.00), including, but not limited to, major advertising
6 contracts, annuity contracts, prize payment agreements, consulting
7 services, equipment, tickets, and other products and services unique
8 to the Oklahoma lottery, but not including materials, supplies,
9 equipment, and services common to the ordinary operations of the
10 Commission;

11 11. "Member" or "members" means a trustee or trustees of the
12 board of trustees of the Oklahoma Lottery Commission;

13 12. "Member of a minority" means an individual who is a member
14 of a race which comprises less than fifty percent (50%) of the total
15 population of Oklahoma;

16 13. "Minority business" means any business which is owned by:

- 17 a. an individual who is a member of a minority who
18 reports as the personal income of the individual for
19 Oklahoma income tax purposes the income of the
20 business,
- 21 b. a partnership in which a majority of the ownership
22 interest is owned by one or more members of a minority
23 who report as their personal income for Oklahoma
24

1 income tax purposes more than fifty percent (50%) of
2 the income of the partnership, or

3 c. a corporation organized under the laws of this state
4 in which a majority of the common stock is owned by
5 one or more members of a minority who report as their
6 personal income for Oklahoma income tax purposes more
7 than fifty percent (50%) of the distributed earnings
8 of the corporation;

9 14. "Net proceeds" means all revenue derived from the sale of
10 lottery tickets or shares and all other monies derived from the
11 lottery less operating expenses;

12 15. "On-line games" means a game where tickets or shares are
13 purchased through a network of computer terminals located at retail
14 outlets, and such terminals are linked to a central computer that
15 records the purchases;

16 16. "Operating expenses" means all costs of doing business,
17 including, but not limited to, prizes, commissions, and other
18 compensation paid to retailers, advertising and marketing costs,
19 personnel costs, capital costs, ~~amounts held in or paid from the~~
20 ~~Fidelity Revolving Fund pursuant to Section 20 of this act, debt~~
21 ~~service payments for the payment of the initial expenses of start-~~
22 ~~up,~~ administration, and operation of the Commission and the lottery,
23 and other operating costs;

1 17. "Pari-mutuel betting" means the pari-mutuel system of
2 wagering as defined in Section 200.1 of ~~Title 3A of the Oklahoma~~
3 ~~Statutes~~ this title. Such term shall not include a lottery game
4 which may be predicated on a horse-racing scheme that does not
5 involve actual track events or traditional lottery games which may
6 involve the distribution of winnings by pools;

7 18. "Person" means any individual, corporation, partnership,
8 unincorporated association, limited liability company, or other
9 legal entity;

10 19. "Retailer" means a person who sells lottery tickets or
11 shares on behalf of the Commission pursuant to a contract;

12 20. "Share" means any intangible evidence of participation in a
13 lottery game;

14 21. "Ticket" means any tangible evidence issued by the lottery
15 to provide participation in a lottery game; and

16 22. "Vendor" means a person who provides or proposes to provide
17 goods or services to the Commission pursuant to a major procurement
18 contract, but does not include an employee of the Commission, a
19 retailer, or a state agency or instrumentality thereof. Such term
20 does not include any corporation whose shares are publicly traded
21 and which is the parent company of the contracting party in a major
22 procurement contract.

23 SECTION 2. AMENDATORY 3A O.S. 2021, Section 705, is
24 amended to read as follows:

1 Section 705. A. The Oklahoma Lottery Commission shall be
2 governed by a board of trustees composed of seven (7) members to be
3 appointed by the Governor with the advice and consent of the Senate.
4 Not more than two members shall be appointed from any single
5 congressional district.

6 B. Members shall be residents of the State of Oklahoma, shall
7 be prominent persons in their businesses or professions, and shall
8 not have been convicted of any felony offense, and shall not be
9 awaiting sentencing on a plea of guilt or nolo contendere to a
10 felony offense. At least one member of the board shall be engaged
11 in the practice of law, at least one member shall be engaged in the
12 practice of accounting, and at least one member shall have expertise
13 in marketing.

14 C. Members shall serve terms of five (5) years, ~~except that of~~
15 ~~the initial members appointed, one shall be appointed for an initial~~
16 ~~term of one (1) year, one shall be appointed for an initial term of~~
17 ~~two (2) years, one shall be appointed for an initial term of three~~
18 ~~(3) years, two shall be appointed for initial terms of four (4)~~
19 ~~years, and two shall be appointed for initial terms of five (5)~~
20 ~~years.~~ Any vacancy occurring on the board shall be filled by the
21 Governor by appointment with the advice and consent of the Senate
22 for the remainder of the unexpired term.

23 D. Members of the board shall not have any direct or indirect
24 interest in an undertaking that puts their personal interest in

1 conflict with that of the Commission, including, but not limited to,
2 an interest in a major procurement contract or a participating
3 retailer.

4 E. Members of the board shall be reimbursed for travel expenses
5 pursuant to the State Travel Reimbursement Act.

6 F. The members shall elect from their membership a chair, vice-
7 chair, secretary, and treasurer. Such officers shall serve for such
8 terms as shall be prescribed by the rules of the Commission or until
9 their respective successors are elected and qualified. No member of
10 the board shall hold more than any one office of the Commission at
11 the same time, except that the same person may serve as secretary
12 and treasurer.

13 G. The board of trustees shall employ an executive director of
14 the Commission.

15 H. A majority of members in office shall constitute a quorum
16 for the transaction of any business and for the exercise of any
17 power or function of the Commission.

18 I. All meetings of the board shall be subject to the Oklahoma
19 Open Meeting Act. Action may be taken and motions and resolutions
20 adopted by the board at any meeting thereof by the affirmative vote
21 of a majority of present and voting board members.

22 J. No vacancy in the membership of the board shall impair the
23 right of the members to exercise all the powers and perform all the
24 duties of the board.

SECTION 3. AMENDATORY 3A O.S. 2021, Section 711, is amended to read as follows:

Section 711. A. The executive director of the Oklahoma Lottery Commission shall direct and supervise all administrative and technical activities in accordance with the provisions of the Oklahoma Education Lottery Act and with the rules promulgated by the board of trustees of the Oklahoma Lottery Commission. It shall be the duty of the executive director to:

1. Facilitate the initiation of and supervise and administer the operation of the lottery games;

2. Employ by contract and compensate such persons and firms as deemed necessary;

3. Promote or provide for promotion of the lottery and any functions related to the Commission;

4. Prepare a budget for the approval of the board;

5. Require bond from such retailers and vendors in such amounts as required by the board;

6. Report ~~quarterly~~ annually to the State Auditor and Inspector and the board a full and complete statement of lottery revenues and expenses for the preceding ~~quarter~~ fiscal year; and

7. Perform other duties generally associated with an executive director or a chief executive officer of a state lottery.

B. In accordance with the provisions of the Oklahoma Education Lottery Act or the rules of the board, the executive director may

1 for good cause suspend, revoke, or refuse to renew any contract
2 entered into.

3 C. The executive director or designee may conduct hearings and
4 administer oaths to persons for the purpose of assuring the security
5 or integrity of lottery operations or to determine the
6 qualifications of or compliance by vendors and retailers.

7 SECTION 4. AMENDATORY 3A O.S. 2021, Section 712, as
8 amended by Section 1, Chapter 332, O.S.L. 2023 (3A O.S. Supp. 2023,
9 Section 712), is amended to read as follows:

10 Section 712. A. The executive director of the Oklahoma Lottery
11 Commission, with the approval of the board of trustees, shall employ
12 such personnel as may be necessary to carry out the provisions of
13 ~~this act~~ the Oklahoma Education Lottery Act and shall set the
14 compensation and terms of compensation of such employees. All
15 offices, positions, and personnel of the Oklahoma Lottery Commission
16 shall be in the unclassified service.

17 B. No employee of the Commission shall have a financial
18 interest in any vendor doing business or proposing to do business
19 with the Commission.

20 C. No employee of the Commission shall participate in any
21 decision involving a retailer with whom the employee has a financial
22 interest.

23 D. No employee of the Commission who leaves the employment of
24 the Commission may represent any vendor or lottery retailer before

1 the Commission for a period of two (2) years following termination
2 of employment with the Commission.

3 E. A background investigation shall be conducted on each
4 applicant who has reached the final selection process prior to
5 employment by the Commission and on every employee of the Commission
6 for each calendar year. The results of a background investigation
7 shall not be considered a record open to the public pursuant to the
8 Oklahoma Open Records Act.

9 F. No person who has been convicted of any felony or a
10 misdemeanor involving illegal gambling or involving moral turpitude
11 shall be employed by the Commission, nor shall the Commission employ
12 a person who is awaiting sentencing on a plea of guilt or nolo
13 contendere to such a felony or misdemeanor.

14 G. The Commission shall bond Commission employees with access
15 to Commission funds or lottery revenue in an amount specified by the
16 board and may bond other employees as deemed necessary.

17 SECTION 5. AMENDATORY 3A O.S. 2021, Section 713, as last
18 amended by Section 2, Chapter 332, O.S.L. 2023 (3A O.S. Supp. 2023,
19 Section 713), is amended to read as follows:

20 Section 713. A. All gross proceeds shall be the property of
21 the Oklahoma Lottery Commission. From its gross proceeds, the
22 Commission shall pay the operating expenses of the Commission. At
23 least forty-five percent (45%) of gross proceeds shall be made
24 available as prize money. However, the provisions of this

1 subsection shall be deemed not to create any lien, entitlement,
2 cause of action, or other private right, and any rights of holders
3 of tickets or shares shall be determined by the Commission in
4 setting the terms of its lottery or lotteries.

5 B. There is hereby created in the State Treasury a fund to be
6 designated the "Oklahoma Education Lottery Trust Fund". ~~Except as~~
7 ~~otherwise provided in subsections G and H of this section, on or~~
8 ~~before the fifteenth day of each calendar quarter, the Commission~~
9 ~~shall transfer to the State Treasurer, for credit to the Oklahoma~~
10 ~~Education Lottery Trust Fund, the amount of all net proceeds~~
11 ~~accruing during the preceding calendar quarter.~~ Expenditures from
12 the fund shall be made upon warrants issued by the State Treasurer
13 against claims filed as prescribed by law with the Director of the
14 Office of Management and Enterprise Services for approval and
15 payment.

16 C. Upon their deposit into the State Treasury, any monies
17 representing a deposit of net proceeds shall then become the
18 unencumbered property of this state, and neither the Commission nor
19 the board of trustees shall have the power to agree or undertake
20 otherwise. The monies shall be invested by the State Treasurer in
21 accordance with state investment practices. All earnings
22 attributable to such investments shall likewise be the unencumbered
23 property of the state and shall accrue to the credit of the fund
24 provided for in subsection B of this section.

1 1. The first Sixty-five Million Dollars (\$65,000,000.00) of
2 monies contributed annually to the Oklahoma Education Lottery Trust
3 Fund shall only be appropriated as follows:

4 a. forty-five percent (45%) for the following:

5 (1) kindergarten through twelfth grade public

6 education, including but not limited to

7 compensation and benefits for public school

8 teachers and support employees, and

9 (2) early childhood development programs, which shall

10 include but not be limited to costs associated

11 with prekindergarten and full-day kindergarten

12 programs,

13 b. forty-five percent (45%) for the following:

14 (1) tuition grants, loans and scholarships to

15 citizens of this state to enable such citizens to

16 attend colleges and universities located within

17 this state, regardless of whether such colleges

18 and universities are owned or operated by the

19 Oklahoma State Regents for Higher Education, or

20 to attend institutions operated under the

21 authority of the Oklahoma Department of Career

22 and Technology Education; provided, such tuition

23 grants, loans and scholarships shall not be made

24 to a citizen of this state to attend a college or

1 university which is not accredited by the
2 Oklahoma State Regents for Higher Education,

3 (2) construction of educational facilities for
4 elementary school districts, independent school
5 districts, The Oklahoma State System of Higher
6 Education, and career and technology education,

7 (3) capital outlay projects for elementary school
8 districts, independent school districts, The
9 Oklahoma State System of Higher Education, and
10 career and technology education,

11 (4) technology for public elementary school district,
12 independent school district, state higher
13 education, and career and technology education
14 facilities, which shall include but not be
15 limited to costs of providing to teachers at
16 accredited public institutions who teach levels
17 kindergarten through twelfth grade, personnel at
18 technology centers under the authority of the
19 Oklahoma State Department of Career and
20 Technology Education, and professors and
21 instructors within The Oklahoma State System of
22 Higher Education, the necessary training in the
23 use and application of computers and advanced
24 electronic instructional technology to implement

1 interactive learning environments in the
2 classroom and to access the statewide distance
3 learning network and costs associated with
4 repairing and maintaining advanced electronic
5 instructional technology,

6 (5) endowed chairs for professors at institutions of
7 higher education operated by The Oklahoma State
8 System of Higher Education, and

9 (6) programs and personnel of the Oklahoma School for
10 the Deaf and the Oklahoma School for the Blind,

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

1 Five Million Dollars (\$5,000,000.00), the monies
2 appropriated pursuant to this subparagraph shall be
3 deposited in the School Consolidation ~~and~~ Assistance
4 Fund until the Fund again reaches Five Million Dollars
5 (\$5,000,000.00), and

6 d. five percent (5%) to the Teachers' Retirement System
7 Dedicated Revenue Revolving Fund.

8 In no instance shall the annual maximum percentage for
9 administrative costs, not including marketing and advertising costs,
10 funds set aside for prizes, commissions paid to retailers, contract
11 fees paid to gaming system vendors and instant ticket providers or
12 emergency-related capital expenses, exceed three percent (3%) of
13 sales.

14 2. The remaining portion of lottery annual net proceeds
15 deposited to the Oklahoma Education Lottery Trust Fund that exceeds
16 Sixty-five Million Dollars (\$65,000,000.00) shall be ~~deposited~~
17 transferred by the Office of Management and Enterprise Services to
18 the credit of the Teacher Empowerment Revolving Fund created in
19 Section ~~2~~ 6-190.2 of ~~this act~~ Title 70 of the Oklahoma Statutes.

20 D. The Legislature shall appropriate funds from the Oklahoma
21 Education Lottery Trust Fund only for the purposes specified in
22 subsection C of this section. Even when funds from the trust fund
23 are used for these purposes, the Legislature shall not use funds
24 from the trust fund to supplant or replace other state funds

1 supporting common education, higher education, or career and
2 technology education.

3 E. In order to ensure that the funds from the trust fund are
4 used to enhance and not supplant funding for education, the State
5 Board of Equalization shall examine and investigate appropriations
6 from the trust fund each year. At the meeting of the State Board of
7 Equalization held within five (5) days after the monthly
8 apportionment in February of each year, the State Board of
9 Equalization shall issue a finding and report which shall state
10 whether appropriations from the trust fund were used to enhance or
11 supplant education funding. If the State Board of Equalization
12 finds that education funding was supplanted by funds from the trust
13 fund, the Board shall specify the amount by which education funding
14 was supplanted. In this event, the Legislature shall not make any
15 appropriations for the ensuing fiscal year until an appropriation in
16 that amount is made to replenish the trust fund.

17 F. Except as otherwise provided by this subsection, no
18 deficiency in the Oklahoma Education Lottery Trust Fund shall be
19 replenished by reducing any nonlottery funds including, specifically
20 but without limitation, the General Revenue Fund, the Constitutional
21 Reserve Fund, or the Education Reform Revolving Fund of the State
22 Department of Education. No program or project started specifically
23 from lottery proceeds shall be continued from the General Revenue
24 Fund, the Constitutional Reserve Fund, or the Education Reform

1 Revolving Fund of the State Department of Education. Such programs
2 must be adjusted or discontinued according to available lottery
3 proceeds unless the Legislature by general law establishes
4 eligibility requirements and appropriates specific funds therefor.
5 No surplus in the Oklahoma Education Lottery Trust Fund shall be
6 reduced or transferred to correct any nonlottery deficiencies in
7 sums available for general appropriations. The provisions of this
8 subsection shall not apply to bonds or other obligations issued
9 pursuant to or to the repayment of bonds or other obligations issued
10 pursuant to the Oklahoma Higher Education Promise of Excellence Act
11 of 2005.

12 G. There is hereby created in the State Treasury a revolving
13 fund to be designated the "Oklahoma Education Lottery Revolving
14 Fund". The fund shall be a continuing fund, not subject to fiscal
15 year limitations, and shall consist of all monies received by the
16 Commission. ~~The Commission shall make payments of net proceeds from~~
17 ~~the fund to the Oklahoma Education Lottery Trust Fund on or before~~
18 ~~the fifteenth day of each calendar quarter as provided in subsection~~
19 ~~B of this section.~~ All monies accruing to the credit of the
20 Oklahoma Education Lottery Revolving Fund are hereby appropriated
21 and may be budgeted and expended for the payment of net proceeds,
22 prizes, commissions to retailers, administrative expenses and all
23 other expenses arising out of the operation of the education
24 lottery, subject to the limitations provided in the Oklahoma

1 Education Lottery Act. Expenditures from the fund shall be made
2 upon warrants issued by the State Treasurer against claims filed as
3 prescribed by law with the Director of the Office of Management and
4 Enterprise Services for approval and payment.

5 The monies in the fund shall be invested by the State Treasurer
6 in accordance with state investment practices. All earnings
7 attributable to such investments shall likewise accrue to the credit
8 of the fund.

9 H. When appropriations from the Oklahoma Education Lottery
10 Trust Fund are made to common education pursuant to the provisions
11 of subparagraph a of paragraph 1 of subsection C of this section,
12 the appropriations shall be made available on a monthly basis. ~~In~~
13 ~~addition to the provisions of subsections B and C of this section,~~
14 ~~the~~ The following process shall be used to ensure that the
15 appropriations are made available to common education in a timely
16 manner:

17 1. Beginning in July of the fiscal year in which appropriations
18 are made to common education from the Oklahoma Education Lottery
19 Trust Fund, the Commission, on or before the ninth day of each
20 month, shall transfer to the State Treasurer, for credit to the
21 Oklahoma Education Lottery Trust Fund, ~~the amount of net proceeds~~
22 ~~accruing during the preceding month equal to the amount of total~~
23 ~~monthly collections~~ one-twelfth (1/12) of the annual apportionment
24

1 due to common education as required by subparagraph a of paragraph 1
2 of subsection C of this section;

3 2. The Director of the Office of Management and Enterprise
4 Services shall allocate the transfers provided for in paragraph 1 of
5 this subsection to the State Department of Education on a monthly
6 basis, not to exceed one-twelfth (1/12) of the annual apportionment
7 for the fiscal year; and

8 3. The total amount of transfers to the Oklahoma Education
9 Lottery Trust Fund of net lottery proceeds made pursuant to this
10 subsection shall not exceed the total appropriations made to common
11 education from the Oklahoma Education Lottery Trust Fund for the
12 specific fiscal year.

13 I. When appropriations from the Oklahoma Education Lottery
14 Trust Fund are made to The Oklahoma State System of Higher Education
15 pursuant to the provisions of subparagraph b of paragraph 1 of
16 subsection C of this section, the appropriations shall be made
17 available to the System on a monthly basis. ~~In addition to the~~
18 ~~provisions of subsections B and C of this section, the~~ The following
19 process shall be used to ensure that the appropriations are made
20 available to The Oklahoma State System of Higher Education in a
21 timely manner:

22 1. Beginning in July of the fiscal year in which appropriations
23 are made to The Oklahoma State System of Higher Education from the
24 Oklahoma Education Lottery Trust Fund, the Commission, on or before

1 the ninth day of each month, shall transfer to the State Treasurer,
2 for credit to the Oklahoma Education Lottery Trust Fund, ~~the amount~~
3 ~~of net proceeds accruing during the preceding month equal to the~~
4 ~~amount of total monthly collections~~ one-twelfth (1/12) of the annual
5 apportionment due to the Oklahoma State Regents for Higher Education
6 as required by subparagraph b of paragraph 1 of subsection C of this
7 section;

8 2. The Director of the Office of Management and Enterprise
9 Services shall allocate the transfers provided for in paragraph 1 of
10 this subsection to the Oklahoma State Regents for Higher Education
11 on a monthly basis, not to exceed one-twelfth (1/12) of the annual
12 apportionment for the fiscal year; and

13 3. The total amount of transfers to the Oklahoma Education
14 Lottery Trust Fund of net lottery proceeds made pursuant to this
15 subsection shall not exceed the total appropriations made to The
16 Oklahoma State System for Higher Education from the Oklahoma
17 Education Lottery Trust Fund for the specific fiscal year.

18 J. When appropriations from the Oklahoma Education Lottery
19 Trust Fund are made to the Oklahoma Department of Career and
20 Technology Education, pursuant to the provisions of subparagraph b
21 of paragraph 1 of subsection C of this section, the appropriations
22 shall be made available on an annual basis. The following process
23 shall be used to ensure that the appropriations to the Oklahoma
24

Education Lottery Trust Fund are available for the Oklahoma Department of Career and Technology Education in a timely manner:

1. Beginning in July of the fiscal year in which appropriations are made to the Oklahoma Department of Career and Technology Education from the Oklahoma Education Lottery Trust Fund, the Commission, on or before the ninth day of each quarter, shall transfer to the State Treasurer, for credit to the Oklahoma Education Lottery Trust Fund, one-fourth (1/4) of the annual apportionment due to the Oklahoma Department of Career and Technology Education as required by subparagraph b of paragraph 1 of subsection C of this section;

2. The Director of the Office of Management and Enterprise Services shall allocate the transfer provided for in paragraph 1 of this subsection to the Oklahoma Department of Career and Technology Education on a quarterly basis, not to exceed one-fourth (1/4) of the annual apportionment for the fiscal year; and

3. The total amount of transfers to the Oklahoma Education Lottery Trust Fund of net lottery proceeds made pursuant to this subsection shall not exceed the total appropriations made to the Oklahoma Department of Career and Technology Education from the Oklahoma Education Lottery Trust Fund for the specific fiscal year.

K. When appropriations from the Oklahoma Education Lottery Trust Fund are made to the School Consolidation Assistance Fund and Teachers' Retirement System Dedicated Revenue Revolving Fund,

1 pursuant to the provisions of subparagraphs c and d of paragraph 1
2 of subsection C of this section, the appropriations shall be made
3 available on an annual basis. The following process shall be used
4 to ensure that the appropriations to the Oklahoma Education Lottery
5 Trust Fund are made available to the School Consolidation Assistance
6 Fund and Teachers' Retirement System Dedicated Revenue Revolving
7 Fund in a timely manner:

8 1. Beginning in July of the fiscal year in which appropriations
9 are made to the School Consolidation Assistance Fund and the
10 Teachers' Retirement System Dedicated Revenue Revolving Fund from
11 the Oklahoma Education Lottery Trust Fund, the Commission, on or
12 before the ninth day of each quarter, shall transfer to the State
13 Treasurer, for credit to the Oklahoma Education Lottery Trust Fund,
14 one-fourth (1/4) of the annual apportionment due to the School
15 Consolidation Assistance Fund and the Teachers' Retirement System
16 Dedicated Revenue Revolving Fund as required by subparagraphs c and
17 d of paragraph 1 of subsection C of this section;

18 2. The Director of the Office of Management and Enterprise
19 Services shall allocate the transfers provided for in paragraph 1 of
20 this subsection to the School Consolidation Assistance Fund and the
21 Teachers' Retirement System Dedicated Revenue Revolving Fund on a
22 quarterly basis, not to exceed one-fourth (1/4) of the annual
23 apportionment for the fiscal year; and
24

1 3. The total amount of transfers to the Oklahoma Education
2 Lottery Trust Fund of net lottery proceeds made pursuant to this
3 subsection shall not exceed the total appropriations made to the
4 School Consolidation Assistance Fund and the Teachers' Retirement
5 System Dedicated Revenue Revolving Fund from the Oklahoma Education
6 Lottery Trust Fund for the specific fiscal year.

7 L. At the conclusion of each fiscal year, the Oklahoma Lottery
8 Commission shall make available all remaining profits to the
9 Oklahoma Education Lottery Trust Fund in the following manner:

10 1. By July 9 of the proceeding fiscal year, the Oklahoma
11 Lottery Commission shall transfer the five percent (5%) difference
12 between the previous year's State Board of Equalization estimate and
13 the appropriated amount. The cash contribution shall be available
14 for appropriation in the following legislative session pending
15 profit exists above and beyond the prior year's annual
16 appropriation; and

17 2. By September 30, the Oklahoma Lottery Commission shall
18 transfer all remaining profit as established by an external
19 financial audit pursuant to Section 733 of this title. This cash
20 contribution shall be available for appropriation in the following
21 legislative session pending profit exists above and beyond the prior
22 year's annual appropriation.

23 SECTION 6. REPEALER 3A O.S. 2021, Section 719, is hereby
24 repealed.

1 SECTION 7. REPEALER 3A O.S. 2021, Section 732, is hereby
2 repealed.

3 SECTION 8. It being immediately necessary for the preservation
4 of the public peace, health or safety, an emergency is hereby
5 declared to exist, by reason whereof this act shall take effect and
6 be in full force from and after its passage and approval.

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