

1 STATE OF OKLAHOMA

2 2nd Session of the 60th Legislature (2026)

3 HOUSE JOINT
4 RESOLUTION 1072

5
6
7 By: Fugate

8 AS INTRODUCED

9 An Joint Resolution relating to education funding;
10 ordering a legislative referendum; providing for
11 additional levy of income tax; specifying rate of
12 tax; providing for amounts of taxable income subject
13 to tax; requiring adjustments based on Consumer Price
14 Index-All Urban Consumers; providing for
15 apportionment of revenue to the Future Readers,
16 Future Leaders Investment Revolving Fund; requiring
17 certain information to be reported to the State Board
18 of Equalization; providing for distribution of monies
19 for purposes of National Board Certified Teachers
20 Program; providing for distribution of specified
21 revenue amount for support of reading programs;
22 imposing duties on the State Department of Education;
23 providing further distribution of revenue for
24 purposes of assisting certain schools; prescribing
25 formula for distribution; creating Future Readers,
26 Future Leaders Investment Revolving Fund; providing
27 an effective date; providing ballot title; and
28 directing filing.

29
30 BE IT RESOLVED BY THE HOUSE OF REPRESENTATIVES AND THE SENATE OF THE
31 2ND SESSION OF THE 60TH OKLAHOMA LEGISLATURE:

32 SECTION 1. Pursuant to Section 3 of Article V of the Oklahoma
33 Constitution, there is hereby ordered the following legislative
34 referendum which shall be filed with the Secretary of State and

1 addressed to the Governor of the state, who shall submit the same to
2 the people for their approval or rejection at the General Election,
3 to be held on November 3, 2026.

4 SECTION 2. NEW LAW A new section of law to be codified
5 in the Oklahoma Statutes as Section 2355.2001 of Title 68, unless
6 there is created a duplication in numbering, reads as follows:

7 A. For taxable years beginning on or after January 1, 2027, in
8 addition to the tax levied pursuant to Section 2355 of Title 68 of
9 the Oklahoma Statutes, there is hereby levied an additional tax upon
10 the taxable income of individuals as follows:

11 1. One percent (1%) on taxable income in excess of One Million
12 Dollars (\$1,000,000.00), but not in excess of Five Million Dollars
13 (\$5,000,000.00) for single persons;

14 2. Two percent (2%) on taxable income in excess of Five Million
15 Dollars (\$5,000,000.00) for single persons;

16 3. One percent (1%) on taxable income in excess of Two Million
17 Dollars (\$2,000,000.00), but not to exceed Ten Million Dollars
18 (\$10,000,000.00) for married filing jointly; and

19 4. Two percent (2%) on taxable income in excess of Ten Million
20 Dollars (\$10,000,000.00) for married filing jointly.

21 B. The revenue derived from the additional tax levied by this
22 section shall be apportioned to the Future Readers, Future Leaders
23 Investment Revolving Fund to be used by the State Department of
24 Education for the purposes described by this act.

1 SECTION 3. NEW LAW A new section of law to be codified

2 in the Oklahoma Statutes as Section 1210.581 of Title 70, unless
3 there is created a duplication in numbering, reads as follows:

4 A. Each year, the State Department of Education shall report to
5 the State Board of Equalization an estimate of the number of
6 teachers who qualify or who will qualify for the stipend authorized
7 pursuant to Section 6-104.2 of Title 70 of the Oklahoma Statutes.

8 B. The State Board of Equalization shall include in its
9 findings at its June meeting each year the amount of income tax
10 revenue, derived from the levy of income tax pursuant to Section 2
11 of this act, which shall be set aside for use by the State
12 Department of Education to make the stipend payments.

13 C. The State Department of Education shall use the Future
14 Readers, Future Leaders Investment Revolving Fund to pay National
15 Board Certified Teachers a stipend of Five Thousand Dollars
16 (\$5,000.00) as provided by Section 6-104.2 of Title 70 of the
17 Oklahoma Statutes. In order to be eligible for the stipend, the
18 teacher must be an active classroom teacher.

19 SECTION 4. NEW LAW A new section of law to be codified
20 in the Oklahoma Statutes as Section 1210.582 of Title 70, unless
21 there is created a duplication in numbering, reads as follows:

22 A. After the revenue for the National Board Certified Teachers
23 has been determined pursuant to Section 3 of this act, such amount
24

1 shall be subtracted from the total revenue derived from the income
2 tax levies provided for in Section 2 of this act.

3 B. The next One Hundred Million Dollars (\$100,000,000.00) shall
4 be used by the State Department of Education for support of the
5 statewide reading program.

6 C. The amount remaining after the subtractions required by
7 subsections A and B of this section shall be the amount of revenue
8 available for distribution to schools that have been identified as
9 either a "Comprehensive Support and Improvement" school ("CSI") or a
10 "More Rigorous Intervention" school ("MRI").

11 D. The amount described in subsection C of this section shall
12 be allocated according to the provisions of Section 5 of this act.

13 E. If the CSI or MRI designations described by subsection C of
14 this section are eliminated by the federal government, the
15 qualifying schools shall be the lowest performing schools as
16 determined by the State Department of Education to be in the lowest
17 five percent (5%).

18 SECTION 5. NEW LAW A new section of law to be codified
19 in the Oklahoma Statutes as Section 1210.583 of Title 70, unless
20 there is created a duplication in numbering, reads as follows:

21 A. The revenue amount for schools as described by subsection C
22 of Section 4 of this act shall be distributed by the State
23 Department of Education as required by this section.

1 B. The State Department of Education shall determine schools
2 that have received the designation described by subsection C of this
3 section for the most recent reporting period prior to the allocation
4 of funds from the Future Readers, Future Leaders Investment
5 Revolving Fund. As used in this section, such schools shall be
6 referred to as "underperforming schools".

7 C. The State Department of Education shall set aside revenue
8 equal to Twenty-five Thousand Dollars (\$25,000.00) multiplied by the
9 number of schools identified pursuant to subsection B of this
10 section. Except as otherwise provided by this act, each school
11 identified shall be entitled to a minimum allocation of Twenty-five
12 Thousand Dollars (\$25,000.00).

13 D. The State Department of Education shall determine the
14 weighted total number of students attending underperforming schools.
15 Students attending underperforming schools shall be counted as a
16 full student. Students attending underperforming schools in the
17 first year after the student's school achieves a performing status
18 shall also be counted as full student. Students attending
19 underperforming schools in the second year after the student's
20 school achieves performing status shall be counted as two-thirds
21 (2/3). Students attending underperforming schools in the third year
22 after the school achieves performing status shall be counted as one-
23 third (1/3).

24

1 F. The State Department of Education shall divide the remainder
2 by the weighted total number of students. As used in this section,
3 "remainder" means the amount of income tax revenue remaining after
4 allocations required pursuant to subsection C and D of this section.

5 G. The State Department of Education shall determine which
6 schools qualify for the minimum distribution of Twenty-five Thousand
7 Dollars (\$25,000.00). Such schools shall have the minimum amount
8 otherwise prescribed pursuant to subsection C of this section
9 reduced to the amount of Sixteen Thousand Six Hundred Sixty-seven
10 Dollars (\$16,667.00) in the second year after the school achieves
11 performing status and shall receive a reduced amount of Eight
12 Thousand Three Hundred Thirty-three Dollars (\$8,333.00) in the third
13 year after the school achieves performing status.

14 H. The State Department of Education shall recalculate the
15 weighted total number of students as net weighted total students by
16 removing the students from the amount being allocated to schools
17 receiving either Twenty-five Thousand Dollars (\$25,000.00) or a
18 reduced amount as prescribed by subsection G of this section.

19 I. The State Department of Education shall recalculate the
20 remaining funds as a "net remainder" to be distributed to other
21 schools after subtracting amounts as prescribed by subsection C of
22 this section and as reduced pursuant to subsection G of this
23 section.

1 J. The State Department of Education shall recalculate the net
2 per pupil distribution using the net remainder derived pursuant to
3 subsection I of this section divided by the net weighted total
4 students.

5 SECTION 6. NEW LAW A new section of law to be codified
6 in the Oklahoma Statutes as Section 1210.584 of Title 70, unless
7 there is created a duplication in numbering, reads as follows:

8 There is hereby created in the State Treasury a revolving fund
9 for the State Department of Education to be designated the "Future
10 Readers, Future Leaders Investment Revolving Fund". The fund shall
11 be a continuing fund, not subject to fiscal year limitations, and
12 shall consist of all monies received by the State Department of
13 Education from the income tax derived pursuant to Section 2 of this
14 act. All monies accruing to the credit of said fund are hereby
15 appropriated and may be budgeted and expended by the State
16 Department of Education for the purposes described by this act.
17 Expenditures from said fund shall be made upon warrants issued by
18 the State Treasurer against claims filed as prescribed by law with
19 the Director of the Office of Management and Enterprise Services for
20 approval and payment.

21 SECTION 7. NEW LAW A new section of law to be codified
22 in the Oklahoma Statutes as Section 1210.585 of Title 70, unless
23 there is created a duplication in numbering, reads as follows:
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1 In order to ensure that the funds from the revenues derived
2 pursuant to Section 2 of this act are used to enhance and not
3 supplant funding for education, the State Board of Equalization
4 shall examine and investigate allocations from the Future Readers,
5 Future Leaders Investment Revolving Fund each year. At the meeting
6 of the State Board of Equalization held within five (5) days after
7 the monthly apportionment in February of each year, the State Board
8 of Equalization shall issue a finding and report which shall state
9 whether allocations from the Revolving Fund were used to enhance or
10 supplant education funding. If the State Board of Equalization
11 finds that education funding was supplanted by funds from the
12 Revolving Fund, the Board shall specify the amount by which
13 education funding was supplanted. In this event, the Legislature
14 shall not make any appropriations for the ensuing fiscal year until
15 an appropriation in that amount is made to replenish the Revolving
16 Fund.

SECTION 8. This act shall become effective January 1, 2027.

18 SECTION 9. The Ballot Title for the proposed enactments as set
19 forth in SECTIONS 1 through 6 of this act shall be in the following
20 form:

BALLOT TITLE

22 Legislative Referendum No. State Question No.

23 | THE GIST OF THE PROPOSITION IS AS FOLLOWS:

This measure would levy an income tax in addition to the income tax provided by law. The income tax would take effect for the 2027 income tax year and for each year thereafter. The tax would be at a rate of one percent (1%) or two percent (2%). The additional one percent (1%) would be for taxable incomes in excess of One Million Dollars (\$1,000,000.00) for single filers. A two percent (2%) tax would be for taxable incomes in excess of Five Million Dollars (\$5,000,000.00) for single filers. For persons filing a joint return, the one percent (1%) tax would apply to taxable incomes in excess of Two Million Dollars (\$2,000,000.00). For persons filing a joint return, a two percent (2%) tax would apply on taxable income greater than Ten Million Dollars (\$10,000,000.00). The additional money from this income tax would be directed to a new fund called the Future Readers, Future Leaders Investment Revolving Fund. Each year, the State Department of Education would use the money from the fund to pay a stipend to National Board Certified teachers. After that amount is paid out, the next One Hundred Million Dollars (\$100,000,000.00) would be used by the State Department of Education for the support of reading programs in the schools of the state. This amount would be paid out each year. After these amounts have been paid out, the balance of the fund would be used to provide additional support to schools that have been identified as being under performing in a system used to

1 evaluate school performance. The State Department of Education
2 would use a formula to determine the amount schools received
3 while the school is still on this list and for three (3) years
4 following the year in which the school is removed from the list.
5 Each of the schools would receive at least Twenty-five Thousand
6 Dollars (\$25,000.00) each fiscal year, but then this amount
7 would be reduced in the second and third year.

8 SHALL THE PROPOSAL BE APPROVED?

9 FOR THE PROPOSAL - YES _____

10 AGAINST THE PROPOSAL - NO _____

11 SECTION 10. The Chief Clerk of the House of Representatives,
12 immediately after the passage of this measure, shall prepare and
13 file one copy thereof, including the Ballot Title set forth in
14 SECTION 8 hereof, with the Secretary of State and one copy with the
15 Attorney General.

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