

1 STATE OF OKLAHOMA

2 1st Session of the 55th Legislature (2015)

3 SUBCOMMITTEE RECOMMENDATION
4 FOR

5 HOUSE BILL NO. 1682

6 By: Denney

7
8 SUBCOMMITTEE RECOMMENDATION

9 An Act relating to schools; amending 68 O.S. 2011,
10 Section 2352, as last amended by Section 1, Chapter
11 253, O.S.L. 2013 (68 O.S. Supp. 2014, Section 2352),
12 which relates to distribution of revenues; changing
13 distribution of revenues subject to certain
14 apportionment; creating the Securing Educational
15 Excellence Fund; stating source of funds; stating
16 purpose of funds; requiring expenditures to be made
17 upon warrants; requiring the apportionment of certain
18 monies to the Securing Educational Excellence Fund;
19 specifying certain amounts; providing for
20 apportionment of certain monies after certain
21 conditions are met; requiring apportionments to be
22 divided in a certain manner; requiring apportionments
23 to be made until certain amount is reached;
24 prohibiting the supplanting or replacement of
existing state funds; requiring instructional days to
be added to the school year contingent upon
apportionment of certain amounts; directing the State
Board of Equalization to examine and investigate
expenditures and issue findings and a report;
providing for supplanted amount to be specified by
the Board; requiring the Legislature to replenish the
state funding under certain circumstances; providing
for a reduction in apportionments under certain
circumstances; stating use of monies in the fund;
amending 70 O.S. 2011, Section 1-109, as last amended
by Section 1, Chapter 242, O.S.L. 2013 (70 O.S. Supp.
2014, Section 1-109), which relates to the length of
the school year; making certain exception to the
length of the school year; providing for

1 codification; providing an effective date; and
2 declaring an emergency.

3
4 BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

5 SECTION 1. AMENDATORY 68 O.S. 2011, Section 2352, as
6 last amended by Section 1, Chapter 253, O.S.L. 2013 (68 O.S. Supp.
7 2014, Section 2352), is amended to read as follows:

8 Section 2352. It is hereby declared to be the purpose of
9 Section 2351 et seq. of this title to provide revenue for general
10 governmental functions of state government; and, for that purpose
11 and to that end, it is expressly declared that the revenue derived
12 herefrom and penalties and interest thereon, subject to the
13 apportionment requirements for the Rebuilding Oklahoma Access and
14 Driver Safety Fund, the Oklahoma Tourism and Passenger Rail
15 Revolving Fund and the Public Transit Revolving Fund to be derived
16 from income tax revenue that would otherwise be apportioned to the
17 General Revenue Fund as provided by Section 1521 of Title 69 of the
18 Oklahoma Statutes, subject to the apportionment requirements for the
19 Oklahoma Tax Commission and Office of Management and Enterprise
20 Services Joint Computer Enhancement Fund provided by Section 265 of
21 this title, and subject to the apportionment requirements for the
22 ~~Oklahoma State Capitol Building Repair and Restoration Fund provided~~
23 ~~by Section 4 of this act~~ Securing Educational Excellence Fund as
24

1 provided for in Section 1521 of Title 69 of the Oklahoma Statutes
2 and Section 2 of this act, shall be distributed as follows:

3 1. For the fiscal year beginning July 1, 2002, the first Five
4 Million Eight Hundred Thousand Dollars (\$5,800,000.00) of revenue
5 derived pursuant to the provisions of subsections A, B and E of
6 Section 2355 of this title shall be apportioned to the Education
7 Reform Revolving Fund. The remainder of such revenue for the fiscal
8 year beginning July 1, 2002, and all such revenue for each fiscal
9 year thereafter shall be apportioned monthly as follows:

10 a. (1) the following amounts shall be paid to the State
11 Treasurer to be placed to the credit of the
12 General Revenue Fund of the state for such fiscal
13 year for the support of the state government to
14 be paid out only pursuant to appropriation by the
15 Legislature:

Fiscal Year	Amount
FY 2003 and FY 2004	87.12%
FY 2005	86.91%
FY 2006	86.66%
FY 2007	86.16%
FY 2008 and each fiscal year thereafter	85.66%

23 (2) in the event that additional monies are necessary
24 pursuant to paragraph 3 of this section, such

1 additional monies shall be deducted in the
2 proportion determined by the State Board of
3 Equalization pursuant to paragraph 3 of Section
4 2355.1B of this title from the monies apportioned
5 to the General Revenue Fund,

6 b. for FY 2003 and each fiscal year thereafter, eight and
7 thirty-four one-hundredths percent (8.34%) shall be
8 paid to the State Treasurer to be placed to the credit
9 of the Education Reform Revolving Fund,

10 c. the following amounts shall be paid to the State
11 Treasurer to be placed to the credit of the Teachers'
12 Retirement System Dedicated Revenue Revolving Fund:

Fiscal Year	Amount
FY 2003 and FY 2004	3.54%
FY 2005	3.75%
FY 2006	4.0%
FY 2007	4.5%
FY 2008 and each fiscal year thereafter	5.0%

18
19
20 d. for FY 2003 and each fiscal year thereafter, one
21 percent (1%) shall be placed to the credit of the Ad
22 Valorem Reimbursement Fund;

23 2. Beginning July 1, 2003, for any period of time as certified
24 by the Oklahoma Development Finance Authority and the Oklahoma

1 Department of Commerce to be necessary for the repayment of
2 obligations issued by the Oklahoma Development Finance Authority
3 pursuant to Section 3654 of this title if the other sources of
4 revenue paid to or apportioned to the Quality Jobs Program Incentive
5 Leverage Fund are not adequate, including the proceeds from payment
6 pursuant to the guaranty required by subsection M of Section 3654 of
7 this title, an amount certified by the Oklahoma Development Finance
8 Authority to the Oklahoma Tax Commission shall be apportioned to the
9 Quality Jobs Program Incentive Leverage Fund before any other
10 apportionments are made as otherwise authorized by this paragraph.
11 The Oklahoma Development Finance Authority shall certify to the
12 ~~Oklahoma~~ Tax Commission the time as of which the revenue authorized
13 for apportionment pursuant to this paragraph is no longer required.
14 After the certification, the revenue derived from the income tax
15 shall be apportioned in the manner otherwise provided by this
16 section. Except as otherwise provided by this paragraph, for the
17 fiscal year beginning July 1, 2002, the first Forty-One Million One
18 Hundred Ninety Thousand Eight Hundred Dollars (\$41,190,800.00) of
19 revenue derived pursuant to the provisions of subsections D and E of
20 Section 2355 of this title shall be apportioned to the Education
21 Reform Revolving Fund. The remainder of such revenue for the fiscal
22 year beginning July 1, 2002, and all such revenue for each fiscal
23 year thereafter, subject to the apportionment requirements for the
24 ~~Oklahoma~~ Tax Commission and Office of Management and Enterprise

1 Services Joint Computer Enhancement Fund provided by Section 265 of
2 this title, shall be apportioned monthly as follows:

3 a. the following amounts shall be paid to the State
4 Treasurer to be placed to the credit of the General
5 Revenue Fund of the state for such fiscal year for the
6 support of the state government to be paid out only
7 pursuant to appropriation by the Legislature:

8 Fiscal Year	Amount
9 FY 2003 and FY 2004	78.96%
10 FY 2005	78.75%
11 FY 2006	78.50%
12 FY 2007	78.0%
13 FY 2008 and each fiscal	
14 year thereafter	77.50%

15 b. for FY 2003 and each fiscal year thereafter, sixteen
16 and five-tenths percent (16.5%) shall be paid to the
17 State Treasurer to be placed to the credit of the
18 Education Reform Revolving Fund of the State
19 Department of Education,

20 c. the following amounts shall be paid to the State
21 Treasurer to be placed to the credit of the Teachers'
22 Retirement System Dedicated Revenue Revolving Fund:

23 Fiscal Year	Amount
24 FY 2003 and FY 2004	3.54%

1	FY 2005	3.75%
2	FY 2006	4.0%
3	FY 2007	4.5%
4	FY 2008 and each fiscal	
5	year thereafter	5.0%

6 d. for FY 2003 and each fiscal year thereafter, one
7 percent (1%) shall be placed to the credit of the Ad
8 Valorem Reimbursement Fund; and

9 3. During the first fiscal year after the State Board of
10 Equalization has made a determination as provided in Section 2355.1B
11 of this title, regarding a baseline amount of revenue apportioned
12 pursuant to subparagraph c of paragraph 1 of this section, and for
13 each fiscal year thereafter, in no event shall monies apportioned
14 pursuant to subparagraph c of paragraph 1 of this section, paragraph
15 3 of Section 1353 of this title and paragraph 3 of Section 1403 of
16 this title be less than such baseline amount.

17 SECTION 2. NEW LAW A new section of law to be codified
18 in the Oklahoma Statutes as Section 18-501 of Title 70, unless there
19 is created a duplication in numbering, reads as follows:

20 A. There is hereby created in the State Treasury a fund for the
21 State Board of Education to be designated the "Securing Educational
22 Excellence Fund". The fund shall be a continuing fund, not subject
23 to fiscal year limitations, and shall consist of all monies received
24 by the State Board of Education from statutory apportionment,

1 appropriations and transfers made by the Legislature to the fund.
2 All monies accruing to the credit of said fund shall be subject to
3 legislative appropriation to be budgeted and expended by the State
4 Board of Education for the purpose set forth in subsections G and J
5 of this section. Expenditures from said fund shall be made upon
6 warrants issued by the State Treasurer against claims filed as
7 prescribed by law with the Director of the Office of Management and
8 Enterprise Services for approval and payment.

9 B. For the fiscal year beginning July 1, 2018, or the first
10 fiscal year the total annual apportionment to the Rebuilding
11 Oklahoma Access and Driver Safety Fund reaches Five Hundred Seventy-
12 five Million Dollars (\$575,000,000.00) as provided for in Section
13 1521 of Title 69 of the Oklahoma Statutes, whichever occurs first,
14 and for each fiscal year thereafter, there shall be apportioned to
15 the Securing Educational Excellence Fund, from the monies that would
16 otherwise be apportioned to the General Revenue Fund by Section 2352
17 of Title 68 of the Oklahoma Statutes from the revenues derived
18 pursuant to subsections A, B and E of Section 2355 of Title 68 of
19 the Oklahoma Statutes:

20 1. The first Fifty-nine Million Seven Hundred Thousand Dollars
21 (\$59,700,000.00); plus

22 2. The total amount apportioned to the Securing Education
23 Excellence Fund for the preceding fiscal year which shall be
24

1 apporportioned before any other amount is apporportioned pursuant to
2 Section 2352 of Title 69 of the Oklahoma Statutes; plus

3 3. An additional incremental amount which shall not be in
4 excess of the amount prescribed by paragraph 1 of this subsection
5 and that is required in order for the total apporportionment for such
6 fiscal year to equal Six Hundred Million Dollars (\$600,000,000.00).

7 C. For the first fiscal year following implementation of
8 subsection B of this section and the State Board of Equalization
9 determining that any increase between the final itemized estimate of
10 General Revenue Fund revenues made by the State Board at the
11 February meeting preceding the beginning of the fiscal year for
12 which that estimate is made and the then current itemized estimate
13 of General Revenue Fund revenues made by the State Board of
14 Equalization for the fiscal year ending on June 30 immediately
15 following such February meeting is one percent (1%) or greater, and
16 for each year thereafter, there shall be apporportioned to the Securing
17 Educational Excellence Fund:

18 1. The first Fifty-nine Million Seven Hundred Thousand Dollars
19 (\$59,700,000.00) that would otherwise be apporportioned to the General
20 Revenue Fund by Section 2352 of Title 68 of the Oklahoma Statutes
21 from the revenues derived pursuant to subsections A, B and E of
22 Section 2355 of Title 68 of the Oklahoma Statutes; plus

23 2. The total amount apporportioned to the Securing Educational
24 Excellence Fund for the preceding fiscal year which shall be

1 apporportioned before any other amount is apporportioned pursuant to
2 Section 2352 of Title 68 of the Oklahoma Statutes; plus

3 3. An additional incremental amount which shall not be in
4 excess of the amount prescribed by paragraph 1 of this subsection
5 and that is required in order for the total apporportionment for such
6 fiscal year to equal Six Hundred Million Dollars (\$600,000,000.00).

7 D. All amounts apporportioned pursuant to subsections B and C of
8 this section shall be divided into twelve equal amounts to be
9 apporportioned each month during the fiscal year.

10 E. For each fiscal year after the first fiscal year in which
11 the total apporportionment to the Securing Educational Excellence Fund
12 equals Six Hundred Million Dollars (\$600,000,000.00), the first Six
13 Hundred Million Dollars (\$600,000,000.00) collected pursuant to
14 subsections A, B and E of Section 2355 of Title 68 of the Oklahoma
15 Statutes and apporportioned pursuant to Section 2352 of Title 68 of the
16 Oklahoma Statutes that would otherwise be apporportioned to the General
17 Revenue Fund shall be apporportioned to the Securing Educational
18 Excellence Fund.

19 F. The monies apporportioned to the Securing Educational
20 Excellence Fund shall not be used to supplant or replace existing
21 state funds used for common education purposes.

22 G. 1. In the first fiscal year after the effective date of
23 this act in which the apporportionment to the Securing Educational
24 Excellence Fund is One Hundred Twenty Million Dollars

1 (\$120,000,000.00) or more, one (1) additional instructional day
2 shall be added to the school year.

3 2. The next fiscal year, after the fiscal year in which the
4 requirement of paragraph 1 of this subsection is met, in which the
5 apportionment to the Securing Educational Excellence Fund is Two
6 Hundred Forty Million Dollars (\$240,000,000.00) or more, one (1)
7 additional instructional day shall be added to the school year.

8 3. The next fiscal year, after the fiscal year in which the
9 requirement of paragraph 2 of this subsection is met, in which the
10 apportionment to the Securing Educational Excellence Fund is Three
11 Hundred Sixty Million Dollars (\$360,000,000.00) or more, one (1)
12 additional instructional day shall be added to the school year.

13 4. The next fiscal year, after the fiscal year in which the
14 requirement of paragraph 3 of this subsection is met, in which the
15 apportionment to the Securing Educational Excellence Fund is Four
16 Hundred Eighty Million Dollars (\$480,000,000.00) or more, one (1)
17 additional instructional day shall be added to the school year.

18 5. The next fiscal year, after the fiscal year in which the
19 requirement of paragraph 4 of this subsection is met, in which the
20 apportionment to the Securing Educational Excellence Fund is Six
21 Hundred Million Dollars (\$600,000,000.00) or more, one (1)
22 additional instructional day shall be added to the school year.

23 H. In order to ensure that the monies from the Securing
24 Educational Excellence Fund are used to enhance and not supplant

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

16 I. In the event that the Director of the Office of Management
17 and Enterprise Services declares a General Revenue Fund revenue
18 failure pursuant to Section 34.49 of Title 62 of the Oklahoma
19 Statutes, and agency allocations are reduced pursuant to the
20 provisions of Section 34.49 of Title 62 of the Oklahoma Statutes,
21 the amounts that would otherwise be apportioned to the Securing
22 Educational Excellence Fund by subsection B or C of this section
23 shall be reduced by a percentage equal to that required of the
24 General Revenue Fund appropriations to state agencies. The

1 reductions shall occur during the entire fiscal year and for any
2 month during which reductions are required by the Director of the
3 Office of Management and Enterprise Services and by the same
4 percentage as that required of the agencies for General Revenue Fund
5 appropriations.

6 J. The State Board of Education shall use the monies in the
7 Securing Educational Excellence Fund to increase the per-pupil
8 expenditure by distributing the funds through the State Aid formula
9 for the financial support of public schools.

10 SECTION 3. AMENDATORY 70 O.S. 2011, Section 1-109, as
11 last amended by Section 1, Chapter 242, O.S.L. 2013 (70 O.S. Supp.
12 2014, Section 1-109), is amended to read as follows:

13 Section 1-109. A. ~~For~~ Except as provided for in subsection G
14 of Section 2 of this act, for all public schools in Oklahoma, school
15 shall actually be in session and classroom instruction offered:

- 16 1. For not less than one hundred eighty (180) days; or
- 17 2. For not less than one thousand eighty (1,080) hours each
18 school year, if a district board of education adopts a school-hours
19 policy and notifies the State Board of Education prior to September
20 15 of the applicable school year.

21 B. A school district may not count more than thirty (30) hours
22 each school year that are used for attendance of professional
23 meetings toward the one hundred eighty (180) days or one thousand
24

1 eighty (1,080) hours of classroom instruction time required in
2 subsection A of this section.

3 C. Teachers off contract with an employing district shall not
4 be required by the employing school district to attend professional
5 meetings unless the teacher is paid additional compensation for the
6 additional time. Teachers may be paid additional compensation for
7 attending professional meetings in excess of their contract term.
8 Subject to district board of education policy or collective
9 bargaining agreement, additional paid professional days may be
10 granted for individual teachers to attend or participate in
11 professional meetings, staff development training, or National Board
12 certification portfolio development as provided for in Section 6-
13 204.2 of this title.

14 D. A school district may authorize parent-teacher conferences
15 to be held during a regular school day. If authorized by the school
16 district, parent-teacher conferences shall be counted as classroom
17 instruction time for no more than six (6) hours per semester, for a
18 total of twelve (12) hours per school year.

19 E. A school district may maintain school for less than a full
20 school year only when conditions beyond the control of school
21 authorities make the maintenance of the term impossible and the
22 State Board of Education has been apprised and has expressed
23 concurrence in writing.

24

1 F. The State Board of Education shall establish criteria for an
2 extended-day schedule for schools subject to paragraph 1 of
3 subsection A of this section. The criteria shall:

4 1. Prescribe a lengthened school day within limits determined
5 not to be detrimental to quality instruction;

6 2. Ensure that the schedule is equivalent in annual hours of
7 instruction to the one-hundred-eighty-day school year specified in
8 paragraph 1 of subsection A of this section; and

9 3. Be consistent with the provisions of this section and
10 Sections 1-111 and 1-112 of this title, but may result in fewer
11 annual days of instruction.

12 G. The State Board of Education may authorize school districts
13 to implement an extended-day schedule for instruction pursuant to
14 the criteria developed. The State Board of Education shall require
15 the participating school districts to prepare a report of the impact
16 of the extended-day schedule.

17 H. Notwithstanding the provisions of subsections F and G of
18 this section, a school district board of education subject to
19 paragraph 1 of subsection A of this section may adopt and implement
20 an extended-day schedule for grades nine through twelve subject to
21 the following requirements:

22 1. The annual number of hours of instruction shall equal or
23 exceed one thousand eighty (1,080) hours, which is the equivalent of
24 one hundred eighty (180) days of instruction as specified in

1 subsection A of this section for six (6) hours each day as specified
2 in Section 1-111 of this title;

3 2. The annual number of days of instruction shall equal or
4 exceed one hundred eighty (180) days as specified in subsection A of
5 this section;

6 3. The schedule adopted shall be consistent with the provisions
7 of Sections 1-111 and 1-112 of this title, except that for not more
8 than one (1) day per week, a school day shall consist of not less
9 than five (5) hours devoted to academic instruction in a regular
10 classroom setting;

11 4. The district shall hold a public hearing prior to the
12 adoption of an extended-day schedule authorized pursuant to this
13 subsection; and

14 5. The district shall document the impact on student
15 achievement as determined by the academic performance data score and
16 any other relevant factors that are a result of implementation of an
17 extended-day schedule authorized pursuant to this subsection and
18 provide an annual report to the State Board of Education of the
19 results. If improvement in student achievement cannot be documented
20 in the report, the district board of education shall revoke
21 authorization as provided by this subsection. If the district does
22 not revoke authorization after student achievement is not documented
23 in the report, the State Board of Education may deny accreditation
24 of any school in violation of this subsection.

1 I. If subject to paragraph 2 of subsection A of this section, a
2 district board of education or designee may elect to close a school
3 during the school day for inclement weather purposes. In such an
4 event, the number of hours incurred in classroom instruction time
5 prior to school closure shall be counted toward the one thousand
6 eighty (1,080) hours per year requirement.

7 J. Nothing in this section shall be construed as affecting the
8 right of an employing school district to require teachers as defined
9 in Section 6-101.3 of this title to work in excess of the one
10 thousand eighty (1,080) hours required for student instruction. In
11 addition, nothing in this section shall be construed to affect the
12 Fair Labor Standards Act status of any school district employee.

13 SECTION 4. This act shall become effective July 1, 2015.

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

18

19 55-1-6880 KB 02/18/15

20

21

22

23

24