

1 ENGROSSED SENATE
2 BILL NO. 1122

By: Hall and Rosino of the
Senate

3 and

4 Wallace and Caldwell (Trey)
5 of the House
6

7 An Act relating to education; specifying
8 apportionment of certain appropriated funds;
9 providing for the budgeting of funds in certain
10 categories and amounts; requiring development of
11 certain performance measures; requiring transfers of
12 certain funds; limiting authority to reduce certain
13 apportionments; requiring certain funds to be
14 expended for certain purposes; stating purposes for
15 allocated funds; requiring certain transfer of funds;
16 stating legislative intent regarding expenditures for
17 direct costs; prohibiting the State Department of
18 Education from contracting for certain administrative
19 costs in certain program; providing for duties and
20 compensation of employees of the State Department of
21 Education; requiring the reduction or withholding of
22 State Aid funds for certain purposes; authorizing the
23 State Board of Education to request transfer of
24 certain funds; authorizing the request of early
allocations for certain funds; requiring proportional
reductions of allocations under certain conditions;
requiring participation in federal grant funding;
authorizing exemption from budgetary limits for
unanticipated federal funds; providing procedures;
requiring approval of exemption request under certain
conditions; requiring budgeting of certain funds in
certain years; providing lapse dates; requiring
certain budgeting procedures; prohibiting certain
budgeting procedures; providing an effective date;
and declaring an emergency.

23 BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:
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1 SECTION 1. For the fiscal year ending June 30, 2025, the
2 support of public school activities by the State Board of Education
3 payable from monies appropriated and authorized by Enrolled Senate
4 Bill No. 1125 of the 2nd Session of the 59th Oklahoma Legislature
5 shall be apportioned as follows:

6 1. Funds appropriated and authorized by Sections 1, 2, 3, 4, 5,
7 6, 7, 8, and 19 of Enrolled Senate Bill No. 1125 of the 2nd Session
8 of the 59th Oklahoma Legislature:

9 Local and State-supported Financial
10 Support of Public Schools \$3,089,255,079.00
11 SUBTOTAL, PARAGRAPH 1 \$3,089,255,079.00

12 2. Funds appropriated by Sections 9, 10, 11, and 13 of Enrolled
13 Senate Bill No. 1125 of the 2nd Session of the 59th Oklahoma
14 Legislature:

15 Certified Employee Health Benefit
16 Allowance \$365,793,470.00
17 Support Employee Health Benefit
18 Allowance \$204,211,359.00
19 Teachers' Retirement Credit \$35,000,000.00
20 Purchase of Textbooks and
21 Instructional Materials \$45,190,000.00
22 Public School Paid Maternity Leave
23 Revolving Fund \$2,500,000.00
24 Student Teacher Compensation \$2,650,000.00

1	Alternative and High Challenge	
2	Education	\$14,000,000.00
3	Education Leadership Oklahoma	\$4,500,000.00
4	Advanced Placement Incentives	\$1,559,863.00
5	Reading Sufficiency Act	\$17,500,000.00
6	Required Assessments	\$13,405,685.00
7	Street School	\$200,000.00
8	Ag in the Classroom	\$38,000.00
9	Imagine Math	\$1,400,000.00
10	Imagine Reading	\$1,400,000.00
11	Oklahoma Imagination Library	
12	Program	\$2,000,000.00
13	Oklahoma Arts Institute	\$320,000.00
14	Early Intervention	\$16,225,341.00
15	Great Expectations	\$500,000.00
16	Early Childhood Initiative	\$14,000,000.00
17	School Lunch Matching	\$3,140,137.00
18	Secure Schools Program	\$750,000.00
19	Nationally Recognized Career	
20	Readiness Assessments	\$250,000.00
21	SUBTOTAL, PARAGRAPH 2	\$746,533,855.00

22 3. Funds appropriated by Section 12 of Enrolled Senate Bill No.
23 1125 of the 2nd Session of the 59th Oklahoma Legislature:
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1	Administrative and Support	
2	Functions of the State Department	
3	of Education	\$19,145,366.00
4	SUBTOTAL, PARAGRAPH 3	\$19,145,366.00
5	TOTAL State School Aid and Programs	\$3,854,934,300.00

6 SECTION 2. For the fiscal year ending June 30, 2025, the State
7 Board of Education shall budget all funds in the following
8 categories and amounts:

9	<u>Category</u>	<u>Total</u>
10	Payroll, Salaries or Wages,	\$25,775,827.00
11	Including Tax-sheltered Deferment	
12	Contracts and Longevity Payments	
13	Authorized by State Statutes	
14	Professional and Personal Services	
15	Contracts	\$31,840,048.00
16	Other Operating Funds	\$4,011,390,979.00
17	Expenditure of Federal Funds	\$1,825,621,183.00
18	TOTAL	\$5,894,628,037.00

19 The agency shall develop outcome-based performance measures for
20 each budget category.

21 SECTION 3. The funds appropriated in Sections 14 and 15 of
22 Enrolled Senate Bill No. 1125 of the 2nd Session of the 59th
23 Oklahoma Legislature in the amount of Three Million Four Hundred
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1 Eight-seven Thousand Six Hundred Nine Dollars (\$3,487,609.00) shall
2 be transferred to the School Consolidation Assistance Fund.

3 SECTION 4. The funds appropriated in Sections 16 and 17 of
4 Enrolled Senate Bill No. 1125 of the 2nd Session of the 59th
5 Oklahoma Legislature in the amount of Three Million Four Hundred
6 Eighty-seven Thousand Six Hundred Nine Dollars (\$3,487,609.00) shall
7 be transferred to the Teachers' Retirement System Dedicated Revenue
8 Revolving Fund.

9 SECTION 5. The funds allocated in Section 1 of this act
10 specifically for the purpose of funding the Teachers' Retirement
11 Credit shall be transferred to the Teachers' Retirement System of
12 Oklahoma.

13 SECTION 6. If the funds allocated in Section 1 of this act
14 specifically for the purpose of funding the Teachers' Retirement
15 Credit are insufficient to fully fund the employee contribution
16 credits provided for in Section 17-108.2 of Title 70 of the Oklahoma
17 Statutes as invoiced by the Teachers' Retirement System of Oklahoma,
18 the State Department of Education may reduce in equal proportions
19 funds allocated in Section 1 of this act to Education Leadership
20 Oklahoma, Advanced Placement Incentives, Reading Sufficiency Act,
21 Required Assessments, Street School, Ag in the Classroom, Imagine
22 Math, Imagine Reading, Alternative and High Challenge Education,
23 Oklahoma Imagination Library Program, Oklahoma Arts Institute, Great
24 Expectations, Secure Schools Program, and Nationally Recognized

1 Career Readiness Assessments. The total amount of funds reduced
2 shall not exceed the additional amount required to fully fund the
3 employee contribution credits.

4 SECTION 7. The funds allocated in Section 1 of this act for the
5 purpose of funding Education Leadership Oklahoma shall be expended
6 as follows:

7 1. Two Hundred Fifty Thousand Dollars (\$250,000.00) shall be
8 transferred to the Oklahoma National Board Certification Revolving
9 Fund, created in Section 6-204.4 of Title 70 of the Oklahoma
10 Statutes, for the purpose of awarding annual bonuses as directed;
11 and

12 2. Four Million Two Hundred Fifty Thousand Dollars
13 (\$4,250,000.00) shall be transferred to the Oklahoma School
14 Psychologist, Speech-Language Pathologist, and Audiologist National
15 Certification Revolving Fund created in Section 6-206.1 of Title 70
16 of the Oklahoma Statutes for the purpose of awarding annual bonuses
17 as directed.

18 SECTION 8. The funds allocated in Section 1 of this act for
19 Advanced Placement Incentives shall be expended for the purpose of
20 providing assistance for students in financial need, grants to
21 districts wanting to start new advanced placement (AP) programs, and
22 expanding professional development, pursuant to the provisions of
23 Section 1210.703 of Title 70 of the Oklahoma Statutes.

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1 SECTION 9. The funds allocated in Section 1 of this act for the
2 Reading Sufficiency Act shall be expended pursuant to the provisions
3 of Section 1210.508A et seq. of Title 70 of the Oklahoma Statutes.

4 SECTION 10. The funds allocated in Section 1 of this act for
5 Required Assessments shall be expended for the purpose of
6 administering a statewide student assessment system for grades three
7 through twelve, pursuant to Section 1210.508 of Title 70 of the
8 Oklahoma Statutes.

9 SECTION 11. The funds allocated in Section 1 of this act for
10 Alternative and High Challenge Education shall be expended for the
11 purpose of operating the statewide system of alternative education
12 programs as provided in Section 1210.568 of Title 70 of the Oklahoma
13 Statutes, and for encouraging school districts to participate in
14 innovative alternative education programs.

15 SECTION 12. The funds allocated in Section 1 of this act for
16 Early Intervention shall be transferred to the Early Intervention
17 Fund 250. It is the intent of the Legislature that funding
18 available for SoonerStart Early Intervention Services be expended
19 for direct services to eligible infants, toddlers, and their
20 families. The State Department of Education shall not contract,
21 pay, or reimburse for administrative cost recovery personnel,
22 accounting, management information system costs, and maintenance and
23 operations at the state or local level or indirect costs which do
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1 not comply with the requirements of Section 13-125 of Title 70 of
2 the Oklahoma Statutes.

3 SECTION 13. The funds allocated in Section 1 of this act for
4 the Early Childhood Initiative shall be expended for the purpose of
5 funding the early childhood program pursuant to the provisions of
6 Section 10-105.4 of Title 70 of the Oklahoma Statutes.

7 SECTION 14. State Aid funds shall be reduced or withheld by the
8 State Board of Education in an amount necessary to ensure compliance
9 with this act.

10 SECTION 15. The State Department of Education shall not
11 decline, refuse participation in, or choose not to apply for any
12 federal grant funding that had been received by the Department prior
13 to fiscal year 2023 (hereafter FY-23) without joint approval from
14 the President Pro Tempore of the Oklahoma State Senate and the
15 Speaker of the Oklahoma House of Representatives.

16 SECTION 16. No funds appropriated to the State Department of
17 Education in Enrolled Senate Bill No. 1125 of the 2nd Session of the
18 59th Oklahoma Legislature or under the control of the State
19 Department of Education shall be encumbered or expended for the
20 purpose of securing media interviews, public relations, or other
21 public promotional purposes unless expressly required to participate
22 in a federal grant program.

23 SECTION 17. Of the funds appropriated in Section 7 of Enrolled
24 House Bill No. 1004x of the 1st Extraordinary Session of the 59th

1 Oklahoma Legislature for the support of public school activities, up
2 to One Million Three Hundred Fifty Thousand Dollars (\$1,350,000.00)
3 in unspent funds may be used for the Secure Schools Program in
4 fiscal year 2025.

5 SECTION 18. The State Board of Education is authorized to
6 request the Office of Management and Enterprise Services to transfer
7 appropriated funds to the appropriate dispensing fund.

8 SECTION 19. The Superintendent of Public Instruction may
9 request through the Director of the Office of Management and
10 Enterprise Services the early transfer by the Oklahoma Tax
11 Commission of tax collections to the Education Reform Revolving Fund
12 for the purpose of early allocation to the State Board of
13 Education's disbursing funds to alleviate cash-flow problems.

14 SECTION 20. If funds appropriated in Sections 1 through 20 of
15 Enrolled Senate Bill No. 1125 of the 2nd Session of the 59th
16 Oklahoma Legislature are not sufficient to fully fund the provisions
17 of this act, each school district which qualifies for funds,
18 excluding Financial Support of Public Schools, pursuant to the
19 provisions of this act shall take a proportionate reduction.

20 SECTION 21. A. The Superintendent of Public Instruction may
21 request, in the manner provided in this section, that receipt and
22 expenditure of unanticipated federal funds awarded after July 1,
23 2024, be exempt from expenditure limitations and from budgetary
24 limitations.

1 1. The Superintendent shall make a request for exemption to the
2 Office of Management and Enterprise Services in writing and file a
3 revised budget work program.

4 2. The Superintendent shall also file copies of the request for
5 exemption and budget work program revisions with the Chair of the
6 Appropriations Committee of the Oklahoma State Senate and the Chair
7 of the Appropriations and Budget Committee of the Oklahoma House of
8 Representatives. The Chair of the Appropriations Committee of the
9 Oklahoma State Senate and/or the Chair of the Appropriations and
10 Budget Committee of the Oklahoma House of Representatives shall
11 notify the Office of Management and Enterprise Services of any
12 noncompliance of the request with legislative intent within twelve
13 (12) calendar days of receipt of the exemption request.

14 B. The Office of Management and Enterprise Services shall
15 approve the request for exemption unless both the Chair and Vice
16 Chair of the Legislative Oversight Committee on State Budget
17 Performance provide written notification to the Office of Management
18 and Enterprise Services within twelve (12) calendar days of the
19 Committee's receipt of the exemption request that the exemption
20 subverts the intention and objectives of the Legislature in
21 establishing the original limit. The Office of Management and
22 Enterprise Services shall give written notice of approval or
23 disapproval of each exemption to the agency, the Governor, the Chair
24 of the Appropriations Committee of the Oklahoma State Senate, and

1 the Chair of the Appropriations and Budget Committee of the Oklahoma
2 House of Representatives within eighteen (18) calendar days of
3 receiving the request.

4 SECTION 22. Appropriations made by this act, not including
5 appropriations made for capital outlay purposes, may be budgeted for
6 the fiscal year ending June 30, 2025 (hereafter FY-25), or may be
7 budgeted for the fiscal year ending June 30, 2026 (hereafter FY-26).
8 Funds budgeted for FY-25 may be encumbered only through June 30,
9 2025, and must be expended by November 15, 2025. Any funds
10 remaining after November 15, 2025, and not budgeted for FY-26, shall
11 lapse to the credit of the proper fund for the then current fiscal
12 year. Funds budgeted for FY-26 may be encumbered only through June
13 30, 2026. Any funds remaining after November 15, 2026, shall lapse
14 to the credit of the proper fund for the then current fiscal year.
15 These appropriations may not be budgeted in both fiscal years
16 simultaneously. Funds budgeted in FY-25, and not required to pay
17 obligations for that fiscal year, may be budgeted for FY-26, after
18 the agency to which the funds have been appropriated has prepared
19 and submitted a budget work program revision removing these funds
20 from the FY-25 budget work program and after such revision has been
21 approved by the Office of Management and Enterprise Services.

22 SECTION 23. It is the intent of the Legislature that compliance
23 with the provisions of this act is enforceable pursuant to the
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1 provisions of paragraph 9 of subsection A of Section 18b of Title 74
2 of the Oklahoma Statutes.

3 SECTION 24. This act shall become effective July 1, 2024.

4 SECTION 25. It being immediately necessary for the preservation
5 of the public peace, health or safety, an emergency is hereby
6 declared to exist, by reason whereof this act shall take effect and
7 be in full force from and after its passage and approval.

8 Passed the Senate the 28th day of May, 2024.

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Presiding Officer of the Senate

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12 Passed the House of Representatives the ____ day of _____,
13 2024.

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Presiding Officer of the House
of Representatives

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