

1 STATE OF OKLAHOMA

2 1st Session of the 59th Legislature (2023)

3 SENATE BILL 579

By: Montgomery

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5
6 AS INTRODUCED

7 An Act relating to school district funding; creating
8 the School District Ad Valorem Protest Assistance
9 Revolving Fund; providing sources of funds; stating
10 purpose; providing for expenditures from fund;
11 authorizing the State Board of Education to provide
12 loans and one-time funds to school districts under
13 certain circumstance; stating amount of loan;
14 prescribing repayment of loan; stating amount of one-
15 time funds; authorizing school districts submit
16 application; requiring the Board to provide certain
17 forms; making issuance of loan and payment of fund
18 contingent upon availability of funds; requiring
19 certain payment as funds become available; providing
20 for codification; and providing an effective date.

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

22 SECTION 1. NEW LAW A new section of law to be codified
23 in the Oklahoma Statutes as Section 3-104.12 of Title 70, unless
24 there is created a duplication in numbering, reads as follows:

25 A. There is hereby created in the State Treasury a revolving
26 fund for the State Board of Education to be designated the "School
27 District Ad Valorem Protest Assistance Revolving Fund". The fund
28 shall be a continuing fund not subject to fiscal year limitations
29 and shall consist of all monies appropriated or transferred to the

1 fund by the Legislature. Except as otherwise provided in this
2 section, all monies accruing to the credit of the fund are hereby
3 appropriated and may be budgeted and expended by the State Board of
4 Education for the purpose of providing financial assistance to local
5 school districts pursuant to subsection B of this section.

6 Expenditures from the fund shall be made on warrants issued by the
7 State Treasurer against claims filed as prescribed by law with the
8 Director of the Office of Management and Enterprise Services for
9 approval and payment.

10 B. The State Board of Education is authorized to provide loans
11 to school districts whose funding is reduced from the budgeted
12 amount due to ad valorem protests and one-time funds to school
13 districts whose funds received from the formula for State Aid
14 pursuant to Section 18-200.1 of Title 70 of the Oklahoma Statutes
15 were reduced as a result of an error in valuation by a county
16 assessor.

17 C. Loans made to a school district shall be equal to the amount
18 the district would have received from the taxes paid under protest
19 that are held separate by the county treasurer pursuant to Section
20 18-200.1 of Title 70 of the Oklahoma Statutes. Upon the
21 apportionment of funds to the district pursuant to subsection E of
22 Section 18-200.1 of Title 70 of the Oklahoma Statutes, the district
23 shall remit to the Board the funds received from the apportionment
24 and the loan shall be considered paid in full.

1 D. One-time funds paid to a school district shall be equal to
2 the difference between the amount of funds the district received for
3 a school year from the formula for State Aid and the amount of funds
4 the district would have received if the error in valuation had not
5 occurred.

6 E. School districts may apply for loans and one-time funds
7 provided pursuant to this section on forms prescribed by the Board.
8 Applications shall be processed by the Board in the order they are
9 received, and the issuance of loans and payments of one-time funds
10 shall require approval of the application by the Board and be
11 subject to the availability of funds on balance in the School
12 District Ad Valorem Protest Assistance Revolving Fund. Applications
13 for one-time funds made pursuant to subsection D of this section
14 approved by the Board but not paid due to unavailability of funds
15 shall be paid as funds become available.

16 SECTION 2. This act shall become effective November 1, 2023.

18 59-1-492 QD 1/17/2023 6:18:11 PM