

1 **HOUSE OF REPRESENTATIVES - FLOOR VERSION**

2 STATE OF OKLAHOMA

3 1st Session of the 60th Legislature (2025)

4 ENGROSSED SENATE
5 BILL NO. 1126

By: Hall and Haste of the
Senate

6 and

7 Caldwell (Trey) and Kane of
the House

10 An Act relating to education; specifying
apportionment of certain appropriated funds;
providing for the budgeting of funds in certain
categories and amounts; requiring development of
certain performance measures; requiring transfers of
certain funds; limiting authority to reduce certain
apportionments; requiring certain funds to be
expended for certain purposes; stating purposes for
allocated funds; requiring certain transfer of funds;
stating legislative intent regarding expenditures for
direct costs; prohibiting the State Department of
Education from contracting for certain administrative
costs in certain program; providing for duties and
compensation of employees of the State Department of
Education; requiring the reduction or withholding of
State Aid funds for certain purposes; authorizing the
State Board of Education to request transfer of
certain funds; authorizing the request of early
allocations for certain funds; requiring proportional
reductions of allocations under certain conditions;
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; requiring certain budgeting
procedures; prohibiting certain budgeting procedures;
providing an effective date; and declaring an
emergency.

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

2 SECTION 1. For the fiscal year ending June 30, 2026, for the
3 support of public school activities by the State Board of Education
4 payable from monies appropriated and authorized by Enrolled House
5 Bill No. 2766 of the 1st Session of the 60th Oklahoma Legislature
6 shall be apportioned as follows:

7 1. Funds appropriated and authorized by Sections 1, 2, 3, 4, 5,
8 6, 7, and 18 of Enrolled House Bill No. 2766 of the 1st Session of
9 the 60th Oklahoma Legislature:

10 Local- and State-supported

11 Financial Support of Public

12 Schools \$3,120,730,927.00

13 SUBTOTAL, PARAGRAPH 1 \$3,120,730,927.00

14 2. Funds appropriated by Sections 8, 9, 10, 12, 17, and 19 of
15 Enrolled House Bill No. 2766 of the 1st Session of the 60th Oklahoma
16 Legislature:

17 Certified Employee Health Benefit

18 Allowance \$410,851,159.00

19 Support Employee Health Benefit

20 Allowance \$247,723,418.00

21 Teachers' Retirement Credit \$35,000,000.00

22 Purchase of Textbooks and

23 Instructional Materials \$45,190,000.00

24 Public School Paid Maternity Leave

1	Revolving Fund	\$6,500,000.00
2	Student Teacher Compensation	\$2,650,000.00
3	Alternative and High Challenge	
4	Education	\$14,000,000.00
5	Education Leadership Oklahoma	\$4,500,000.00
6	Advanced Placement Incentives	\$1,559,863.00
7	Strong Readers Act	\$17,500,000.00
8	Required Assessments	\$13,405,685.00
9	Street School	\$200,000.00
10	Ag in the Classroom	\$38,000.00
11	Imagine Math	\$1,000,000.00
12	Imagine Reading	\$1,000,000.00
13	Oklahoma Imagination Library	
14	Program	\$2,000,000.00
15	Oklahoma Arts Institute	\$320,000.00
16	Early Intervention	\$16,725,341.00
17	Great Expectations	\$500,000.00
18	Early Childhood Initiative	\$14,000,000.00
19	School Lunch Matching	\$3,140,137.00
20	Nationally Recognized Career	
21	Readiness Assessments	\$250,000.00
22	Civil Rights Curriculum	\$50,000.00
23	SUBTOTAL, PARAGRAPH 2	\$838,103,603.00
24		

3. Funds appropriated by Section 11 of Enrolled House Bill No. 2766 of the 1st Session of the 60th Oklahoma Legislature:

Administrative and Support

Functions of the State Department

of Education \$18,145,366.00

SUBTOTAL, PARAGRAPH 3 \$18,145,366.00

TOTAL State School Aid and Programs \$3,976,979,896.00

SECTION 2. For the fiscal year ending June 30, 2026, the State

Board of Education shall budget all funds in the following

categories and amounts:

Total

Payroll, Salaries or Wages, \$22,627,959.00

Including Tax-sheltered Deferment

Contracts and Longevity Payments

Authorized by State Statutes

Professional and Personal Services

Contracts \$33,645,498.00

Other Operating Funds

\$33,645,498.00

Expenditure of Federal Funds \$634,934,710.00

TOTAL \$4,618,413,9761.00

The agency shall

SECTION 3. The funds appropriated in Sections 13 and 14 of

Enrolled House Bill No. 3766 of the 1st Session of the 60th Oklahoma

1 Legislature in the amount of Three Million Two Hundred Fifty
2 Thousand Dollars (\$3,250,000.00) shall be transferred to the School
3 Consolidation Assistance Fund.

4 SECTION 4. The funds appropriated in Sections 15 and 16 of
5 Enrolled House Bill No. 2766 of the 1st Session of the 60th Oklahoma
6 Legislature in the amount of Three Million Two Hundred Fifty
7 Thousand Dollars (\$3,250,000.00) shall be transferred to the
8 Teachers' Retirement System Dedicated Revenue 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 Alternative and High
20 Challenge Education, Education Leadership Oklahoma, Advanced
21 Placement Incentives, Strong Readers Act, Required Assessments,
22 Street School, Ag in the Classroom, Imagine Math, Imagine Reading,
23 Oklahoma Imagination Library Program, Oklahoma Arts Institute, Great
24 Expectations, Nationally Recognized Career Readiness Assessments,

1 and Civil Rights Curriculum. 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, providing
21 grants to districts wanting to start new advanced placement (AP)
22 programs, and expanding professional development, pursuant to the
23 provisions of Section 1210.703 of Title 70 of the Oklahoma Statutes.
24

1 SECTION 9. The funds allocated in Section 1 of this act for the
2 Strong Readers Act shall be expended pursuant to the provisions of
3 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
13 Oklahoma Statutes, and for encouraging school districts to
14 participate in 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 Revolving Fund (250). It is the intent of the Legislature that
18 funding available for SoonerStart Early Intervention Services be
19 expended for direct services to eligible infants and toddlers and
20 their families. The State Department of Education shall not
21 contract, pay, or reimburse for administrative cost recovery
22 personnel, accounting, management information system costs, and
23 maintenance and operations at the state or local level or indirect

1 costs which do not comply with the requirements of Section 13-125 of
2 Title 70 of 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. Of the funds allocated in Section 1 of Enrolled
8 House Bill No. 2766 of the 1st Session of the 60th Oklahoma
9 Legislature, Five Million Dollars (\$5,000,000.00) shall be deposited
10 in the Grow Your Own Educator Revolving Fund pursuant to the
11 provisions of Section 2 of Enrolled Senate Bill No. 235 of the 1st
12 Session of the 60th Oklahoma Legislature.

13 SECTION 15. The funds allocated in Section 1 of this act for
14 Civil Rights Curriculum shall be expended pursuant to the provisions
15 of Section 11.103.6p of Title 70 the Oklahoma Statutes.

16 SECTION 16. State Aid funds shall be reduced or withheld by the
17 State Board of Education in an amount necessary to ensure compliance
18 with this act.

19 SECTION 17. The State Board of Education is authorized to
20 request the Office of Management and Enterprise Services to transfer
21 appropriated funds to the appropriate dispensing fund.

22 SECTION 18. The Superintendent of Public Instruction may
23 request through the Director of the Office of Management and
24 Enterprise Services the early transfer by the Oklahoma Tax

1 Commission of tax collections to the Education Reform Revolving Fund
2 for the purpose of early allocation to the State Board of
3 Education's disbursing funds to alleviate cash-flow problems.

4 SECTION 19. If funds appropriated in Sections 1 through 19 of
5 Enrolled House Bill No. 2766 of the 1st Session of the 60th Oklahoma
6 Legislature are not sufficient to fully fund the provisions of this
7 act, each school district that qualifies for funds, excluding
8 Financial Support of Public Schools, pursuant to the provisions of
9 this act shall take a proportionate reduction.

10 SECTION 20. A. The Superintendent of Public Instruction may
11 request, in the manner provided in this section, that receipt and
12 expenditure of unanticipated federal funds awarded after July 1,
13 2024, be exempt from expenditure limitations and from budgetary
14 limitations.

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

18 2. The Superintendent shall also file copies of the request for
19 exemption and budget work program revisions with the chair of the
20 Appropriations Committee of the Oklahoma State Senate and the chair
21 of the Appropriations and Budget Committee of the Oklahoma House of
22 Representatives. The chair of the Appropriations Committee of the
23 Oklahoma State Senate and/or the chair of the Appropriations and
24 Budget Committee of the Oklahoma House of Representatives shall

1 | notify the Office of Management and Enterprise Services of any
2 | noncompliance of the request with legislative intent within twelve
3 | (12) calendar days of receipt of the exemption request.

4 | B. The Office of Management and Enterprise Services shall
5 | approve the request for exemption unless both the chair and vice
6 | chair of the Legislative Oversight Committee on State Budget
7 | Performance provide written notification to the Office of Management
8 | and Enterprise Services within twelve (12) calendar days of the
9 | Committee's receipt of the exemption request that the exemption
10 | subverts the intention and objectives of the Legislature in
11 | establishing the original limit. The Office of Management and
12 | Enterprise Services shall give written notice of approval or
13 | disapproval of each exemption to the agency, the Governor, the chair
14 | of the Appropriations Committee of the Oklahoma State Senate, and
15 | the chair of the Appropriations and Budget Committee of the Oklahoma
16 | House of Representatives within eighteen (18) calendar days of
17 | receiving the request.

18 | SECTION 21. It is the intent of the Legislature that compliance
19 | with the provisions of this act is enforceable pursuant to the
20 | provisions of paragraph 9 of subsection A of Section 18b of Title 74
21 | of the Oklahoma Statutes.

22 | SECTION 22. This act shall become effective July 1, 2025.

23 | SECTION 23. It being immediately necessary for the preservation
24 | of the public peace, health or safety, an emergency is hereby

1 declared to exist, by reason whereof this act shall take effect and
2 be in full force from and after its passage and approval.

3

4 COMMITTEE REPORT BY: COMMITTEE ON JOINT COMMITTEE ON APPROPRIATIONS
AND BUDGET, dated 05/19/2025 - DO PASS, As Amended.

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24