

1 STATE OF OKLAHOMA

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

3 HOUSE BILL 1297

By: Wesselhoft

4  
5  
6 AS INTRODUCED

7 An Act relating to the Native American Cultural  
8 Center and Museum; amending 3A O.S. 2011, Section  
9 713, as amended by Section 27, Chapter 304, O.S.L.  
10 2012 (3A O.S. Supp. 2014, Section 713), which relates  
11 to the Oklahoma Education Lottery Act; modifying  
12 appropriation of monies in the Oklahoma Education  
13 Lottery Trust Fund; providing for appropriation of  
14 certain amount to the Native American Cultural and  
15 Education Center Trust Fund; providing for allocation  
16 of certain monies under certain circumstances;  
17 creating the Native American Cultural and Education  
18 Center Trust Fund; making the fund a continuing fund;  
19 providing for budgeting and expenditures; stating  
20 source of funding; limiting expenditures to a certain  
21 purpose; providing for codification; providing an  
22 effective date; and declaring an emergency.

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

24 SECTION 1. AMENDATORY 3A O.S. 2011, Section 713, as  
amended by Section 27, Chapter 304, O.S.L. 2012 (3A O.S. Supp. 2014,  
Section 713), is amended to read as follows:

Section 713. A. All gross proceeds shall be the property of  
the Oklahoma Lottery Commission. From its gross proceeds, the  
Commission shall pay the operating expenses of the Commission. At  
least forty-five percent (45%) of gross proceeds shall be made

1 available as prize money. However, the provisions of this  
2 subsection shall be deemed not to create any lien, entitlement,  
3 cause of action, or other private right, and any rights of holders  
4 of tickets or shares shall be determined by the Commission in  
5 setting the terms of its lottery or lotteries. For each fiscal  
6 year, net proceeds shall equal at least thirty-five percent (35%) of  
7 the gross proceeds. However, for the purpose of repaying  
8 indebtedness issued pursuant to Section 732 of this title, for the  
9 first two (2) full fiscal years and any partial first fiscal year of  
10 the Commission, net proceeds need only equal at least thirty percent  
11 (30%) of the gross proceeds. All of the net proceeds shall be  
12 transferred to the Oklahoma Education Lottery Trust Fund as provided  
13 in subsection B of this section.

14 B. There is hereby created in the State Treasury a fund to be  
15 designated the "Oklahoma Education Lottery Trust Fund". Except as  
16 otherwise provided in subsections H and I of this section, on or  
17 before the fifteenth day of each calendar quarter, the Commission  
18 shall transfer to the State Treasurer, for credit to the Oklahoma  
19 Education Lottery Trust Fund, the amount of all net proceeds  
20 accruing during the preceding calendar quarter. Expenditures from  
21 the fund shall be made upon warrants issued by the State Treasurer  
22 against claims filed as prescribed by law with the Director of the  
23 Office of Management and Enterprise Services for approval and  
24 payment.

1        Upon their deposit into the State Treasury, any monies  
2 representing a deposit of net proceeds shall then become the  
3 unencumbered property of this state, and neither the Commission nor  
4 the board of trustees shall have the power to agree or undertake  
5 otherwise. The monies shall be invested by the State Treasurer in  
6 accordance with state investment practices. All earnings  
7 attributable to such investments shall likewise be the unencumbered  
8 property of the state and shall accrue to the credit of the fund.

9        C. Monies in the Oklahoma Education Lottery Trust Fund shall  
10 only be appropriated as follows:

11        1. Forty-five percent (45%) for the following:

- 12            a. kindergarten through twelfth grade public education,  
13                    including but not limited to compensation and benefits  
14                    for public school teachers and support employees, and
- 15            b. early childhood development programs, which shall  
16                    include but not be limited to costs associated with  
17                    prekindergarten and full-day kindergarten programs;

18        2. ~~Forty-five~~ Forty percent ~~(45%)~~ (40%) for the following:

- 19            a. tuition grants, loans and scholarships to citizens of  
20                    this state to enable such citizens to attend colleges  
21                    and universities located within this state, regardless  
22                    of whether such colleges and universities are owned or  
23                    operated by the Oklahoma State Regents for Higher  
24                    Education, or to attend institutions operated under

1 the authority of the Oklahoma Department of Career and  
2 Technology Education; provided such tuition grants,  
3 loans and scholarships shall not be made to a citizen  
4 of this state to attend a college or university which  
5 is not accredited by the Oklahoma State Regents for  
6 Higher Education,

7 b. construction of educational facilities for elementary  
8 school districts, independent school districts, The  
9 Oklahoma State System of Higher Education, and career  
10 and technology education,

11 c. capital outlay projects for elementary school  
12 districts, independent school districts, The Oklahoma  
13 State System of Higher Education, and career and  
14 technology education,

15 d. technology for public elementary school district,  
16 independent school district, state higher education,  
17 and career and technology education facilities, which  
18 shall include but not be limited to costs of providing  
19 to teachers at accredited public institutions who  
20 teach levels kindergarten through twelfth grade,  
21 personnel at technology centers under the authority of  
22 the Oklahoma State Department of Career and Technology  
23 Education, and professors and instructors within The  
24 Oklahoma State System of Higher Education, the

1 necessary training in the use and application of  
2 computers and advanced electronic instructional  
3 technology to implement interactive learning  
4 environments in the classroom and to access the state-  
5 wide distance learning network and costs associated  
6 with repairing and maintaining advanced electronic  
7 instructional technology,

8 e. endowed chairs for professors at institutions of  
9 higher education operated by The Oklahoma State System  
10 of Higher Education, and

11 f. programs and personnel of the Oklahoma School for the  
12 Deaf and the Oklahoma School for the Blind;

13 3. Five percent (5%) to the School Consolidation and Assistance  
14 Fund. When the total amount in the School Consolidation and  
15 Assistance Fund from all sources equals Five Million Dollars  
16 (\$5,000,000.00), all monies appropriated pursuant to this paragraph  
17 which would otherwise be deposited in the School Consolidation and  
18 Assistance Fund in excess of Five Million Dollars (\$5,000,000.00)  
19 shall be allocated by the State Department of Education to public  
20 schools based on the audited end-of-year average daily membership in  
21 grades 8 through 12 during the preceding school year for the purpose  
22 of purchasing technology equipment in order to conduct on-line  
23 testing as required by the Achieving Classroom Excellence Act of  
24 2005. If at any time the total amount in the School Consolidation

1 and Assistance Fund drops below Five Million Dollars  
2 (\$5,000,000.00), the monies appropriated pursuant to this paragraph  
3 shall be deposited in the School Consolidation and Assistance Fund  
4 until the Fund again reaches Five Million Dollars (\$5,000,000; and

5 4. Five percent (5%) to the Teachers' Retirement System  
6 Dedicated Revenue Revolving Fund; and

7 5. Five percent (5%) to the Native America Cultural and  
8 Education Center Trust Fund created in Section 2 of this act. When  
9 the total amount in the Native American Cultural and Education  
10 Center Trust Fund from all sources equals Thirty Million  
11 (\$30,000,000.00), all monies appropriated pursuant to this paragraph  
12 which would otherwise be deposited in the Native American Cultural  
13 and Education Center Trust Fund shall be allocated to the  
14 construction of educational facilities for elementary school  
15 districts, independent school districts, The Oklahoma State System  
16 of Higher Education and career and technology education as provided  
17 for in subparagraph b of paragraph 2 of this subsection.

18 D. The Legislature shall appropriate funds from the Oklahoma  
19 Education Lottery Trust Fund only for the purposes specified in  
20 subsection C of this section. Even when funds from the trust fund  
21 are used for these purposes, the Legislature shall not use funds  
22 from the trust fund to supplant or replace other state funds  
23 supporting common education, higher education, or career and  
24 technology education.

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

15 F. Except as otherwise provided by this subsection, no  
16 deficiency in the Oklahoma Education Lottery Trust Fund shall be  
17 replenished by reducing any nonlottery funds, including specifically  
18 but without limitation, the General Revenue Fund, the Constitutional  
19 Reserve Fund or the Education Reform Revolving Fund of the State  
20 Department of Education. No program or project started specifically  
21 from lottery proceeds shall be continued from the General Revenue  
22 Fund, the Constitutional Reserve Fund or the Education Reform  
23 Revolving Fund of the State Department of Education. Such programs  
24 must be adjusted or discontinued according to available lottery

1 proceeds unless the Legislature by general law establishes  
2 eligibility requirements and appropriates specific funds therefor.  
3 No surplus in the Oklahoma Education Lottery Trust Fund shall be  
4 reduced or transferred to correct any nonlottery deficiencies in  
5 sums available for general appropriations. The provisions of this  
6 subsection shall not apply to bonds or other obligations issued  
7 pursuant to or to the repayment of bonds or other obligations issued  
8 pursuant to the Oklahoma Higher Education Promise of Excellence Act  
9 of 2005.

10 G. There is hereby created in the State Treasury a revolving  
11 fund to be designated the "Oklahoma Education Lottery Revolving  
12 Fund". The fund shall be a continuing fund, not subject to fiscal  
13 year limitations, and shall consist of all monies received by the  
14 Commission. The Commission shall make payments of net proceeds from  
15 the fund to the Oklahoma Education Lottery Trust Fund on or before  
16 the fifteenth day of each calendar quarter as provided in subsection  
17 B of this section. All monies accruing to the credit of the  
18 Oklahoma Education Lottery Revolving Fund are hereby appropriated  
19 and may be budgeted and expended for the payment of net proceeds,  
20 prizes, commissions to retailers, administrative expenses and all  
21 other expenses arising out of the operation of the education  
22 lottery, subject to the limitations provided in the Oklahoma  
23 Education Lottery Act. Expenditures from the fund shall be made  
24 upon warrants issued by the State Treasurer against claims filed as



1 prescribed by law with the Director of the Office of Management and  
2 Enterprise Services for approval and payment.

3 The monies in the fund shall be invested by the State Treasurer  
4 in accordance with state investment practices. All earnings  
5 attributable to such investments shall likewise accrue to the credit  
6 of the fund.

7 H. When appropriations from the Oklahoma Education Lottery  
8 Trust Fund are made to common education pursuant to the provisions  
9 of paragraph 1 of subsection C of this section, the appropriations  
10 shall be made available on a monthly basis. In addition to the  
11 provisions of subsection B of this section, the following process  
12 shall be used to insure that the appropriations are made available  
13 to common education in a timely manner:

14 1. Beginning in July of the fiscal year in which appropriations  
15 are made to common education from the Oklahoma Education Lottery  
16 Trust Fund, the Commission, on or before the ninth day of each  
17 month, shall transfer to the State Treasurer, for credit to the  
18 Oklahoma Education Lottery Trust Fund, the amount of net proceeds  
19 accruing during the preceding month equal to the amount of total  
20 monthly collections due to common education as required by paragraph  
21 1 of subsection C of this section;

22 2. The Director of the Office of Management and Enterprise  
23 Services shall allocate the transfers provided for in paragraph 1 of  
24 this subsection to the State Department of Education on a monthly

1 basis, not to exceed one-twelfth (1/12) of the annual apportionment  
2 for the fiscal year; and

3 3. The total amount of transfers to the Oklahoma Education  
4 Lottery Trust Fund of net lottery proceeds made pursuant to this  
5 subsection shall not exceed the total appropriations made to common  
6 education from the Oklahoma Education Lottery Trust Fund for the  
7 specific fiscal year.

8 I. When appropriations from the Oklahoma Education Lottery  
9 Trust Fund are made to The Oklahoma State System of Higher  
10 Education, the appropriations shall be made available to the System  
11 on a monthly basis. In addition to the provisions of subsection B  
12 of this section, the following process shall be used to ensure that  
13 the appropriations are made available to The Oklahoma State System  
14 of Higher Education in a timely manner:

15 1. Beginning in July of the fiscal year in which appropriations  
16 are made to The Oklahoma State System of Higher Education from the  
17 Oklahoma Education Lottery Trust Fund, the Commission, on or before  
18 the ninth day of each month, shall transfer to the State Treasurer,  
19 for credit to the Oklahoma Education Lottery Trust Fund, the amount  
20 of net proceeds accruing during the preceding month equal to the  
21 amount of total monthly collections due to the Oklahoma State  
22 Regents for Higher Education as required by paragraph 2 of  
23 subsection C of this section;

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1           2. The Director of the Office of Management and Enterprise  
2 Services shall allocate the transfers provided for in paragraph 1 of  
3 this subsection to the Oklahoma State Regents for Higher Education  
4 on a monthly basis, not to exceed one-twelfth (1/12) of the annual  
5 apportionment for the fiscal year; and

6           3. The total amount of transfers to the Oklahoma Education  
7 Lottery Trust Fund of net lottery proceeds made pursuant to this  
8 subsection shall not exceed the total appropriations made to The  
9 Oklahoma State System for Higher Education from the Oklahoma  
10 Education Lottery Trust Fund for the specific fiscal year.

11           SECTION 2.       NEW LAW       A new section of law to be codified  
12 in the Oklahoma Statutes as Section 1226.18 of Title 74, unless  
13 there is created a duplication in numbering, reads as follows:

14           There is hereby created in the State Treasury a revolving fund  
15 for the Native American Cultural and Educational Authority, to be  
16 designated the "Native American Cultural and Education Center Trust  
17 Fund". The fund shall be a continuing fund, not subject to fiscal  
18 year limitations. Subject to the provisions of Section 713 of Title  
19 3A of the Oklahoma Statutes, all monies accruing to the credit of  
20 the fund are hereby appropriated and may be budgeted and expended by  
21 the Native American Cultural and Educational Authority. The fund  
22 shall consist of funds appropriated to the fund pursuant to the  
23 provisions of paragraph 5 of subsection C of Section 713 of Title 3A  
24 of the Oklahoma Statutes. Monies accruing to the credit of the fund

1 shall only be expended for the purpose of completing construction of  
2 the American Indian Cultural Center and Museum.

3 SECTION 3. This act shall become effective July 1, 2015.

4 SECTION 4. It being immediately necessary for the preservation  
5 of the public peace, health and 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.

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