

1 STATE OF OKLAHOMA

2 2nd Session of the 58th Legislature (2022)

3 SENATE BILL 1211

By: Standridge

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5  
6 AS INTRODUCED

7 An Act relating to school districts; amending 70 O.S.  
8 2021, Section 5-155, which relates to the contents of  
9 school district budgets; requiring school budget  
10 summaries to include an estimate of certain  
11 membership fees or dues; prohibiting a school  
12 district board of education from including certain  
13 expenditure in its adopted budget if it receives  
14 substantial opposition; providing definition;  
15 prohibiting certain funds from being used to pay  
16 certain fees or dues if it receives certain  
17 opposition; requiring a school district to post on  
18 its website certain information related to certain  
19 organization or association of which it is a member;  
20 providing penalties for violations; directing the  
21 State Department of Education to annually publish  
22 online and submit certain list by certain date;  
23 providing for promulgation of rules; providing for  
24 codification; providing an effective date; and  
25 declaring an emergency.

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

20 SECTION 1. AMENDATORY 70 O.S. 2021, Section 5-155, is  
21 amended to read as follows:

22 Section 5-155. A. The school district budget shall represent a  
23 complete plan for the school district and shall present information  
24 necessary and proper to disclose the financial position and  
25

1 condition of the school district and the revenues and expenditures  
2 thereof, both past and anticipated.

3 B. A school district budget shall contain a budget summary. It  
4 shall also be accompanied by a budget message which shall explain  
5 the budget and describe its important features. It shall contain at  
6 least the following in tabular form for each fund:

7 1. Actual revenues and expenditures for the immediate prior  
8 fiscal year;

9 2. Revenues and expenditures for the current fiscal year as  
10 shown by the budget for the current year as adopted or amended; ~~and~~

11 3. Estimates of revenues and expenditures for the budget year;  
12 and

13 4. Estimates of fees or membership dues to be paid to a private  
14 organization or association that is owned, operated, or affiliated  
15 with a national entity.

16 C. 1. The school district governing body shall hold a public  
17 hearing on the proposed budget within forty-five (45) days preceding  
18 the beginning of the budget year. Notice of the date, time, and  
19 place of the hearing, together with the proposed budget summary,  
20 shall be published in a newspaper of general circulation in the  
21 school district not less than five (5) days before the date of the  
22 hearing. The clerk of the board shall make available a sufficient  
23 number of copies of the proposed budget as the governing body shall  
24 determine and shall have them available for review or for

1 distribution at the office of the chief financial officer. At the  
2 public hearing on the budget any person may present to the governing  
3 body comments, recommendations, or information on any part of the  
4 proposed budget.

5 2. A school district governing body that receives substantial  
6 opposition to inclusion of proposed expenditures related to  
7 paragraph 4 of subsection B of this section shall not include such  
8 expenditures in its adopted budget. For purposes of this section,  
9 "substantial opposition" means comments, recommendations, or  
10 information presented at the public hearing required by this  
11 subsection in opposition to the proposed expenditure that represents  
12 at least ten percent (10%) of the electors in a board district  
13 within the school district.

14 D. The adopted budget shall be in effect no later than the  
15 first day of the fiscal year to which it applies. The budget as  
16 adopted and filed with the State Auditor and Inspector shall  
17 constitute an appropriation for each fund, and the appropriation  
18 thus made shall not be used for any other purpose except as provided  
19 by law.

20 E. Each school district shall amend the original budget after  
21 June 30 of each year after the June financial activity has been  
22 recorded, the annual Foundation and Salary Incentive Aid allocation  
23 has been released, and the property tax valuations have been  
24 certified for all affected counties within the school district. The

1 amended budget shall include all of the following information which  
2 is applicable:

3 1. Valuation of the school district by county and  
4 classification, excluding homestead exemptions;

5 2. Bonded debt and judgments outstanding, including interest  
6 rates by maturity;

7 3. Matured debt and judgments;

8 4. Sinking fund balance, including cash and investments;

9 5. Sinking fund levy calculations, including surplus/deficit,  
10 principal accrual, annual interest, judgment installment and  
11 interest, total net levy, and delinquency;

12 6. Levies in millage for general fund, building fund, and  
13 sinking fund;

14 7. Millage adjustment factor, if applicable;

15 8. Previous year sinking fund collections, including total  
16 proceeds as certified, additions, or deductions, reserve for  
17 delinquent tax, reserve for protest pending, tax apportioned, net  
18 balance in process of collection, and excess collections; and

19 9. Surplus analysis, including itemized sources of excess and  
20 deductions.

21 F. At the time required by law, the county excise board shall  
22 levy the taxes necessary for the school district general fund,  
23 building fund, and sinking fund for the budget year pursuant to  
24 Sections 397 and 399 of Title 62 of the Oklahoma Statutes, and for

1 the school district general and building funds for the budget year  
2 pursuant to Section 9 of Article X of the Oklahoma Constitution.

3 SECTION 2. NEW LAW A new section of law to be codified  
4 in the Oklahoma Statutes as Section 5-300 of Title 70, unless there  
5 is created a duplication in numbering, reads as follows:

6 A. No school district shall use state-appropriated funds to pay  
7 any fees or membership dues to a private organization or association  
8 that is owned, operated, or affiliated with a national entity if  
9 such proposed expenditure receives substantial opposition, as  
10 provided for in Section 5-155 of Title 70 of the Oklahoma Statutes.

11 B. By January 1 of each year, every school district shall  
12 publish on its website information about any private organization or  
13 association of which the school district is a member. The  
14 information shall include a description of the organization or  
15 association and financial reports published by the organization or  
16 association.

17 C. 1. Any school district found to have violated the  
18 provisions of subsection A of this section shall have its State Aid  
19 allocation reduced by ten percent (10%) for the first violation.

20 2. A ten percent (10%) reduction in State Aid shall occur each  
21 school year the school district is in violation of subsection A of  
22 this section.

23 D. By January 1 of each year, the State Department of Education  
24 shall publish on its website and submit to the President Pro Tempore

1 of the Senate and the Speaker of the House of Representatives a list  
2 of school districts found to have violated the provisions of  
3 subsection A of this section.

4 E. The State Board of Education may promulgate rules to  
5 implement the provisions of this act.

6 SECTION 3. This act shall become effective July 1, 2022.

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

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